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Abstract
Colonialism (and its legacy) is one of the most frequently-discussed and controversial topics in modern society. It is difficult, if not impossible, to view the subject with complete objectivity, and a political polarization tends to dominate the debate. Using examples from the British empire, this paper examines colonial relationships through the relatively objective medium of the coinages imposed by the imperial power. Although political and economic imperatives will inevitably have an effect, official attitudes to colonies, and a more general imperial philosophy, can be revealed by looking at the official coinages designed for a particular colony or 'protectorate', together with the relevant contemporary documentation associated with an issue. The conclusion drawn from a study of the British colonial coinages of Gibraltar, Malta and the Ionian Islands is that the imperial power exercised a more enlightened benevolence than might be traditionally assumed.

The accumulation of evidence, which invariably accompanies the passage of time, normally allows a more objective assessment of the past; this is what is commonly called the "historical perspective". However, in the case of colonialism, arguably one of the most controversial topics in modern society, this is certainly *not* the case; the discussion of a colonial past is notable for its *lack* of a consensus. The debate tends to eschew opinions based on facts in favour of political polarization; more recently, a guilt-ridden political correctness on the part of the ex-colonial power has replaced the familiar glorification of the imperial era, but an unwaveringly-bitter resentment still remains the norm on the part of the ex-colony itself.

This brief paper looks at colonial relationships as revealed through the imposition of coinage by the imperial power, particularly given the scope for propaganda presented by imagery and legends on coins. The paper does not seek to engage with the polarized political debate, but merely sets out to demonstrate how light can be thrown on the political philosophy of the occupying power by an examination of the objective medium represented by a colony's money, and how that philosophy can be tempered by political expediency and the economic circumstances prevailing within the individual colony. Not surprisingly for two British authors, our examples will be taken from the British empire, which included so-called "protectorates", as well as colonies by name.

[Figure 1: Penny token of Barbados, 1792]

The penny and halfpenny pieces of Barbados of 1788 and 1792 show an African's head wearing a headdress of Prince of Wales' feathers, with the ironic translation of the Prince of Wales' motto "Ich Dien" - "I serve" - underneath. An uncritical assessment of these iconic pieces would give rise to the assumption that they reflected official British government philosophy at the time of their issue, and thus articulate very clearly the attitude of the colonial power at that time. However, they are not *coins* but private *tokens*, struck and circulated on the orders of a private individual, in this case Sir Philip Gibbs, a prominent plantation owner on Barbados. This should not really be a surprise: the absence of a monarch's head would make it extremely unlikely that they were British government issues, and reference to correspondence on the pieces in the archives of the Soho Mint, where they were produced, removes any lingering suspicion that these coppers ever represented an official issue, with all its connotations [Vice, 1977].

In order to determine *official* attitudes within a particular colonial relationship, we need to look at the *official* coinages designed for the relevant colony, and the contemporary documentation associated with such issues. By definition, this is the only *objective* evidence for those attitudes; everything else must necessarily remain speculation. We shall briefly examine three of Britain's European colonies: Gibraltar, Malta and the Ionian Islands. As the maps will show, they were all strategically-important acquisitions, not just for the purposes of Mediterranean and Levantine trade, but also *militarily*, given their annexation dates.

A common feature of much of the coinage of European colonies (as it was with the West Indian colonies) was its chaotic state at the time of colonization, with a plethora of other countries' coins circulating in adopted or adapted formats, with greater or lesser success and satisfaction for the local populations.

[Figure 2: Map of Gibraltar]

Gibraltar occupies the southern-most part of the Iberian peninsula. It was known in ancient times as Mount Calpe and forms the northern half of the famous Pillars of Hercules, commanding the western entrance to the Mediterranean Sea. It was captured by an Anglo-Dutch force in 1704, during the War of the Spanish Succession, and passed to Great Britain by the Treaty of Utrecht in 1713.

Daniel Howorth, the author of a slim collectors' guide to colonial coins published at the end of the 19th century, and whose collection of the coins of Gibraltar is in the Manchester Museum, remarked that "…the money at present circulating there is, like the people who are found in the port, of very varied nationality" [Howorth, 1890]. The history of the coinage of Gibraltar under British rule provides a rich background tapestry to this comment.

In the early years of occupation, the Military Government adopted a very *laissez-faire* attitude to the currency. It made sterling the money of account, but its actual transactions were almost entirely in Spanish gold *doubloons* and silver dollars, and the local and mercantile community, which traded on a daily basis with Spain, stuck to the denomination of account as well as to the coins of Spain. To confuse matters even further, the garrison was initially paid in Portuguese gold coin. As usual, there was a chronic shortage of low-denomination coinage, and the lack of decent base-metal coins was one of the earliest grievances of the local British soldiers, who complained formally in 1713 that "…the Jews bring in brass money amongst us from Barbary, by which they get 500 per cent, and carry out in lieu of that all the Spanish money that is going" [Chalmers, 1893].
This lack of small-denomination coins is shown clearly in a letter dated 21st January 1815 from Gibraltar's Governor to the Secretary of State for the Colonies in London. The subject of the letter relates to the causes of excessive drunkenness in the garrison: "Another cause of the prevailing Drunkenness in this Garrison is the mode of paying the workmen. All men furnished as labourers to the Engineer and other Departments, are paid daily at Evening

Gunfire, and as small change cannot be procured, these labourers are formed into Squads of 6 men each, to whom a Hard Dollar, value 12 reals, is given - this very extraordinary mode of payment leads to Causes productive of Drunkenness, as the 6 Soldiers so paid are under the necessity of proceeding to a Wine house, and to expend there part of the Money received to procure change - Your Lordship may easily conceive that, after a day's work in this Climate, men particularly feel an inclination to Drink, and being forced by the said mode of payment to go into a Wine house, Drunkenness must inevitably ensue. I therefore take the liberty most strongly to recommend that £10,000 should be immediately issued at the Mint, in one and two real pieces, and sent out here to the Deputy Paymaster General" [Pridmore, 1959]. Drunkenness must surely be unique among the many reasons used by colonial governors to support a new local currency issue.

In the event, the money was never sent, and, in the continuing absence of sufficient copper coins, local merchants had taken the matter into their own hands, and issued copper tokens of 2 quarts or *quartos*, payable at their houses of business. Incidentally, in the case of 2 of the 3 tokens which now follow, the business was a wine bar – the Governor was absolutely correct.

[Figure 3: Token for 2 quarts, 1802]

The Spanish denomination is used for this token, translated into the English 2 quarts. The obverse is the 3-towered castle and golden-key pendant of the Gibraltar coat-ofarms, granted by Isabella in the 15th century, and the reverse a fine view of the Rock itself together with an English inscription naming the issuing merchant.

[Figure 4: Token for 2 *quartos*, 1813]

The obverse of this second piece has an heraldic device of the British lion holding the same key pendant on the obverse, with the issuer's details in English; the reverse is a lengthy inscription in Spanish together with the denomination (as *quartos*).

[Figure 5: Token for 2 *quartos*, 1820]

The obverse of this third piece is similar to the last, whilst the reverse has the denomination in Spanish around the familiar view of the Rock's prominent Moorish castle.

In 1825, the Home Government directed that sterling should be the legal tender and money of account in all colonies. In the case of Gibraltar, a proclamation by the Governor declared that "…all Government Accounts will be kept and rendered in British money; the Spanish hard dollar will thenceforth be issued, in all Government payments on account of Government, at the same rate of four shillings and four pence each; and all rates and duties payable to the Crown shall be paid, either in British silver money or in Spanish hard dollars at the rate of four shillings and four pence each, at the option of the person paying…..the lawful silver coins of Great Britain shall be the only standard measure of value in this Garrison and Territory, and … the Spanish hard dollar and its proportions shall thenceforth be current only as equivalent to British silver money, at the rate of one dollar to four shillings and four pence" [Chalmers, 1893]. This was obviously followed by the import of large quantities of British coins in silver and copper into the colony. This was a complete disaster, due to the size of the British farthing, which was adopted by local merchants as the equivalent of the Spanish copper *quarto*. The result was that the penny passed current at 4 *quartos*, and, given that there were 192 *quartos* to the Spanish silver dollar, at the proclamation's required rate of exchange, only *48* pence (4 shillings) needed to be given for a dollar rather than the official *52* pence (4 shillings and fourpence). Not surprisingly, within 3 months, all the British silver had disappeared, most of the boxes of coin having been bought up by the merchants and immediately shipped back to England, unopened and with their seals intact, at a profit of 8% - an early version of arbitrage.

For 4½ months Gibraltar had as its nominal standard British silver, and therefore (in theory) the pound sterling although (in fact) hardly any British coin was seen by the population. A necessary second proclamation swiftly rehabilitated Spanish money as the standard of value.

The practical recognition of Spanish currency was accorded full legal status in 1872, with an order which, for the first time, gave Gibraltar as a British colony a legal standard of value that reflected the actual local conditions. This remained the case until 1898, when the lawful money of the UK was finally declared the sole legal tender for payment. The only other monetary intervention on the part of the British Government prior to this had been the effort in 1841 to place the copper coinage on a more satisfactory basis. The Governor asked for £2,500 worth of British 2-quart, 1quart and ½-quart pieces to be coined at the Royal Mint, to take the place of the unsuitable British copper still in circulation, and the foreign coins and forgeries being fraudulently passed. With a measure of sensitivity towards the local population the colonial power's official coin reverted once more to the Spanish denomination, albeit in English translation, and the local heraldic type of Isabella's 3-towered castle and golden-key pendant, seen on the token of 1802, is used on the reverse

[Figure 6: Quart, 1842] [Figure 7: Map of Malta]

Malta is strategically positioned between Sicily and the North African coast. It was colonised by the Phoenicians, Carthaginians and Romans, and fell to the Arabs in
870. It was the headquarters of the military Order of the Knights of St John from 1530 until its take-over by France in1798. British rule was accepted by plebiscite in 1814.

If the currency problems of Gibraltar seemed complex, those of Malta were positively Byzantine, with the main drivers and beneficiaries being the wealthy merchants and money changers. A flavour of the problem, analogous with Gibraltar, is given by the following quotation from a contemporary author: "Sir Alexander Ball (the first Governor), observing a scarcity of coin in Malta, and wishing to make the circulating medium more abundant, issued a decree by which foreign coins should pass in Malta for a greater number of scudi, tari, and grani than they had hitherto done. The consequence was as he had expected, that more foreign coins actually did come to Malta, but what he did not expect, all the Malta coins went to foreign countries, particularly to Sicily, where the Grand Master's scudi were melted, and came back to Malta in the form of Sicilian silver coins, with a gain of above 20 per cent" [Chalmers, 1893]. This was to be a portentous comment, and the continually-shifting exchange tariffs between Spanish, Spanish-American and Sicilian dollars and British silver was a continuing source of concern to the colonial power, the merchants and the local population and garrison, and was not necessarily improved by legislation, as the quotation demonstrated.

As was the case with Gibraltar, there were also major problems with the base-metal coinage which the British inherited from the Knights of St John. [Figure 8: *Grano*, 1776] Unlike the unusually fine specimen illustrated, its general condition was described as deplorable; it was badly-worn, clipped, heavily-countermarked, and totally unfit for general use. The need for reliable low-denomination coins was driven not just by the price levels of the retail market for goods, but also by the circulation of silver coins of many denominations from different countries, which required small change to facilitate the exchange rate subtleties. By 1823, the discount demanded by the money changers was 95% of the face value of the copper.

When British silver and copper coinage was adopted for all colonies in 1825, the Governor of Malta made a strong and successful plea to the Secretary of State for the Colonies that a coin of the denomination of the smallest Maltese *grano*, one *third* of a farthing, should be specially coined to reflect the particular local conditions in Malta: "…as many articles of primary necessity are often sold here to the value of one grano" [Chalmers, 1893]. No coin smaller than a farthing was ever produced for use in Britain. On the implementation of this proposal, the old Maltese copper pieces were demonetised, and the large consequent loss on the exchange of the heavily-depreciated copper coins was carried by the Imperial Treasury.

[Figures 9-11: Third farthings for 1827, 1835 and 1844, and 1868]

The British silver introduced by the 1825 legislation became largely a commodity, other than for the payment of tax. The principal and hugely dominant silver coin in the Island's circulating currency was the Sicilian dollar and its fractions. This is not surprising when one considers the geographical position of Malta, which defined its natural trading partners. In a plea to the Home Government for its legalisation in 1845, the Governor described it as "the only coin now in Malta which really circulates without being subject to the agiotage (= exchange premium or discount) of the money changers", and he urged that "nothing can be more paralysing to trade than having nearly the whole currency of the Island consisting of a coin that is not legal tender" [Chalmers, 1893]. The British Government accepted the argument, but in a misguided attempt to align the standard value of the Sicilian dollar in Malta with that used in the UK, it was legally tariffed at 4 shillings, rather than the 4 shillings and twopence requested by the Governor, and at which rate it continued to circulate by local agreement between the merchants and the banks on the Island. Thus Malta had a legal currency circulating at an illegal rate, and a further coin was thereby added to the list of those already subjected to negotiation with the Island's money changers on exchange for sterling.

The problems with Malta's silver coinage were only finally resolved 45 years later, by default, but in a fashion that did great credit to the Island's government. On 13th October 1885 the Italian government issued a notice that three days later, on 16th October, certain gold and silver coins, not on the decimal system, would cease to be legal tender. Amongst these was the Sicilian dollar. The Italian government was prepared to exchange the demonetised coins up to 31st December 1885 (i.e. only 2½ months from the original notice). This short time scale was obviously not a problem for the Maltese banks, as the dollars they held were shipped for exchange without difficulty. But large numbers of Sicilian dollars were spread throughout Malta (and Gozo), and most of them were held by illiterate people who had hoarded them. It was clear that the great bulk of any loss would fall on the poorer people, as the coin had an intrinsic value of only 3 shillings and fourpence, as against the 4 shillings and twopence for which it had been conventionally received and paid in Malta.

The government acted with great speed, working with the banks and church authorities. A special organisation was formed with the help of the banks for collecting, testing, counting and shipping the coins. In this way, the government prevented the money-changers from profiting from the ignorance of the poor by collecting the dollars at a huge discount. On 24th November a notice was issued that the government would undertake to receive Sicilian dollars and send them to Italy for exchange, and that it would pay as soon as possible to the depositor the amount of British currency realised by the exchange, deducting a share of expenses and loss. On 15th December, the Governor reported that he had shipped 1.8m dollars under this scheme, and a further million had been remitted by wealthy individuals. Thus the Maltese community sent 2.8 million dollars to Italy, approximately one eighth of the total number returned.

In the meantime, in order to anticipate the embarrassment caused by a sudden withdrawal of the circulating medium, efforts were made both by the government and the banks to import large quantities of British silver, and to make all payments in sterling. When the dollars were changed by the Italian government, arrangements were made with the Banca Nazionale d' Italia to give credit for the value by bills drawn on London. The amount received was equal to 4 shillings and 0.5233 pence per dollar, so the government was able to pay the depositors 4 shillings on each, its full legal value in Malta. So, with very little loss to the community, the silver problems of Malta were over and British silver became the actual as well as the legal currency of the colony.

The Ionian Islands is a group of seven islands off the Dalmatian coast. They had endured 300 years of what Sir Charles Napier referred to as the corruptness of the Venetian domination at the time France seized them in 1797 [Napier, 1833]. When they fell under the control of Russia and Turkey in 1799, they were formed into a Septinsular Republic. They were returned to France under the Treaty of Tilsit in 1807 but, between 1809 and 1814, the British gradually acquired them; in 1815, as the United States of Ionian Islands, they fell under the protectorate of Great Britain where they remained until 1863 when Britain allowed them to be incorporated within the Kingdom of Greece, following the abdication of the unpopular Otto.

If the Islands were to be successfully annexed to mainland Greece at a later date, which had been Britain's intention from the start of the Protectorate, then their economy had to be stabilized. Napier, who was an inspecting field officer on the Islands, also underlined the importance to Britain of their being subsequently well-governed, particularly as they were surrounded by countries undergoing political change, which could threaten Britain's future commercial success in the area.

Having restored their naval power and recovered their hold in the Mediterranean, from which they had been excluded by the French, the British did not want to lose it again. One of the main advantages of the Islands to Britain at this time was their geographical position. As with Malta and Gibraltar, in war they could provide secure harbours and small vessels more suited to the local seas; in times of peace, the Islands provided a safe commercial depot for British trading. Their position at the mouth of the Adriatic Sea gave them a ready trading route to northern Italy and Europe, and their proximity to the commercial cities on the North African coast, and around the Eastern and Western Mediterranean, gave them the advantage of easy access to those wealthy markets.

A major step in stabilizing the economy was to standardize the Islands' coinage, both for the sake of trade and for payment to the troops stationed there.

Under the earlier Venetian rule, there had been proclamations establishing strict guidelines as to the values of the coinage minted in Venice for the Islands, with severe penalties for those who diverged from them.

During the Russo-Turkish era (1799-1807), a new mint was established in Corfu, and copper coins were again issued using the same values as those issued by the earlier Venice mint. The iconography remained the same on the obverse; the winged demi-Lion of St Mark taken from the city's coat-of-arms. But, instead of the book of the Gospel found on the Venetian coinage, the left paw holds a sheaf of seven arrows, signifying the Community of the Seven Islands, decorated with a cross.

At the time Britain began its occupation in 1809, the Turkish monetary system was in use on the Islands, and the imported Spanish silver dollar was the principal coin and main measure of value. Prices were quoted in dollars, *piastres* and *paras*, with 40 *paras* to the *piastre*, and 5½ *piastres* to the dollar. However, because of the dire condition of the economy, most of the population's essential commodities were obtained from mainland Europe. The result was that the Spanish dollar had no sooner entered the Islands' economy than it went out to pay for necessities, a feature familiar from Gibraltar and Malta. Consequently, the Islands found themselves in a situation in which the now-debased silver Turkish *para* was the only small currency in circulation, although the old Venetian copper *soldi* continued to be part of the system until their abolition in 1819.

This was economically unhealthy. In 1813, in an attempt to resolve the situation, Lt.General

Sir James Campbell, the Civil Commissioner for the Islands, imported from Sicily silver fractions of Sicilian and Spanish dollars in order to alleviate the shortage of small change and stabilize the value of the smaller currency. The silver fractions were marked with different multiples of the *para*, but they were prone to forgery, and this affected their perceived value.

Despite a further countermarking of the coins with the bust of King George III and larger numerals, the situation did not improve. In 1815 the Public Treasurer at Corfu requested a new copper coinage.

Although the size and weight of this new copper coinage, produced by the Royal Mint and engraved by William Wyon, corresponded to the English penny, halfpenny and farthing, a decision was taken to acknowledge the nationalistic aspirations of the local population by adopting Greek denominations, the *lepton* and *obol*, and Greek legends, within a system of 4 *lepta* (later 5) = 1 *obol*, and 100 *oboli* = 1 Spanish dollar. Interestingly, no denominations are given on the coins themselves. The obverse type is the winged lion of St Mark, an image readily recognizable by the local population from the familiar coinages of the Venetian era and those of Russo-Turkish protection, thus helping the acceptability of the new coins. The figure of Britannia decorates the reverse.

This copper coinage was supplied in 1819 and 1820 but was not immediately released into circulation. It had been decided that the new English-minted coins were insufficient by themselves, due to their exceptionally heavy size and weight when compared to the popular small Turkish *para* with which the local population was familiar. In order to avoid public rejection of the new coins, the local administration produced an additional copper piece of a value less than the English farthing-sized coin, the *lepton* or ¼ *obol***.**


It was struck on the island of Corfu from local dies, with a similar design and legend to the English issues, but its denomination indicated by the ¼ on the reverse.


As this well-preserved example clearly shows, these pieces were struck on cut-down 2-*soldi* Venetian coins and not on Turkish *paras* as Pridmore has claimed [Pridmore, 1960].

The larger English strikings did, indeed, prove unpopular, and only 25% were ever put into circulation. The remainder was returned to the Royal Mint for remelting in 1828. In 1834, a new minor currency in silver and copper was struck, consisting of only 2 denominations – the silver 30 *lepta* (or 6 *oboli*), and a small copper *lepton* (or 1/5th *obol*).

[Figures 20-21: 30 *lepta* of 1851, and *lepton* of 1834]

The denomination of the latter reflected the adoption of the decimal system for the Islands' coinage. With the introduction into circulation of this new coinage in 1835,

the earlier copper coins were demonetized. In their turn, these new issues were withdrawn from circulation by the Greek Ministry of Finance in 1870.

These three short case studies show remarkable similarities. The situation at the time of the acquisition of the colony/assumption of the protectorate is one of currency chaos, with a plethora of different large-denomination foreign specie and a dearth of decent base-metal low denominations. This state of affairs, with its economic and administrative undesirability, was quickly understood by the colonial power, and steps taken to ameliorate it. Some of the actions taken had the opposite effect, and were rapidly withdrawn or amended. Local sensitivities and conditions were taken into account in the choice of designs and range of denominations, and (sometimes expensive) efforts made to spare the most vulnerable of the indigenous population from the often harsh realities of the marketplace. Political and economic self-interest undoubtedly played a large part in all this, but the picture that emerges from the perspective of this review is one of a colonial power exercising rather greater benevolence than might be suspected from the tenor of much of the current debate.

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