

# Madison County Coin Club of Huntsville, Alabama



Volume 8, Issue 3

March 2008

## The President's Corner

Our February meeting was a good one with **Charles Cataldo**, a Huntsville professional coin dealer and club member, presenting an excellent program on the "State of The Coin Market". He talked about how the silver and gold markets are at high levels, and are very volatile. He also talked about coins in general and how strong the market is overall.

We are proud to have one of our members, **Verdery Roberson**, honored recently by the Boy Scouts for his long service as a mentor to the Scouting Program, and for his 55 years service with the American Red Cross teaching swimming and water safety to the youth. Congratulations Verdery!

We had two guests at the last meeting, and it is good to see new people interested in coins coming to our meeting. If everyone would invite just one person they know who collects coins to our meetings, we can grow.

Next month is National Coin Week, and it is an excellent opportunity to share your interests and

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## The Libyan Currency Commission – Part 1

*By Peter Symes*

The Libyan Currency Commission was established as the monetary authority to guide independent Libya to financial stability. The authority had a short life of four years and produced two series of banknotes. While the notes are relatively simple to describe, the intriguing aspect to these notes is that they are catalogued in the wrong order of issue in the Standard Catalogue of World Paper Money. The reasons for this, as will be shown, are understandable, but it is surprising that this mistake has not previously been noted.

From the early sixteenth century, Libya was part of the Ottoman Empire, but from 1711 to 1835 the area maintained some autonomy under the rule of the Karamanli dynasty. When a dispute arose in 1835 over succession within the dynasty, the Ottomans intervened and re-established direct rule from Istanbul. This situation lasted until the beginning of the twentieth century. During the Italo-Turkish war of 1911–12 Italy occupied Libya and, by the Treaty of Ouchy signed in 1912, Turkey ceded Libya to Italy.

The Italians commenced a program of colonization that continued under various Italian governments. Benito Mussolini's government was the most active in this area and by the outbreak of World War II some 150,000 settlers had arrived from Italy. At the conclusion of the Second World War, Great Britain and France were in control of Libya. Great Britain was

*Continued on page 3*

collections with someone or a business. I am working on having a display at one of our local banks. What ideas do you have to share numismatics with others?

Our speaker this month is a good one and his topic is quite interesting. His name is Dennis Schafluetzel and he is the President of the Georgia Numismatic Association. His program will be on the AL and Chattanooga Railroad. If you have anything pertaining to this topic please bring it to the meeting.

Plan to attend. See you on March 25th at 6:30

## From the Library

### All the Money in the World, The Art and History of Paper Money and Coins from Antiquity to the 21<sup>st</sup> Century

By Douglas Mudd



## ALL THE MONEY IN THE WORLD

THE ART AND HISTORY OF PAPER MONEY  
AND COINS FROM ANTIQUITY TO THE 21ST CENTURY

DOUGLAS MUDD

CURATOR, AMERICAN NUMISMATIC ASSOCIATION MONEY MUSEUM



Mr. Mudds book is informative, insightful and entertaining! It is especially useful to educators as an introduction to the amazing world of money. The author has a wonderful way of presenting historical events and anecdotes that is compelling to all age groups. The illustrations and photographs are especially striking. ■

## Canada, Celebrating the 100th Anniversary of the Royal Canadian Mint, 1908-2008



Richard Jozefiak has set up a nice display at the Madison Library for the month of March. The title of his display is: "Canada, Celebrating the 100th Anniversary of the Royal Canadian Mint, 1908-2008". The library is located: 130 Plaza Blvd, Madison, AL 256-461-0046. It is open seven days a week, but hours vary. ■



Richard's exhibit is at the Madison Library

responsible for the provinces of Tripolitania and Cyrenaica in northern Libya, while France was responsible for the province of the Fezzan in the south. Great Britain took responsibility for the two northern provinces because their army had occupied the area after driving out the Axis forces in the winter of 1942-43, while France had liberated and occupied the Fezzan following a march by the Free French from Lake Chad during the War.

After World War II, debate over Libya's future occupied the international community for some years and ultimately it was decided that the UN should guide Libya to nationhood. On 21 November 1949 the United Nations resolved that Libya should become an independent nation before 1 January 1952. A commissioner appointed by the United Nations then worked with Britain and France to establish self-rule for Libya. On 24 December 1951 the United Kingdom of Libya, under the sovereignty of King Idris I, became the first country to be established as an independent state through efforts of the United Nations.

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*At the beginning of the British occupation early in 1943 the British Military Administration Pound was introduced, but the metropolitan Italian Lira was allowed to continue in circulation at the arbitrarily fixed exchange rate of 480 to the pound sterling.*

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From the end of World War II the three Libyan provinces were maintained by separate administrations. By the force of circumstances, this resulted in separate currencies circulating in each of the three provinces. The following extracts, from 'Currency Unification in Libya' (Staff Papers of the International Monetary Fund, Volume II, 1951-52) by G. A. Blowers and A. N. McLeod, describe the situation in each province. Blowers and McLeod had been nominated by the United Nations to investigate the economic conditions of Libya in preparation for the introduction of Libya's own currency. (George Blowers was later to become the first Governor of the Saudi Arabian Monetary Agency.)

The report of Blowers and McLeod notes that the Italian metropolitan lira circulated in Libya prior to World War II, then describes the situation in each province at the time the report was written. With regard to Tripolitania, the following is stated:

'The currency now circulating in Tripolitania is the Military Authority Lira (MAL), having an exchange value equal to an English halfpenny (480 to the pound sterling). It was originally issued in exchange for the Italian lira on a one-for-one basis. At the beginning of the British occupation early in 1943 the British Military Administration Pound was introduced, but the metropolitan Italian Lira was allowed to continue in circulation at the arbitrarily fixed exchange rate of 480 to the pound sterling. Beginning on September 15, 1943, however, the Military Authority Lira was introduced. The British Military Administration Pound and the metropolitan lira were retired, ceasing to be legal tender in the territory on November 30, 1943. In order to meet the need for small change, however, denominations of five lire or less were permitted to continue in circulation, being accepted at their face value as equivalent to Military Authority Lire.'



A Military Authority 5 lire note was used in Tripolitania



A Military Authority 10 lire note

The notes issued by the Military Authority in Tripolitania were in eight denominations – 1, 2, 5, 10, 50, 100, 500 and 1000 lire.

The description of the situation in the province of Cyrenaica was stated in the following terms by Blowers and McLeod.

'In Cyrenaica the Egyptian pound, which had been used to pay the British Eighth Army while operating from bases in Egypt, was introduced at the time of the occupation late in 1942 and early in 1943. Throughout the first nine months of 1943, the Italian lira was accepted for the purchase of foodstuffs, that is, for the majority of the payments made by the local populace to the administration, as at that time lire were required by other branches of the Army and the amounts acquired in Cyrenaica were easily disposed of. Beginning in September 1943 the percentage of payments for foodstuffs acceptable in lire was gradually reduced, the remainder being payable in Egyptian currency. Italian lire in the denominations of 50 lire and less (later reduced to denominations of 10 lire and less) continued to be accepted because of the shortage of small change. Late in 1944 an attempt was made to require all payments to the Administration to be made entirely in Egyptian pounds.

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*The notes issued by the Military Authority in Tripolitania were in eight denominations – 1, 2, 5, 10, 50, 100, 500 and 1000 lire.*

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This proved unenforceable at the time, but the change was made effective from October 1, 1945 without serious difficulty; as of September 30, 1945, some 437.8 million Italian lira had been withdrawn. The shortage of small change in Egyptian currency continued, and limited amounts of Italian money in denominations of one to ten lire continued to circulate. The lira had been revalued at 500 to the Egyptian pound for this purpose, although by December 1945 the rate of exchange in open markets was 1,500 to the Egyptian pound. By 1947 the Italian lira had practically

ceased to circulate in the territory.'

Information on the Fezzan proved to be scanty for the researchers and their comments on currency circulating in this territory are short.

'In the Fezzan area the Algerian franc (equal in value to the franc of metropolitan France) circulates. No data are available on the amount in circulation in the area, but the population is so small in numbers and has such a low standard of living that the amount cannot be large.'

The notes that circulated in the Fezzan are of some interest. The Standard Catalogue of World Paper Money (Volume 2, Ninth Edition) describes three denominations—5, 25 and 100 francs—issued by the Banque de l'Afrique Occidentale (Bank of West Africa) which are purported to have circulated in the Fezzan. The notes carry a stamp that reads 'R F Fezzan', with the 'R F' believed to represent Republique Française. However, a caveat accompanies the description of these notes in the Catalog. The caveat states: 'There is a possibility that all Fezzan ovpt. notes except some of #M9 [5 francs] are spurious.'

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Leclerc and Kolsky, in Les Billets Africains de la Zone Franc, state that 5-franc notes dated 10 March 1938 issued by the Banque de l'Afrique Occidentale were used in the Fezzan. According to records held by the Caisse Centrale de la France Libre, a monetary crisis arose in the Fezzan because people refused to use the Italian currency following the occupation of the province by the Free French. A proposal to use notes of the Bank of Algeria was rejected and notes previously used by the Banque de l'Afrique



Egyptian Pound Notes were also used in Libya

Occidentale and withdrawn from circulation were over stamped by linotype and placed into circulation. While the records of the Caisse Centrale de la France Libre specifically mention the 5-franc notes, they are silent on any other denominations, casting doubt as to whether higher denomination notes were issued in a similar manner. (This suggests that the higher denomination notes with the over stamp are contrived to sell to collectors.)

Despite the initial rejection of Algerian currency, it appears that the short term solution of over stamped 5-franc notes soon gave way to the circulation of Algerian banknotes in the Fezzan. The report by Blowers and McLeod that 'the Algerian franc' circulated in the Fezzan is echoed in the First Report of the Libyan Currency Commission, which states that the new Libyan currency was exchanged for Algerian francs in the Fezzan.

While there were many matters facing the United Nations during the preparation of Libya for independence, one of their greatest concerns was the Libyan economy. Libya was a relatively poor country, subject to drought and possessing limited arable land. The United Nations realized that specific measures would have to be instigated so that stability could be brought to the new nation. In order to achieve this, a new currency for Libya was necessary. The first objective of a new currency was to provide a unified currency for Libya, which would encourage trade between the three provinces. The second objective was to establish an internationally recognized currency that could facilitate commerce between Libya and other nations.

These objectives were seen to be so important, that the United Nations sought to specifically address these issues, along with other general economic issues, at a series of meetings organized during 1951. The first meeting was held in London from 14–16 March and the remaining meetings in Geneva, from 11–28 April, 29 May to 9 June, 5–7 July, and 24–29 September. The governments of Egypt, France, Italy,

the United Kingdom, and the United States of America were invited by the UN Commissioner for Libya to meet and discuss the economic issues. Egypt sent only an observer to the first and fourth meetings and declined to be involved in the final meetings.

Advice at the meeting was supplied by Blowers and McLeod, based on their report prepared for the UN Commissioner. Blowers and McLeod advised against establishing a central bank in Libya, as they believed that Libya had no experience of central banking. Indeed there was very little experience in any type of banking by Libyan nationals, as most banks in Libya were run by foreign companies. Their recommendation was for a 'Currency Authority domiciled in Libya and composed in part of Libyan nationals and in part of foreign experts.' As a currency unit, they recommended a value equivalent to four shillings sterling – divided into 100 parts. Banknotes were to be issued in denominations of 500, 100, 50, 10, 5 and 1 unit.

These recommendations, amongst many others, were presented to the experts meeting in London and Geneva. Most delegates at the conference supported the recommendations compiled by Blowers and McLeod, but the Egyptians found difficulties in accepting some of the proposals and dissociated themselves from the final recommendations.

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*The Libyans insisted that the unit of currency be called the Libyan Pound, that it be equal to one pound sterling, and that it should be divided into 100 piastres and 1000 millièmes.*

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The Libyans accepted most of the recommendations presented to them, but they would not accept the proposed units of currency. The Libyans insisted that the unit of currency be called the Libyan Pound, that it be equal to one pound sterling, and that it should be divided into 100 piastres and 1000 millièmes. The Libyan Government also opted to become a member of the Sterling Area. The inclusion of Libya in the

Sterling Area caused a deal of consternation with the Egyptians and drew some protest from the French and Italians. However, the latter two countries accepted the proposal on the understanding that some of the currencies securing the Libyan pound would be French francs and Italian lire.

At the third series of meetings, convened in Geneva from 29 May to 9 June, most matters concerning the proposed currency and the currency authority were decided, although they had been discussed earlier. Firstly, a 'Preparatory Currency Committee' was established to undertake the responsibilities that would in future be undertaken by the permanent currency authority. The members of the Committee were: Dr. A. N. Aneizi and Mr. A. al-Missellati (representing the Provisional Government of Libya), Mr. J. Koszul and Mr. de Fleurieu (representing France), Mr. A. Zecchi (representing Italy), and Mr. F. A. Ticehurst and Mr. C. E. Loombe (representing the United Kingdom). It was expected that the Egyptians would have representation on the Preparatory Currency Committee, but their decision to distance themselves from the proceedings and recommendations of the meetings held in Geneva also led to their absence from the Committee. The Preparatory Currency Committee first convened as an entity in Geneva from 31 May to 1 June 1951.

The Committee endorsed Libya's desire to name the currency unit as the 'Libyan Pound' and to subdivide it as requested. They also decided on the form and amount of currency to be ordered. Decision No.3 of the Committee was 'That the Bradbury Wilkinson "A" design should be taken as the basic note for the basic unit of currency.' This decision suggests that designs for the notes had been called for at one of the earlier meetings convened in London or Geneva. Unfortunately, the companies requested to submit designs is not recorded, and neither is the range of designs available to the Committee. Ultimately, the first issue of Libyan notes was printed by the British security printers Bradbury Wilkinson and Company and Thomas De La Rue and Company.

The required number of notes was determined to be:

100,000	at	£10	=	£1,000,000
200,000	at	£ 5	=	£1,000,000
3,000,000	at	£ 1	=	£3,000,000
3,000,000	at	£ ½	=	£1,500,000
3,000,000	at	£ ¼	=	£ 750,000
3,000,000	at	10 piastres	=	£ 300,000
4,000,000	at	5 piastres	=	£ 200,000
Total:				£7,850,000

The recommendations of the delegates at the Geneva conferences, with the modifications required by the Libyans, were embodied in Law No.4, the Libyan Currency Law, which was enacted on 23 Moharram 1371 (24 October 1951). The British had issued the 'Transfer of Powers (No.1) Proclamation No.220' on 12 October 1951 specifically to empower the Provisional Government of Libya to enact and implement the law for the introduction of the currency. The Currency Law also established the Libyan Currency Commission to control the currency.

About the author:

Peter Symes is a publisher of books and articles on world paper money. Many have been published in the *International Bank Note Society Journal*. To learn more about his books available for sale, please visit his home page at <http://www.pjsymes.com.au/>. ■

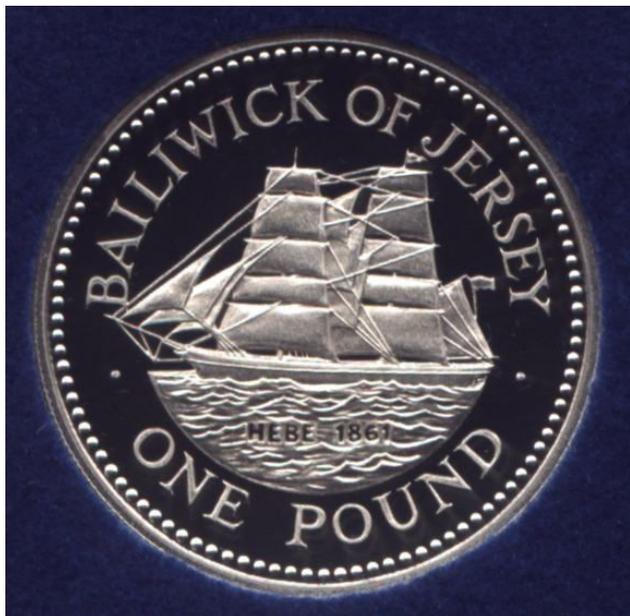
### **Inclement Weather Notice**

If the Huntsville City Schools are closed due to inclement weather, then the Huntsville Senior Center is closed. There will be no club meeting if the Huntsville Senior Center is closed. Local TV and radio stations will give notice of any Huntsville school closure. ■

## Jersey's Shipbuilding Series

### Part 3: The Hebe and the Seal of the Bailiwick

By Harold Fears



*The Hebe*

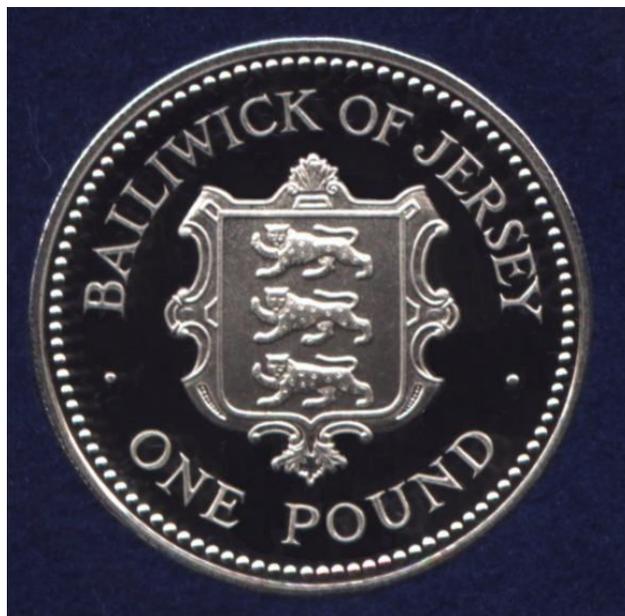
The third coin in the series depicts a two masted brig, the Hebe. The Hebe was built by Daniel Le Vesconte of First Tower and owned by the Le Boutilier Company. This brig, launched in January 1861, weighed 236 tons, measured 119 feet long with a beam of 24 feet and had a draft of 13 feet. She plied her trade on the North Sea and the North Atlantic. She was also used to ferry emigrant workers from Europe to Canada. She was wrecked in October 1887 on Bryon Island in the Gulf of St. Lawrence.

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*The design was modeled after the reverse of the 1866-1871 coinage.*

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The reverse of the next coin, the fourth in series, features the Seal of the Bailiwick, a square shield Coat of Arms originating from those granted to the Island of Jersey by Edward I in 1279. The design was modeled after the reverse of the 1866-1871 coinage.



*The Seal of the Bailiwick*



*The reverse from an 1870 one thirteenth of a shilling*

Both pound coins were issued in 1992 and each had 20,000 circulation strike coins, 3000 silver proof coins, and 250 gold proof coins minted.

Next month, we will look at the *Gemini* and the *Century* pound coins. ■

## The Role of the Spanish Dollar in the United States

By Bob Jaques

Long before the first United States coins rolled off the presses in 1793, the Spanish Milled Dollar, known as the Pillar Dollar, was one most acceptable circulating coins in the Colonies.

It measures a little larger than the Morgan dollar and is made of silver weighing about 27 grams. The value is 8 Reales and this value is located on the reverse to the right of the shield. Because of this value it is sometimes referred to as a "piece of eight".

The Spanish Milled Dollar was struck between the years 1732 and 1772. These Pillar Dollars were never minted in Spain, but only at mints in the New World. Some of the countries minting these coins were Bolivia, Chile, Columbia, Guatemala, Mexico, and Peru.

Mexico was the first mint to coin the Pillar Dollar in 1732. The Mexico mint can be distinguished by the M-mintmark to the left of the date and the right of the date on the obverse. That's right. Two mint marks on the same coin.

The term "milled" refers to the fact that the planchets were milled by a machine for accurate consistency of silver weight and size. This technology allowed the Pillar Dollar to be the basis of the world monetary system in the 1700's.

The pillars on the front are known as the Pillars of Hercules and are the reason for the coin being known as the Pillar Dollar rather than just a Spanish 8 Real. This coin is the basis for slang language referring to our own coins. For example, the Pillar Dollar was often cut into 8 pieces, or "bits", and then used as fractional coins. If you divide 8 into 100 (for

100 cents) you find each bit is worth 12-1/2 cents. Thus, a quarter would be called "two bits" and a half dollar called "four bits". We seldom hear these slang terms these days, but once these slang terms were quite popular in this country.



In 1776, Thomas Jefferson recommended to the Continental Congress that our new Country adopt the silver "Spanish Milled Dollar" as our monetary unit of value. The proposal was defeated, but the coin remained legal tender in the United States until 1857.

Today these coins are highly desirable and can be purchased in fine grades for between \$150 to \$200. ■

## Members' Notices

Rules for users of the member notice page: All notices are free and should be directed to the editor of the Madison County Coin Club newsletter (see back page for address). Notices will be limited to a maximum of 8 lines, including the name and contact information. The person entering the notice must answer all responses to notices. Preference will be given in the following order to notices when the page is oversubscribed in a single month:

1. Research Notices
2. Wanted Items
3. Trades Offered
4. For Sale Items

**Looking for world coins or tokens with sailing ships, or dragons.** Interested in crowns, and smaller denominations. Silver, Cupero-Nickel, bronze, Aluminum and the like. Contact Mark at [TheLarsens@bellsouth.net](mailto:TheLarsens@bellsouth.net)

**Looking for Alaskan Medals and Tokens.** Contact: Richard [ANALMRJ@gmail.com](mailto:ANALMRJ@gmail.com) or 256-337-5092

**Looking for numismatic information concerning the Island of Jersey, Channel Islands.** Especially interested in magazine or newspaper articles. Contact: Harold [hkfears@knology.net](mailto:hkfears@knology.net) or 256-881-6268.

## Membership Dues

Your 2008 dues can be paid at the next meeting, or if you wish, you can send in your check to

**Mike Campbell  
8001 Randall Road  
Huntsville, AL 35802**

Membership forms are available at:  
<http://mccc.anacclubs.org/MCCC%20Application.pdf>

Please make check payable to Madison County Coin Club. Please support MCCC by promptly renewing your membership.

## March Meeting Details

Dennis Schafluetzel, President of the Georgia Numismatic Association, will be our featured speaker in March. His presentation is titled "*Carpetbagger Promotes, Combines and Rebuilds and Bankrupts AL & Chattanooga Railroad.*"

A native of St. Louis, MO, Dennis, grew up and went to school in Greeley, CO and graduated from the University of Colorado in Chemical Engineering. He worked for DuPont in four locations over 40 years before retiring in 2001. He has two children, both married, and four grandchildren.

Dennis has collected US and Canadian coins and tokens since 1954 and expanded to paper money in 1996, specializing in National Bank Notes, and Obsolete Currency from Chattanooga.

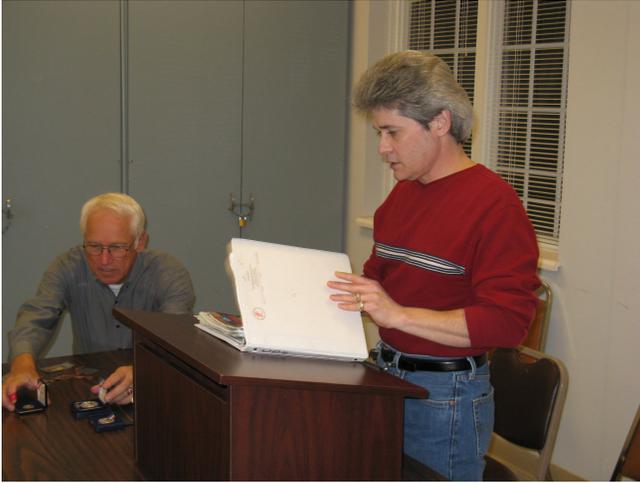
He has been a member of local coin clubs since he was a teenager in Greeley, CO and throughout his numerous location assignments with DuPont. He is a member and current treasurer of Chattanooga Coin Club and member and former president of Chief John Ross club. Dennis is currently President of the Georgia Numismatic Association (GNA) and was VP of the Tennessee State Numismatic Association. He is a 32-year member and exhibit judge of [ANA](#) and is also a member of CNA, BRNA, SPMC, and ASCC.

He has written articles for the [Numismatist](#), SPMC, GNA Journal, Metropolitan Club of Atlanta and TennCoin. He is the co-author, with Tom Carson, of the electronic book "[Chattanooga Money](#)" with over 1000 color images published in 2003. He is currently working with Tom on a new e-book on Tennessee Merchant Scrip.

**Visit us on the web at**

**<http://mccc.anacclubs.org/>**

## Some Scenes from the February Meeting



*Charles prepares for his audience ...*



*The crew on the edge of their seats ...*



*Charles receives his educational award for Bob.*

## 2008 CALENDAR OF EVENTS

All meetings are held at the Senior Center in Huntsville in the Ceramics Room. We meet on the fourth Monday each month except for May and December. Meetings start at 6:30 and typically end around 8:30. The Thomas W. Davidson, Sr. Senior Center is located at 2200 Drake Ave. SW, Huntsville, AL 35803

### JANUARY 28

Speaker: Bob Jaques

### FEBRUARY 25

Charles Cataldo presents "*The State of the Coin Market*"

### MARCH 24

Speaker: Dennis Schafluetzel, President of Georgia Numismatic Association, presents "*Carpetbagger Promotes, Combines and Rebuilds and Bankrupts AL & Chattanooga Railroad*"

### APRIL 28

Speaker American Numismatic Association (ANA) Governor Radford Stearns. presents "*The History of the Western World in 28 Coins*"

### JUNE 23

Annual potluck and bourse night.

### JULY 28

Speaker: Richard Jozefiak presents "*The Modern Sovereign and Half-Sovereign: Gold Coins of the British Empire From 1817 to Today*"

### AUGUST 25

Open.

### SEPTEMBER 22

Open.

### OCTOBER 27

Speaker: Robert Patrick

### NOVEMBER 24

Annual Thanksgiving celebration and bourse night.

## CLUB OFFICERS

**PRESIDENT:** [Bob Jaques](mailto:rjapilot@charter.net) (rjapilot@charter.net)

**VICE PRESIDENT:** [Harold Fears](mailto:hkfears@knology.net) (hkfears@knology.net)

**SECRETARY:** [Richard Jozefiak](mailto:analmrj@gmail.com) (analmrj@gmail.com)

**TREASURER:** [Mike Campbell](mailto:mcampbell7@juno.com) (mcampbell7@juno.com)

**BOARD MEMBER:** [Mark Larson](mailto:thelarsens@bellsouth.net) (thelarsens@bellsouth.net)

## March is Obsolete Denomination Month

March is obsolete denomination month. So whether if you wish to trade, sell, or buy some two cents, three cents, or twenty cent pieces, the coin club's March meeting is the place to be!



An 1833 half dime

**Why not bring a friend to the next meeting?**