

ITALIAN PAPER MONEY PRIOR TO UNIFICATION - PART II

Napoleon Invades Italy

In eighteenth century Italy the majority of the population was illiterate. Despite this fact, the ideals of the French Revolution were quick to take hold. At the end of the 1700s, the peninsula was governed by a succession of small independent kingdoms and duchies as well as Austria in the north and the Spanish Bourbon family in the south. The Italians, upon hearing of the success of the French people in overthrowing Louis XVI, also desired to share in the newfound freedoms which liberty brought.

The various Italian kingdoms opposed French revolutionary ideas, viewing them as a threat to their stability. Seeing the writing upon the wall, King Victor Amadeus III of Piedmont allied his kingdom with the Austrians and British in an effort to contain French aggression. When the French army occupied Savoy and Nice, which belonged to Piedmont, King Amadeus's greatest fears were realized.

The Napoleonic Wars commenced with the French campaign in Italy. French troops invaded Italy in March 1796 and in a year's time were in control of all of Italy to the Po River Valley. The former kingdoms of Piedmont and Lombardy and the Republic of Venice were overrun and occupied, thus ensuring the political future of Napoleon Bonaparte. Napoleon then turned his attention south where he hoped to outflank the Austrians and gain control over the Papal States and the Kingdom of Naples. As a stepping stone, France occupied the northernmost Papal Legations in 1797.

In January 1798 Rome and the remainder of the Papal States were occupied. When the Roman Republic was set up shortly thereafter to take its place, the Pope fled to Tuscany. [Here we must take note of the fact that there existed two different Republics of Rome during the pre-unification days, both of which issued paper money. To ease the confusion historians refer to these as the 'First Roman Republic' (of Napoleonic creation) and the Second Roman Republic (created by the revolution of 1848)]. A year after the fall of the Papal States, King Ferdinando IV of Naples fled to the protection of the British fleet in Sicily leaving his kingdom under French control. In June 1800, Napoleon had a change of heart concerning the Papacy. Pressured by Catholics in France, who wished to see the temporal powers of the Pope restored, he relented, allowing Pope Pius VII to return from exile. Upon concluding the Italian campaign, Napoleon transformed his northern conquests into the short-lived Kingdom of Italy. In the south he placed his brother Joseph on the throne of Naples, while incorporating Tuscany and the Papal States into the new French Empire. Thus, as

emperor of France and King of Italy, Napoleon directly controlled all of northern and central Italy. The only notes to exist during the French occupation of Italy were those of the First Roman Republic. This was due to the incorporation of all other conquered Italian states directly into the French Empire under the umbrella of the Kingdom of Italy – which used revolutionary French franc notes for their currency.

The dividing of Italy and the drawing of new boundaries along with the creation of new political states did not last long, however. The failure of Napoleon's disastrous Russian campaign of 1812, together with defeats at Leipzig (1813) and finally at Waterloo (1814), brought an end to the Napoleonic Wars. The Congress of Vienna, held in 1815, brought the restoration of the old political order and boundaries. In the north the kingdoms of Piedmont and Sardinia united into one nation. In the south the kingdoms of Sicily and Naples joined forces in 1816 to become the Kingdom of the Two Sicilies. The defeat of Napoleon and the re-establishment of the old order left Italian hopes for nationalism dashed, leaving Italy divided and largely under Austrian and Bourbon domination. This was the Italian political state of affairs which lasted up to the time of the nationalist revolutions of 1848.

Paper Money Issues of the First Roman Republic



Coat-of-arms of the First Roman Republic

The French were quick to establish their authority over the former Papal States. This applied also to their control of finances. To do this the French permitted the existing papal banks *Sacro Monete della Pieta' di Roma* and the *Banco di S. Spirito di Roma* to function as the banks of the Roman Republic. To control inflation, the new regime declared all old papal notes with a value over 35 scudi invalid. The value of the remaining notes was reduced by one half. New bank notes denominated in baiocchi and paoli were issued in 1798. In addition, an issue of small *assegnati* in baiocchi and paoli denominations was authorized in the name of the Roman Republic. In 1798 the old series of papal notes ceased to exist and were replaced by the new issues.

All notes of the *Banco di S. Spirito* are dated 1798. They contain the facsimile signatures of Brancadiri and Ballanti. All notes are uniface with the denomination and date written in ink. Denominations consisted of 25, 40, 50, 60 baiocchi and 10 paoli

notes. Of this series the 40 baiocchi is the hardest to find. Two different 50 baiocchi notes exist, one with the denomination shown as “Bhi. 50”, the other “Bhi. cinquanta”. The notes are printed on heavy white watermarked paper stock. The watermark reads “REP.ROM”. This watermark does not appear on the 10 paoli note.

All notes are of similar design which consists of a frame containing multiple republican fasces, with liberty caps in the four corners. At the top center may be seen a wreath and Roman eagle. The words *Liberta* and *Eguaglianza* (Liberty and Equality) appear above the bank name and value. Completing the design are the overprinted seals of the Roman Republic and the Committee of Accountants at upper left and right.



Banco di S. Spirito 60 baiocchi note dated 1798. The seals of the Republica Romana and the Committee of Accountants appear at the upper left and right.



Two different 50 baiocchi notes exist: one with the denomination spelled out, the other expressed in numerals.

The notes of *Monte di Pieta'* are identical to those of the *Banco di S. Siroto*. Even the denominations are the same, including the anomaly of the two different 50 baiocchi notes, although slightly smaller in size (135 x 95mm vice 138 x 97mm) than those of the Banco di S. Spirito.



The 25 baiocchi bank note issue of Monte di Pieta'. This bank issued notes for the French dominated First Roman Republic, which lasted until Napoleon was overthrown after the battle of Waterloo in 1814.

The *assignati* notes of the *Repubblica Romana* were denominated both in baiocchi and paoli. Baiocchi issues are scarcer than the paoli notes. All notes use the French revolutionary calendar for dating purposes. The date '23 Fruttifero, year 7' refers to the "fruitful season" which in the new calendar included the dates 18 August to 16 September. (For an explanation of how the revolutionary calendar worked, see my article *Bank Notes of the French Revolution, Part II*). All notes bore one facsimile signature. Each denomination was signed by a different signatory as seen in Table. 2.

The *Repubblica Romana* baiocchi and paoli notes are quite different in appearance. The smaller size baiocchi notes display the Roman eagle within an oval border with the word and the numeral of value in the four corners. The signature appears on the reverse of the note together with a cartouche containing the numeral of value. The notes were numbered by hand. Bank notes of 3, 5 and 10 baiocchi were issued.

Table 2. - SIGNATURES AS FOUND ON NOTES OF THE FIRST ROMAN REPUBLIC

3 baiocchi	Brancadori
5 baiocchi	Ballanti
10 baiocchi	Barili
1 and ½ paoli	Francisco Landoni
2 paoli	L. Fontana
2 and ½ paoli	Broggi
7 paoli	P. De Rossi
8 paoli	Ag. Dolcibene
9 paoli	Gio. Persiani
10 paoli	Lod. Galli



Assignat of the Roman Republic in the amount of 3 baiocchi, the lowest denomination note produced.

The larger size paoli notes were printed on heavy white paper containing the same “REP.ROM” watermark as found on the issues of the private banks. All are dated year 7 of the (French) Republic. The Roman eagle is the dominant device with oval seals to the right and left. A rectangular border surrounds the text. A facsimile signature of the representative of the “Dipartimento della Rep.ca Romana” appears within the border at the bottom. The reverse sides of paoli notes carry the value in words, repeated four times together with a cartouche containing the numerical value. The high value 10 paoli notes has four different reverses, as seen in the illustrations below. Notes of 1 ½, 2, 2 ½, 7, 8, 9 and 10 paoli were issued.



First Roman Republic 2 ½ paoli (P. DUE E MEZZO) bank note referencing the law of 23 Fruttifero, Year 6, which authorized its issue. The seal of the republic appears in the upper left corner. All serial numbers were applied by hand. Ten paoli had the equivalent value of 1 scudo.



The 10 paoli note contained a variety of four different cartouches of value on their reverse. This was the only denomination to do so. Why this practice was adopted is a mystery to the author.

Napoleon's Defeat and the Return to a Divided Italy

With Napoleon's defeat, the French withdrawal from the Italian peninsula and the restoration of the old political order, the notes of the First Roman Republic lost all value and ceased to exist. It was not until 1834, when the Banca Romana was founded, that the papacy again had a paper currency. An ordinance issued by Pope Gregory XVII had been passed the year before on 22 November, 1833 directing the formation of the bank. By decree of 1 July, 1834 the first issue of 5, 10, 20, 50 and 100 scudi notes were authorized. The Banca Romana was successful at first but, due to poor management

practices, was soon in decline. The bank's notes circulated until 1848, when the revolutionary crisis that gripped Italy caused the bank to fail. It had simply not enough specie reserves to pay off the notes offered up for redemption. When Banca Romana failed, it was reorganized together with papal banks in Ancona and Bologna to form a new institution named *Banca dello Stato Pontificio*. All Banca Romana notes are of extreme rarity.

Meanwhile, elsewhere in Italy major political alliances were formed. In the north, after the French withdrew from Piedmont and Savoy, king Charles Albert formed an alliance with the Kingdom of Sardinia wherein the two countries would join together for mutual benefit to form a new nation to be known as Piedmont-Sardinia. In the south a similar move took place. The Bourbon king Ferdinand I also decided that the time had come to unite his two domains. Thus, the island of Sicily was joined with the mainland Kingdom of Naples. Henceforth this union was known as the Kingdom of the Two Sicilies.

The Beginnings of Unrest

A resurgence of Italian nationalism occurred when Napoleon created his short-lived Kingdom of Italy. After his defeat, the monarchs he had installed tried to hang on to their fiefdoms by stirring up a fervor for independence and nationalism. Several of the Italian states then began to again push the idea of a united Italian peninsula, feeding the flames of nationalism which had already been ignited. These feelings were directed primarily against the Austrian Empire and the Hapsburgs who outright controlled the Italian speaking regions of northern Italy as well as exercising partial control over the remaining minor kingdoms. This Hapsburg domination constituted the most powerful force against unification. All nationalist sentiment in Italy was vigorously repressed by Austria.

One of the problems facing unification was that the various groups espousing nationalism could not agree on what form a united Italy should take. They also faced opposition from the Pope who feared that a confederation including the Papal States could lead to persecution of Catholics. One group of independence seekers, a secret society known as the *Carbonari* (coal-burners), had been formed in southern Italy around 1820. They were predominantly middle and upper class intellectuals who were inspired by the principals of the French Revolution. Their influence soon spread from the Kingdom of Naples to the Kingdom of Sardinia, the Papal States, the Grand Duchy of Tuscany, the Duchy of Modena and to the Kingdom of Lombardy-Venetia. The Carbonari were at the root of most political disturbances from 1820 onward. They were so feared by the reigning authorities that an ordinance was passed condemning to death anyone attending their meetings. Many of the leading unification figures were at one time or another members of this organization. The two most radical members of the

group were Giuseppe Garibaldi and Giuseppe Mazzini. More conservative members included the king of Piedmont (who would later become King Victor Emmanuel II of Italy) and Count Cavour, the prime minister of Piedmont.

The Carbonari Insurrections of 1820-1831

Mazzini was the soul and spirit of the Carbonari movement. While in prison for his revolutionary activities, he concluded that Italy could and should attain independence. It was then that he formulated the plan for a free, independent and republican nation with its capital in Rome. Upon release he formed the Young Italy Society, whose sole purpose was to unite the existing monarchies, duchies and republics into a single nation.

The first country to feel the wrath of the Carbonari was the Kingdom of Two Sicilies. Here a regiment of the army, led by Guglielmo Pepe, himself a Carbonari, mutinied, over-running the peninsular part of the kingdom. The revolutionaries failed to gain popular support however, and were crushed by Austrian troops sent down to quell the uprising. The King of Two Sicilies, Ferdinand I, then systematically persecuted all known revolutionaries in his realm.

Next came an insurrection in Piedmont. The Piedmontese, under the revolutionary Salvatore di Sabotage, wanted to rid all of Italy from Austrian rule and unify Italy under the House of Savoy. This was the first time that the green, white and red *tricolore* of Italy was used in battle. The Piedmontese troops, after initial successes, were eventually defeated by overwhelming Austrian force. The would-be revolutionaries then fled to Paris only to reemerge in 1848 for a second Piedmontese attempt to oust the Austrians.

Meanwhile, other revolutionary activity involved the Duchy of Modena, the Papal States, and the Duchy of Parma. Francis IV, the Duke of Modena, was an ambitious man. He aspired to become king of Northern Italy by increasing his territory. To achieve this he sought the assistance of the revolutionary Ciro Menotti. Fearing he might lose his throne, Francis IV had a change of heart, whereupon he abandoned his Carbonari supporters and once again conquered his duchy with the help of Austrian troops. With Menotti executed all hope of a revolution centered in Modena faded.

The Papal States were under the ecclesiastical leadership of the Pope; however the temporal matters of day-to-day affairs were conducted throughout the country by emissaries sent by the Pope to the principal cities. These representatives lived in *legati* which were essentially legations with the power to execute economic, social and cultural policy as well as diplomatic services in the name of the Pope. The principal Papal Legations were in Bologna, Ravenna, Ferrara, Forlì, Imola, Pesaro and Urbino. In 1831

successful insurrections arose in Bologna, Ravenna, Pesaro and Urbino.. The revolution, which also adopted the red, white and green flag of Italy as their banner, quickly spread to the remaining Legations. Their newly installed local governments then proclaimed the creation of a united Italy. The above mentioned revolutionary activity soon inspired a similar revolt in Parma. When the tricolor banner was adopted, duchess Marie Louise fled the city.

When the victorious Italians declared their intent to create an “United Italian Provinces”, this was too much for Pope Gregory XVI to bear. Fearing the loss of all control, temporal as well as ecclesiastical, he asked for Austrian help to put down the rebels. The Austrian army marched down the Italian peninsula, crushing resistance in every province that had revolted. This military action resulted in the arrest of many of the revolutionaries and successfully suppressed the fledgling unification movement until a later day.

The Revolution of 1848 and the First War for Italian Independence

In 1848 nationalist revolutions broke out with increasing frequency, sweeping over the entire European continent. These long smoldering uprisings were a cry for freer and more democratic institutions. Italy was no exception to this movement. From Piedmont to Sicily unrest was rampant. The first rioting broke out in Sicily where the peasants forced the government to adopt a more liberal constitution. From there the unrest moved to Rome. When the people chose democracy over the pope's rule; Pius XI, disguised as an ordinary priest, fled to Gaeta, a fortress town in the Kingdom of Two Sicilies. The pope's temporal hold over the Papal States was broken and in his place the Second Roman Republic was declared. Similar events occurred in Tuscany, Sardinia and Venetia. Charles Albert, the king of Piedmont-Sardinia, encouraged by these uprisings, mobilized his army and marched into Lombardy in an effort to drive out the Austrians. Volunteers from as far away as Rome and Naples joined the fight. The Austrians, however, defeated Charles Albert's army, forcing the king to abdicate. Charles Albert's son, Victor Emmanuel II succeeded him on the throne in 1849. Thus all Piedmont ambitions to unite Italy were, for the moment, brought to an end.

In the meantime, Louis Napoleon Bonaparte, president of the French Second Republic, seeing an opportunity to pacify Roman Catholics at home, entered into a pact with Austria to restore the pope in Rome. French forces were sent to mediate with the Roman Republic concerning the pope's return. Failing in this, Rome was put under siege. When Rome capitulated in 1849, the pope was restored, bringing an end to the short-lived Second Roman Republic (September 1848-March 1849).

The *Comitato Nazionale Italiano* (Committee for a National Italy) had already put into motion a plan to raise money for a national government. The sixty

representatives of the Popular Constitutional Assembly in Rome attempted to raise ten million Italian lira by loan to assist governments in other parts of Italy to raise a national army of liberation. The money was to be exclusively used to buy war material. To accomplish this, loans were made in the form of franc bank notes which bore interest at six percent. These loans took the form of *Prestito Nazionale Italiano* notes. The money thus raised was deposited into the firm of Stone and Martin located at number 26 Lombard Street in London. These loans proved so popular that they were widely accepted and traded as currency.

This left only the Venetian Republic in a state of revolt. Venice was placed under a state of siege, forcing the city to surrender on 24 August, 1849, thus bringing an end to the Doge's rule. From Venice the Austrians moved to restore order in central Italy and to reinstate the monarchs who had been deposed. All the dukes and princes who had been expelled were given back their thrones, whereupon they quickly revoked the constitutions which had been enacted in their absence, thus returning the peninsula to its former status-quo. With the revolutions completely crushed by France and Austria, unification was again postponed to another day.

The first paper money of the Second Republic of Rome consisted of assignats in baiocchi called *bono*. The term *bono* meant “good for”, i.e. “good for 24 baiocchi, etc.” this issue, dated 1849 contained denominations of 10, 16, 24, 32, and 40 baiocchi and 1, 2, 5, 10, 20, 50 and 100 scudi. After the French restoration of the pope, the Repubblica Romana issued state treasury notes known as *Boni del Tesoro* of 1, 2, 5, 10, 20 and 50 scudi. also dated 1849. The baiocchi notes are plain affairs featuring the numeral of value at the center surrounded by an elaborate border design topped with the Roman eagle and wreath motif. The *Boni del Tesoro* issue is more elaborate and better executed. All Second Roman Republic notes are very scarce to rare and difficult to find.



24 baiocchi 'bono' note of the Second Roman Republic, issued in 1849 under French occupation, before the restoration of the pope.

After the pope's restoration, the Second Roman Republic dissolved. In the following year (1850) the pope, having resumed his temporal duties over the papacy, named the Banca dello Stato Pontificio as his new financial arm. Notes of 5, 10, 20, 50 and 100 scudi were issued. This institution, taken over by the Banca d'Italia in 1904, had a capitalization of 200,000 scudi and was well managed. Note issues were held to a minimum, which accounts for their scarcity today. In 1866 the pope, by decree, abandoned the scudi system, replacing it with lire notes. At that point all the old baiocchi and scudi notes were declared invalid.

When the four legations of Bologna, Ravenna, Forlì and Ferrara were overrun in 1855 by Austrian forces, the Banca dello Stato Pontificio ceased to exist. In order to maintain the flow of commerce, local authorities ordered that existing notes of the Banco dello Stato Pontificio be overprinted with an oval hand-stamp which read *Biglietto Provvisorio della Banca di Bologna per le 4 Legazioni - pagabile in Bologna* (Provisional Note of the Bologna Bank of the 4 Legations – payable in Bologna). With this new title the bank issued a new series of bank notes, overprinted upon the old, in denominations of 10, 20, 50 and 100 scudi.

The notes are extremely large in size. Starting with the 10 scudi, which measures 211 x 116mm, the notes are graduated upward in size to 245 x 150mm for the 100 scudi denomination. Each note is printed on watermarked paper prominently displaying the value in letters. The 10 scudi bank note features two medallion heads of Italia facing inward. The oval provisional stamp is blue. Across the base of the note is the notation “the bank will not honor mutilated notes”. The bank was absorbed into the Kingdom of



Banca Pontificia per le 4 Legazioni 10 scudi bank note of 1855.

Sardinia's *Bank Nazionale Negli Stati Sardi* in 1861. Oddly enough, these notes remained in circulation until ultimately withdrawn by the Banca d'Italia in 1904.



The Kingdom of Sardinia Banca Nazionale Negli Stati Sardi 50 lire note of 16 March, 1866.

The Prestito Nazionale Italiano notes were the product of the Comitato Nazionale Italiano whose seal may be found on all of its issues together with that of the Repubblica Romana. Presumably the franchi (franc) denomination was selected due to the French occupation of Rome at the time. Denominations issued were 1, 2, 5, 25 and 100 franchi. All are dated 1849 in the Roman Republic seal - the date 9 Febrario, 1849 refers to the founding of the second republic - although the actual notes were not released until 1850. All notes carry the motto 'God and the Pope' and 'Italy and Rome' at the top while the text at center reads: *Diretto unicamente ad affrettare Indipendenza e la liberta d'Italia* (Unicameral directive to hasten the independence and freedom of Italy) and the value of franchi received. Below may be seen the facsimile signatures of three leading nationalists - Giuseppe Mazzini, Aurelio Saffi and Mattia Montecchi; signatories for the National Committee.

The 1, 25 and 100 franchi notes are without ornamentation and are printed on pink paper. The 2 and 5 franchi notes were printed on white paper containing ornate representations of the implements of war, the purpose for which the loan was made. In the upper left corner a bugle is shown, while the upper right contains a saber. At the left of the note are stacked arms, a fasces and drum. At the right side are seen additional stacked rifles, fasces and cannon balls.



Prestito Nazionale Italiano 5 franchi note issued in 1850 by the Second Roman Republic to raise money for an army of national liberation.

In the last days of the Republic of Venice, before it was overwhelmed by Austrian forces, the Banca Nazionale di Venezia issued a series of lire notes known as *moneta patriotica*. Denominations were 1, 2, 3, 5, 50 and 100 lire correnti. All notes were uniface except for an orange circular seal on the reverse which twice bore the legend “Controleria - 1848” surrounding the lion of St. Marco. The 50 lire note lacked this hand-stamp. In addition, the 50 and 100 lire notes contain a dry seal in the lower right corner with the inscription “Banca Nazionale di Venezia” together with the lion of St. Marco seal. The lower denominations were pearl gray in color, while the 50 and 100 lire notes were printed in color. These notes, with their patriotic theme, so infuriated the Austrians that they refused to redeem them. All *moneta patriotica* notes are uncommon except for the 100 lire, which is rare.

In addition to the Banca Nazionale di Venezia *moneta patriotica* notes, the city of Venice also issued *correnti* notes. These were dated 1848 or 1849, and consisted of 12 $\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{2}$, centesimi and 1, 3, 5, 50 and 100 lire correnti values. Of these, the 1 lire is the most common, the others being scarce to rare for the 5 lire notes and upwards. They all bear the heading *Moneta del Comune di Venezia*, are ornate, with the denomination of the note appearing in a circle in the upper left corner and a dry seal of the Comune di Venezia at upper right. The 5, 50 and 100 lire correnti also contain various coats-of-arms and allegorical figures.



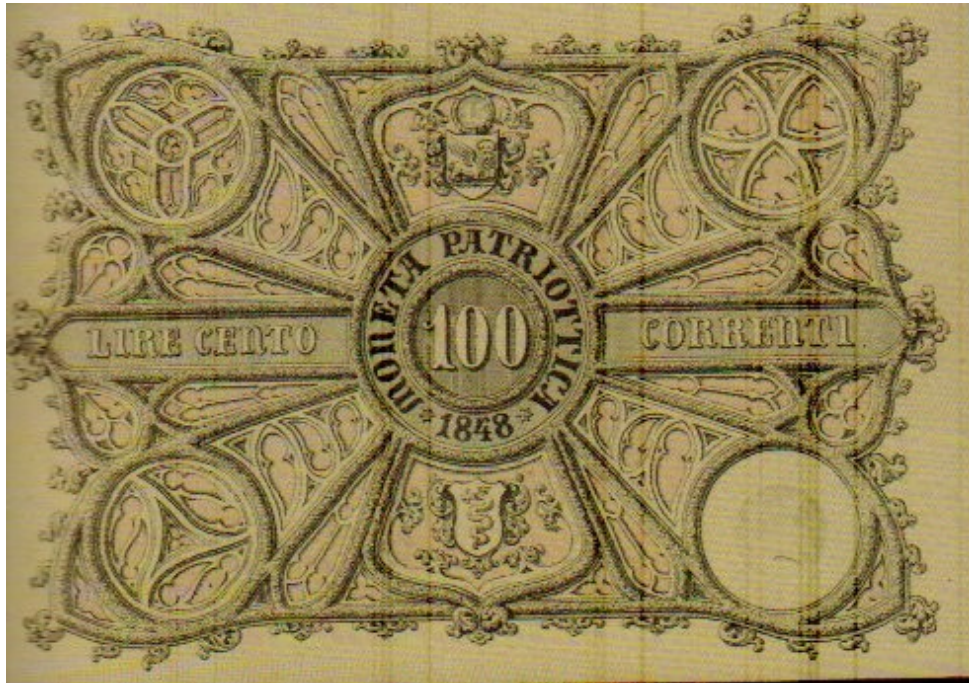
Venetia 2 lire correnti note of the aborted 1848 revolution. The reverse of the note carried the hand-stamp seen below.



Orange hand-stamp of the Controleria of the Treasury found on all Moneta Patriottica notes with the exception of the 50 lire.



City of Venice 1 lire correnti note of the 1848 revolution.



Venetian Republic 100 lire correni Moneta Patriotica dated 1848.

The Second Italian War of Independence

Giuseppe Garibaldi has become known as the father of modern-day Italy. He was born in Nice in 1807 while that city was still part of the Kingdom of Piedmont. His family was involved in sea trading and while delivering a cargo of oranges to Russia he was introduced to members of the secret movement “Young Italy”. This organization, founded by Giuseppe Manzzini, was a passionate voice for Italian unification. Garibaldi joined the society and took an oath to participate in the struggle for the liberation of his homeland from Austrian control.

After personally meeting Manzzini in Turino, he joined the Carbonari revolutionaries. After participating in Manzzini's failed insurrection in Piedmont, he was sentenced to death in 1834, but managed to escape to Marseilles in France. An adventurer at heart, he then sailed to Brazil where he took up the cause of liberty on behalf of Brazil and Uruguay. Hearing of Pope Pius IX's return to Rome in 1848, and believing the pope to be the one to unify Italy, he returned from exile to offer his services to Charles Albert king of the newly joined Piedmont-Sardinian state. Rebuffed by the king, Garibaldi and his followers moved to neighboring Lombardy to aid Milan in its rebellion against Austria. The Austrians prevailed in the battles that followed, forcing Garibaldi to move on to Rome in support of the newly founded Second Roman Republic. Garibaldi was given the command in the defense of Rome against the French

who had returned to restore the popes' temporal power over the Papal States. French forces proved too strong for Garibaldi's little band. A negotiated truce permitted Garibaldi to withdraw from Rome with the remainder of his troops. He next came to the aid of the Venetians who were resisting the Austrian siege of Venice. After Venice fell to the Austrians, Garibaldi emigrated to America in 1850, where he lived in New York.

Garibaldi returned to Italy again in 1854, where he took up residence in the former Piedmont area of the Kingdom of Sardinia. The Second War of Italian Independence broke out in 1859. Believing the Piedmont-Sardinia monarchy of the new King Victor-Emanuel II to be best fitted to achieve the liberation of Italy, he again offered his services in the liberation of his country.

In April 1860 uprisings at Messina and Palermo in the Kingdom of Two Sicilies provided Garibaldi with his next opportunity. Gathering a band of volunteers who called themselves *Il Mille* (the thousand) otherwise known as the “Red Shirts”, he requisitioned two ships to transport his army to western Sicily. Recruiting from local rebel forces, he increased his force sufficiently to repel the Neapolitan forces at the battle of Calatafimi. The next day Garibaldi declared himself dictator, in the name of Victor Emanuel II of Italy. In short order he subdued Palermo, Milazzo and Volturno sending the Neapolitan troops back to the mainland. All resistance ceased after the battle of Millazzo. Garibaldi then crossed the Strait of Messina, with the help of the British



Giuseppe Garibaldi, the hero of the wars of Italian independence and Father of his Country.

Map B. - Italy in 1860 Immediately Prior to Unification



navy, and marched north to Rome. On the march his progress was met with more celebration than resistance. His army, now grown to 25,000 men, entered Naples, the capital of the Kingdom of the Two Sicilies on 7 September, 1860.

In the meantime the Piedmont-Sardinians, concerned that Garibaldi would set up a

separate government in the south, sent an army down the Italian peninsula toward Rome. In short order, Sardinia conquered the eastern two-thirds of the Papal States which were already in rebellion against papal rule, thereby cementing their hold on the south. King Victor Emanuel II then proclaimed the new Kingdom of Italy in March 1861 with Rome as its capital, thus uniting the north with the southern provinces Garibaldi had conquered. Hearing this, Garibaldi gave up the command of his army and shook hands with Victor Emanuel II thereby signaling the formation and unity of the newly established kingdom.

The Creation of the Kingdom of Italy

Although the Kingdom of Italy was now a reality, it did not include all of Italy. This was because Rome was still under the protection of Napoleon III and his French troops, while Austria still occupied the Venetian Republic. Venetia was annexed to Italy in 1866 after the Seven Weeks' War between Austria and Prussia. Prussia promised that Venetia would be turned over to Italy after the war if Italy were to join in the fight against Austria. Prussia won and kept its end of the bargain.

When the Franco-Prussian War occurred between France and Germany in 1870, Napoleon III was forced to withdraw his troops from Rome in defense of the homeland. In so doing Rome was freed to join the union of Italian states, which it did in July 1871. For the first time since the fall of the Roman Empire, Italy was again unified. Unification had been a long and arduous process, but in the end Italy remained united. Cavour, Garibaldi and Mazzini became the founding fathers of the new nation.

In 1861 the Banca Nazionale Negli Stati Sardi became the central bank of the Kingdom of Italy. It remained so until 1866 when it became the *Banca Nazionale nel Regno d'Italia*. In 1874 a banking consortium was formed to regulate institutions which would be allowed to issue bank notes. These were the Banca Nazionale nel Regno d'Italia, Banca Nazionale Toscana, Banca Toscana di Credito, the Banco di Napoli, Banco Sicilia and the Banca Romana. These institutions functioned as Italy's official banks until they were ultimately absorbed into the Banca d'Italia in 1893. The last of the banks to lose their right of issue was the Banco di Napoli in 1922.

The Agricultural Loan Banks

Shortly after the Kingdom of Italy was formed, the government noticed that agricultural production was lagging. To counter this, a law was passed creating agricultural loan banks with which to boost the agrarian economy. These banks could



This 1 lira note of the Banca Nazionale nel Regno d'Italia is the product of the American Bank Note Company. Its reverse features portraits of (clockwise from upper left) Cavour, Columbus, Dante and Mazzini.



Specimen 10 lire note of the National Bank of Tuscany.



Banca Romana 10 lire note of 14 December, 1872. The Roman she-wolf is seen with the twins, Romulus and Remus at lower center. The arms of Savoy, as seen in the lower right, have now been adopted as the official Italian state arms.



Banco Sicilia 50 lire bank note of 16 December, 1901.



Banco di Napoli 100 lire note of 1914. This was the last of the Consortium banks to lose the right of note issue. After 1922 all Italian notes were the product of either the Kingdom/Republic of Italy or the Banca d'Italia.

then issue their own notes in the form of *boni agrari* commencing in the year 1870. Only two banks elected to issue their own notes. These were the *Credito Agricolo Industriale Sardo* and the *Banca Agricola Sarda*. The law stipulated that the smallest denomination was to be 30 lire and the largest authorized was 1000 lire. No 500 or 1000 lire notes were issued by either bank, however. Bank notes of less than 30 lire in value were considered *apoche di credito*, or credit notes. These notes were tremendously popular. Records indicate that in the year 1880 over 12 million lire were in circulation. The notes were the product of the printing firm Bradbury and Wilkinson, of London.

The 30, 50 and 100 lire bank notes of the Credito Agricolo Industriale Sardo are similar in appearance. On the obverse of all notes can be seen a male figure in helmet with spear in an oval with the caption *Sard. Pater* (Father of Sardinia) at left. Large numerals designating the denomination are at the center with smaller ones at the four corners. At the right is found another oval depicting agrarian scenes. The 30 lire shows a wagon load of hay, the 50 lire two oxen with wagon and the 100 lire a steam powered thrashing machine. All notes were issued at Cagliari, dated 1 March, 1874 and contain a counterfoil at left. The reverse shows two heads of Italia facing inward with text at center.



Agricultural loan note of the Credito Agricolo Industriale Sardo in the amount of 30 lire, issued in 1874 at Cagliari in Sardinia.



A second issue of 30 lire notes was released on 1 January, 1884. This issue is of the greatest rarity.

The Banca Agricola Sarda also issued notes of 30, 50 and 100 lire denomination. These were issued at Oristano in 1871, 1875, 1877, 1878, 1879 and 1880. The 50 and 100 lire were released in 1879 only. The vignettes consist of two ovals at left and right containing the portraits of a woman and a bearded man. The value is at center with arms above. The 1871, 1875 and 1877 notes bear handwritten signatures, while later issues have facsimile ones. Reverses are similar to those of the Credito Agricolo Industriale Sardo notes. The fact that Banca Agricola Sarda also issued fractional notes in the amount of 50 centesimi, 1, 2 and 5 lire is little known to collectors. These notes were issued at branches in Firenze and Rome in 1873 and are considered of extreme rarity.



Banca Agricola Sarda notes of 30 lire above, and a rare fractional 2 lire note issued on the Firenze branch below.

Local Issues

Finally, we must not overlook the numerous fiduciary notes issued by local governments, mostly municipalities. These notes were authorized by various decrees dating 1870 through 1872. Denominations ranged from 50 centesimi to 3 lire. Towns and cities issuing notes included Sanremo, Genoa, Vigevano, Voghera, the Banca Toscana, d'Asti, Pavia, Udine and others. A sampling of these notes may be seen below.



Locally authorized municipal 1870-1872 issues from Parmense, Vigevano and Firenze.

While researching the bank notes of Italy before unification, we have covered a good bit of history. This was a turbulent period which brought about many changes in alliances and boundaries which came in rapid succession. During the French Revolution Italy was changed in many ways. Old countries were eliminated and new ones created. Some left a paper money trail, while others did not. In collecting the paper money of this oft confusing period we are really preserving little pieces of its history. I hope that you have enjoyed the experience as I have.

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