

THE PHILIPPINE GUERRILLA NOTES OF MINDANAO ISLAND

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Japan Invades the Philippines

The Japanese Empire launched its surprise air attack upon Pearl Harbor, Hawaii on 7 December, 1941, thus precipitating the American entry into World War II. Ten hours later, Japanese forces sent aircraft to bombard landing sites in the Philippine Islands in preparation for landings by ground troops throughout the islands. Since the initial Japanese objective was to capture the Philippine capital of Manila, these landings initially took place on the island of Luzon in the north.

Defending American and Philippine troops were under the command of General Douglas MacArthur, commander of United States Armed Forces in the Asia-Pacific Region. After losing his Air Force in the initial bombardments, MacArthur ordered all naval forces to leave the islands so that they might survive to fight another day. Without air or naval support, nor any means with which to resupply his ground forces, MacArthur's army and the Philippine Scouts, under the pressure of superior numbers, were forced to withdraw to the Bataan Peninsula and to Corregidor Island at the entrance to Manila Bay. Here they kept up a valiant defense until Bataan fell in April 1942, whereupon the remaining troops transferred to the island fortress of Corregidor where they continued the fight until May. After exhausting their ammunition they were compelled to surrender.

In the meantime the Japanese occupied Manila. To avoid its destruction, it had been declared an "open city" by President Manuel Quezon, president of the Philippine Commonwealth. After the fall of Bataan 80,000 American and Philippine prisoners were forced by the Japanese to undertake the infamous "Death March" to prison camps situated 105 kilometers to the north. It is estimated that during this march over 10,000 men, weakened by disease and malnutrition while enduring unimaginable harsh treatment by their captors, died before reaching their destination. The Japanese then issued an order that henceforth any American who failed to surrender would be shot on sight.

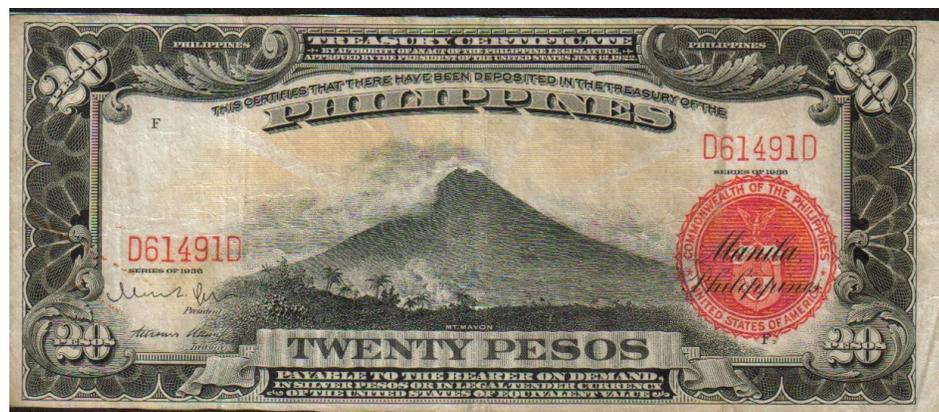
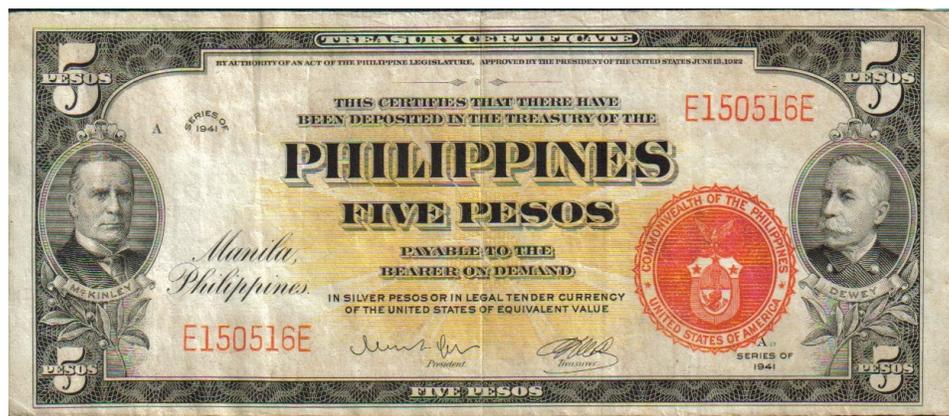
General MacArthur and Manuel Quezon were ordered by President Roosevelt to leave at the last moment before Corregidor fell. President Quezon departed Corregidor by submarine for the purpose of forming a government in-exile in the United States. On the night of 11 March, 1942 General MacArthur escaped through Japanese controlled waters aboard PT-41, bound for Australia some 4,000 km away, where he set up his planning staff for an eventual return to the Philippines in October 1944.



Mindanao Island in the southern Philippines showing LCOL Fertig's guerrilla area of operations within the dotted lines.



Japanese Imperial Army tanks moving toward Manila on the day of its capture.



Dated 1926 and 1941 these Commonwealth of the Philippines notes are examples of the currency circulating at the time of the Japanese invasion in December 1941

Guerrilla Resistance Organizes

Although the Japanese authorities had promised the Filipinos independence after occupation, they quickly reneged on the deal, forming a Council of State to govern the Philippines instead. Through this body, the Japanese exercised control over civil affairs in the islands until October, 1943 when an independent republic within the Japanese sphere was declared. This puppet state, led by President Jose Laurel, proved to be unpopular. Most of the Filipino upper class served under the Japanese. They did this for several reasons: (1) to protect the people from the harshness of Japanese rule, (2) protection of personal interests and family, and (3) a belief that Philippine nationalism would best be served through solidarity with fellow Asians. Not all Filipinos agreed with the Japanese collaborators, however.

It was not long after the invasion that Filipinos opposed to the Japanese occupation began an underground organized resistance. This guerrilla activity ultimately spread across the island archipelago until more than 260,000 men were active in guerrilla operations with an even larger number resisting the Japanese underground. The major center of this resistance was in the central Luzon area where the People's Anti-Japanese Army was organized in early 1942. Gradually other guerrilla units were formed to resist the Japanese on other outlying islands. These units, over time, were attached to McArthur's United States Armed Forces Far East command. Our concern, in this article, will be the guerrilla forces on the southernmost island of Mindanao, under command of army Lieutenant Colonel Wendell Fertig.

General McArthur had long been an advocate of special operations. Denied a primary role in the fight against Japan in the early stages of the war due to the army's subordinate role to the Navy and Marine Corps, McArthur turned to the Philippine theater where he made extensive use of guerrilla units, scouts and commando forces to harass the enemy. He was well aware of the numerous instances in history where smaller units had defeated larger ones and where guerrilla units had severely depreciated a conventional army's ability to fight effectively. To this end McArthur, before the fall of Corregidor, had established an embryonic underground intelligence service among the numerous American businessmen serving in the capacity of miners and plantation owners and their Filipino counterparts. The rapid fall of the islands to the Japanese left little time to organize guerrilla warfare; however, McArthur did direct Major General Sharp to intensify preparations for guerrilla warfare on Mindanao and the surrounding southern islands.

Upon the fall of Corregidor General Wainwright (McArthur's successor) requested the Japanese terms of surrender. The Japanese refused to accept his surrender unless he ordered all American troops in the Philippines to follow suit. The order, when sent out, was received on Mindanao by General Sharp, the local area commander. Sharp



Examples of the first issue of Japanese occupation money. These are known as banana notes, as all denominations from 50 centavos upward carried a vignette of a banana plantation somewhere in their design.



Second issue Japanese occupation notes were known as Rizal notes, a reference to the monument to Jose Rizal shown on their obverse. All invasion money was referred to as “Mickey Mouse money” by Americans and Filipinos alike.

had little enthusiasm for a guerrilla campaign, and not wanting to violate Wainwright's orders, directed his forces to lay down their arms.

Not all American forces accepted the order, however. These men believed they had a better chance of survival in the mountains of the interior than in Japanese prison camps. Americans who refused to surrender faced a major battle just to survive, let alone form themselves into viable guerrilla units. This would prove to take time. These fugitives, in addition to dodging Japanese patrols, had to cope with intense jungle heat, disease, a lack of food and equipment as well as low morale. In their wanderings during their escape they often found sanctuary deep in the interior at isolated mining camps and plantations. They were assisted in their escape by friendly Filipinos, who often served as guides and scouts.

The brutality of the Japanese occupation helped to solidify resistance among the Filipinos. At first, the Japanese tried to win over the native population to their cause. The puppet government eventually declared Philippine “independence”, invoking Oriental solidarity while lecturing the natives on the benefits of joining the Greater East Asia Co-Prosperity Sphere, a Japanese dominated trade federation. Filipinos were not fooled however, quickly perceiving that the authority of the puppet government extended only as far as the reach of the Japanese army and police. Promises of prosperity and brotherhood contrasted sharply with the brutal reality of Japanese occupation where Japanese soldiers and secret police took their revenge by burning villages, seizing hostages, and torturing and murdering civilians. As Filipino sentiment hardened against the Japanese, guerrilla bands began to form spontaneously.



Late in the war the Army Air Corps dropped captured occupation money on areas still in Japanese hands, after first overprinting it with the above message. The message was intended to encourage Filipinos still in sympathy with the Japanese to reconsider their allegiance to the Greater East Asia plan.

These groups, scattered about the coast and interior valleys, faced nearly insurmountable supply and communication problems. In their quest for organization many groups turned for leadership to the American soldiers and civilians who had managed to escape the Japanese. LTCOL Fertig, who had escaped to Mindanao after the fall of Corregidor, was one of the most influential of these leaders.

Wendell Fertig was a mining engineer by trade, with no formal military background. He was serving as a reserve Captain in the U.S. Army Corps of Engineers when World War II commenced. Before the fall of Corregidor Fertig was sent to Mindanao by General Edward King to assist General Sharp in organizing resistance on that island. After General Sharp surrendered, LCOL Fertig decided to carry on the fight. Over the following several years he created and commanded the United States Forces in the Philippines (USFIP). His first action was to recruit the eclectic group of Americans - regular army escapees and civilians, escaped POWs, Filipino natives, rival guerrilla groups and others who had refused to surrender. Recognizing that he wouldn't be taken seriously by the recruits to his struggle unless he held a higher rank, he promoted himself to the rank of Brigadier General, much to the annoyance of General McArthur and his staff. Lacking the suitable insignia of a single star for his new "rank", he had a Moro silversmith fashion one from a Philippine peso coin. From humble beginnings USFIP became one of the best equipped and effective irregular units to operate during World War II.

Guerrilla Operations on Mindanao Island

On Mindanao LTCOL Fertig used geography and relatively early contact with McArthur's headquarters in Australia to build a successful organization. The 7,000 islands of the Philippines, spread over 1,000 miles of ocean, made it impossible for the Japanese to garrison the entire region. Japanese army units chose instead the more populated areas, coastal towns and cultivated regions for their garrisons. On Mindanao they concentrated their forces in the principal southern city of Davao and in Cagayan and Lake Lanao in the north. This left the entire sparsely settled interior of the island, with its scattered farms and inaccessible mountains, unoccupied by Japanese forces. It was here that Wendell Fertig set up his camp. This was a foreboding place consisting of a jungle full of cobras, pythons, leeches, killer bees that could sting a horse to death, crocodiles, malaria and naked Moro spear men loyal to no one.

The earliest American escapees to arrive gradually heard of one another's presence through the jungle telegraph and were quick to organize themselves into small units. These men consisted of such diverse figures as Bill Offret, a U.S. Navy Chief, Captain Hedges of the U.S. Army Motor Pool; Sam Wilson, a self-made millionaire who owned the Wilson Building in downtown Manila, and Lieutenant Bell of the Army Signal Corps. Upon the outbreak of war, Wilson had volunteered and been given the

rank of Lieutenant (junior grade) in the navy reserve. Hearing of the presence of these bands, Fertig as senior officer present, had them assemble in a remote location in Lanao province on the northern side of the island. Mindanao's large area, lack of roads and rugged terrain made centralized command difficult. At the same time, however, these factors hampered Japanese attempts to carry out punitive operations against the guerrillas. By the time the Japanese got around to occupying the island in June 1942, Fertig's forces were well entrenched. After Captain Luis Morgan, another guerrilla chief on Mindanao who had been a former Filipino police officer, offered his command to Fertig, the guerrillas felt sufficiently strong to move their base to Misamis Occidental province on the northern coast. The fact that Misamis Occidental had been undamaged in the war and had material available of use to Fertig's command, made it an ideal base of operations. Here Fertig consolidated and expanded his control over the movement. With the assistance of the native Moros he recruited and trained an army of irregulars that even included an engineering corps, commando school and makeshift navy. Most importantly he installed a civilian government, built a communications network and drafted local Filipinos laborers. When the Japanese general, Morimoto, inexplicably failed to attack his base at Misamis Occidental during the spring of 1942, Fertig consolidated his hold on the remote coastal and mountainous parts of Mindanao.

Once in control of the back-country, Fertig sent patrols to gather up every scrap of wrapping paper for the production of bank notes and school books. He reasoned that the Filipinos would help if they could be paid. The Moros, on the other hand, adopted a "no pay, no work" attitude. To complicate the problem, Chinese merchants would not accept the Japanese occupation money, which they referred to as "Mickey Mouse money", demanding instead silver which was next to impossible to obtain. A solution to the money crisis was found when Fertig handed it over to his duly elected civilian government. Judge Saguin, whose name appears on many Mindanao notes, was given the task of presiding over the government that paid the army, printed stamps and money, and controlled prices while regulating commerce and inter-island trade. Fertig's philosophy was to leave all civil government to the Filipinos, making sure that good men were in the job and to leave them alone to do it.

Sam Wilson, the Manila millionaire, had suffered a great deal while escaping from the Japanese. His wife and sons were in a Japanese prison camp. His hearing was faulty and his eyes were failing. Nevertheless Fertig pleaded with him to take over the responsibility of printing and accounting for the guerrilla money. To quote *They Fought Alone*, the story of Fertig's campaign, Wendell said while confronting a reluctant Wilson: "But Sam, you're just the man we need. All your life you've made money, and I want you to make some more. You know printing, and you know finance, and that makes you 'The One'. I need you to take charge of printing our money and accounting for it." Sam proved to be a meticulous workhorse. The more he tried to lose himself in his work, the more Fertig found for him to do.

The general's next task was to set up telegraph lines so that outlying guerrillas could remain in contact with headquarters. Lieutenant Bell was put in charge of this task. Ingenuity was the order of the day. The telegraph poles were designed so that they could be collapsed on an instant's notice and moved to a new location. Lacking insulators, the engineers used old coke bottles. Wire from old farm fences replaced the customary copper wire. When his old over-worn truck batteries wore out, some genius discovered that if you soaked them overnight in the native tuba beer, somehow they miraculously recharged themselves. Soap was made from coconut oil and wood ashes. Surplus soap was traded with the nearby island of Negros for sugar. The sugar, in turn, was used to make alcohol which was used as fuel in the truck engines in Captain Hedges' motor pool.

Next Fertig turned his attention to the critical job of establishing radio contact with McArthur's headquarters in Australia. After repeated experimentation and failure it was decided that the radio signal was too weak to reach Australia. Nevertheless his men kept trying, and one night to their amazement received a return signal asking for their location. The guerrilla signal had been picked up by the navy at Pearl Harbor, not by Australia. In this way, one year after the war began, the outside world learned that there were still Americans in resistance to Japanese forces in the Philippines. Word was immediately forwarded to McArthur's headquarters.

Fertig then radioed the War Department stating that he had assumed command as Brigadier General of all U.S. Forces on the island of Mindanao, that he had established a civilian government in the hands of duly elected Commonwealth officials, and that money was being printed by them for loan to USFIP for the conduct of the war. In reply the War Department placed Fertig in charge of all American forces on Mindanao and attached him to McArthur's command as the 10th Military District.

Almost simultaneously, word reached Australia via another source verifying Fertig's existence. Shortly after setting up headquarters in Misamis Occidental, Fertig asked for volunteers to make an attempt to reach Australia by sailboat. These men finally reached Australia after months on the open sea. They convinced McArthur's staff that Mindanao could be made into a major guerrilla base with proper support. A list of urgently needed supplies was turned over which included ammunition, weapons, radios, ciphers, batteries and much more. Most importantly, a strategy for the conduct of the war on Mindanao was devised.

Once contact had been made with Australia, the guerrillas were instructed to refrain from any major military engagement with the Japanese in order to avoid harsh reprisals against the Filipino people. Military operations were limited to harassment, sabotage and ambush. With a view toward McArthur's return, the collection and

transmission of intelligence were stressed as equally important objectives. To convey this intelligence a complex radio network was developed under the very noses of the Japanese.

When McArthur's Headquarters asked Fertig what he needed by way of supplies, he replied with a long laundry list of everything he required - never expecting to see any of it. To his amazement the *Narawal*, a navy submarine, was dispatched from Australia as soon as everything could be assembled. The first of *Narawal's* two relief trips arrived after a tense cat and mouse game of dodging the Japanese coastal patrols. The submariners were amazed to be welcomed alongside the Misamis Occidental pier by Fertig's makeshift band playing *The Stars and Stripes Forever*. Secure in the guerrilla stronghold, the sailors wanted to know "Where are all the Japs?" A total of 92 tons of cargo was unloaded at night in four hours. Everyone pitched in to help unload so that the sub could depart before daylight. When the hatches were opened, out came cases of carbines, rifle ammunition, submachine guns and rocket launchers. Foodstuffs consisted of D rations, chocolate bars, Spam and cheese. Other crates contained magazines, books, newspapers, medicines, jungle boots, camouflage suits and millions of pesos in counterfeit Japanese invasion money.



The USS *Narawal*, the submarine General McArthur dispatched to the Philippines with relief supplies once radio contact was established, and it was learned that a United States fighting force still remained on Mindanao.

By early 1944 General McArthur desired to send in some of his own people to organize the army's expected return to the Philippines. This would necessitate another round trip for *Narawal*. This time Fertig's list contained a request that the Mindanao Emergency Currency Board notes be printed in Australia to relieve Sam Wilson of the printing and accounting for notes locally. Instead, headquarters sent a set of printing plates and enough paper to continue manufacturing legal guerrilla currency locally.

When hearing this Fertig remarked: “Don't they know we don't have offices here full of typewriters? All we have is Sam with a pencil!” As it turned out both types of plates were used in printing the notes, providing numismatists with a variety of 1944 issue notes. The civilian government functioned where and how it could, continuing to print and account for the pesos that paid the army and produced their food and clothing.



With the 1944 printings, some subtle differences crept into the design of Mindanao guerilla notes. These were caused by the introduction of printing plates prepared in Australia and sent by submarine to the Philippines. The note on the left was typical of island-made 5 peso notes, containing two and a half roundels in its right border design, whereas the Australian plate has three.

During the occupation Fertig's guerrillas harassed Japanese patrols, sabotaged enemy supply and ammunition depots and disrupted communications as best they could. Japanese patrols operated throughout the coastal area. Launches stopped and searched fishing boats while trucks patrolled the highways and company size units penetrated the jungle interior in search of guerrillas. The guerrilla strategy was to surprise and outnumber the enemy, and to kill the enemy wherever they picked the ground. If they couldn't defend the terrain, then they were to run away.

By early 1944 the USFIP had grown to 38,000 men. At this point the Mindanao guerrillas struck openly against the Japanese, using hit-and-run tactics against the enemy flanks and rear. Isolated Japanese troops in the interior were hunted down in the mountains and jungles. Fertig's guerrillas had little chance to savor their minor victories as the Japanese always applied increasing force after one of these confrontations, causing the general to repeatedly move his headquarters. They always managed, however, to stay one step ahead of the advancing Japanese patrols.

When American bombers began their raids on Mindanao in August 1944, the Japanese withdrew from the interior, concentrating their defenses along the beaches. This permitted the guerrillas to regain control over most of the island. When the Americans finally landed on Mindanao they found that the guerrillas had already cleared the beaches and occupied the entire length of Highway No. 1, so that the Americans could race across the island without fear of ambush.

The 1942 Issues of Lanao and Misamis Occidente Provinces

Cut off from their head office after the fall of Manila, local provincial authorities decided to print their own Philippine National Bank issues. Two such issues were released on the island of Mindanao, one for Lanao province, the other for Misamis Occidental province. These notes bear the date 1942 and were issued in very small numbers; consequently they are rare and very difficult to locate today.

Lanao province, located in the northwestern part of Mindanao island, served as a base of operations for Fertig's forces on several occasions during the war. The Lanao provincial issue released early in 1942 was short-lived; and consequently few notes were printed, making this one of the truly rare Philippine guerrilla emissions. The Lanao issue of four notes released by the Lanao Currency Committee contains denominations of 20 and 50 centavos and 1 and 2 pesos. All have plain border designs together with one printed and one stamped serial number. An embossed seal appears at the center of each note. The reverse of the 2 peso note contains an unusual red band which runs the length of the note..

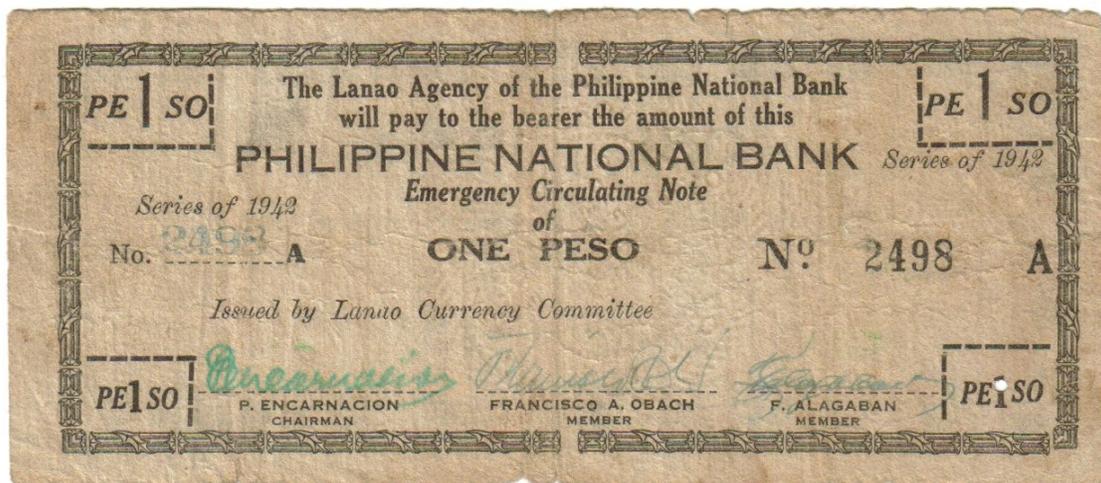
Table 1. Mindanao Island Provincial Issues of 1942

Lanao Province - Philippine National Bank Emergency Circulating Notes

Denomination	Date	Series	Distinguishing Characteristics
20 centavos	1942	A	black print, handsign
50 centavos	1942	A	black print, handsign
1 peso	1942	A	black print, handsign
2 pesos	1942	A	green print, handsign

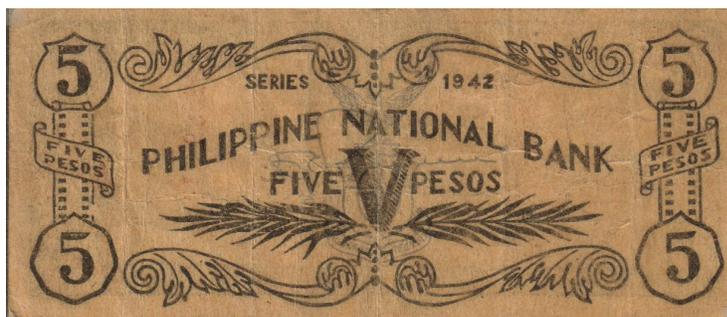
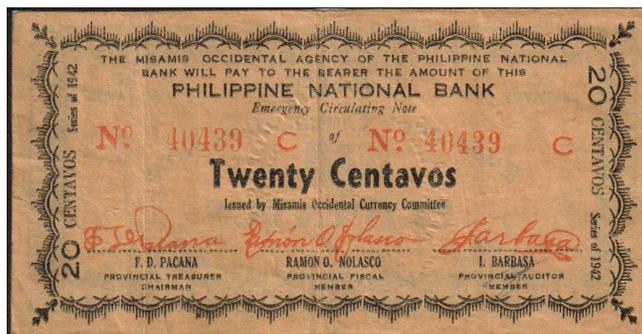
Misamis Occidental Province -Philippine National Bank Emergency Circulating Notes

10 centavos	1942	F	black print, green signatures
20 centavos	1942	C	black print, orange signatures
50 centavos	1942	B	orange print
50 centavos	1942	B	black print, checkwriter used
1 peso	1942	A	3 handwritten signatures
2 pesos	1942	D	red printed signatures
5 pesos	1942	E	Quezon portrait, blue printed signatures



The Lanao Agency issued only four notes in its short existence. All are scarce to rare. Distinguishing features include hand written signatures and an embossed seal in the center of the note. A variety of the note shown here contains only the Committee titles omitting the members' printed names.

The Misamis Occidental province issues are more numerous. Also dated 1942, they were issued in denominations of 10, 20, 50 centavos and 1, 2 and 5 pesos. These notes were issues of the Philippine National Bank and bear the caption "Emergency Circulating Note". All contain the written or printed signature of F.D. Pacana, as Chairman. The higher denominations are more ornate. The 2 peso contains a checkwriter value beneath the Philippine arms on the reverse. The 5 peso bears a portrait of Manuel Quezon on its obverse and is printed on heavier, brown paper.



Misamis Occidental provincial notes of 1942. These notes were predecessors to the first and second Mindanao Currency Board Issues which superseded all previous issues.

Notes of the Mindanao Currency Board

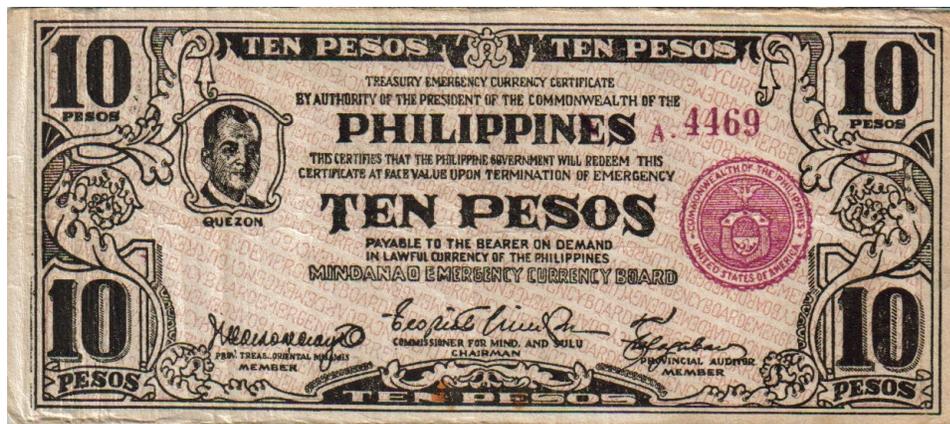
Once under the command of McArthur's headquarters in Australia, Fertig was besieged with directive after directive aimed at telling him how to run his operation. One of these absurdities concerned the printing of paper money. This directive banned the printing of military scrip. The order made the printing of emergency money an outright disobedience of Supreme Headquarters. Even worse, it made Fertig appear to be a liar to his own people, as he had promised the Filipinos and Moros that they would be paid if they joined the army, and that the emergency notes would be redeemed at face value after the war was over. He neatly side-stepped the issue by reasoning that he wasn't printing military scrip, but real money - money which sustained the guerrilla economy and kept the war going. He told Sam Wilson: "Hell, if those chair-bound commandos in Australia want to come here and eat cold rice and dodge Japs with me while we debate whether its money or scrip, I'll gladly arrange it".

Sam Wilson's mint was always ready and packed to go on a moments notice, with all receipts signed and all accounts current. The enemy was never more than a half-day's march behind Sam as he struggled with his heavy crates to reach the next encampment. Wilson's mint was moved a total of six times during the war. (Table 2 indicates the camp location at the time of each printing). In June 1942 General Morimoto finally decided to move on the guerrillas in Misamis Occidental. This was a heavy assault by land, sea and air. Fertig once again had to move his force on a forced march - this time to Lanao Province, from whence he had come. After the move Sam Wilson's clandestine mint was working again within a day. Not one government official had been captured. Money was circulating and the government was once more functioning.

Mindanao Currency Board notes were created out of a desire to have a uniform currency for the entire island. Upon the printing of the first Mindanao Emergency Currency Board issue, the relatively few notes previously issued by Lanao and Misamis Occidental provincial officials were withdrawn. (Table 1. enumerates the early provincial issues of 1942). The first of two distinctly different Mindanao issues then took their place.

The first (undated) issue was printed on white paper with vertical watermark lines. This issue is similar in all respects to one released in Cebu Province at the same time. The only difference in the four notes produced for Cebu and Mindanao are the colors used, local names, and signature titles. It is known that Manuel Quezon, before leaving Corregidor, directed the Philippine National Bank to continue issuing currency in areas not overrun by the Japanese. Since there was no way to access existing stocks of Philippine National Bank notes in Manila, they of necessity, had to print their own. Appearing so early after the invasion, before the Japanese landed on Mindanao and before guerrilla resistance could be organized, they must have been the result of this

directive. Notes of the first Mindanao Emergency Currency Board issue may also be identified by the signature of the Board Chairman, Teopisto Guingona. The 2 and 5 peso notes lack the portrait of Quezon which appears on the 10 and 20 peso notes. All first issue notes carry the place of issue, Dansalan, in Lanao province on the reverse. Descriptions of the two separate issues of Mindanao Emergency Currency Notes may be found in Table 2.



The first issue of Mindanao Emergency Currency Board notes was issued at Dansalan in Lanao province during 1942. The issue was made and released before the Japanese arrived on the island.

Table 2. Mindanao Emergency Currency Board Notes

First Issue: Dansalan, Lanao

Denomination	Date *	Control letter	Distinguishing features	Total number notes
2 pesos	1942	A	numeral “2's”	20,000
5 pesos	1942	A	numeral “5's” and “V”	76,338
10 pesos	1942	A	Quezon portrait	29,000
20 pesos	1942	A	Quezon portrait	52,900

* Date does not appear on notes.

Second Issue: Various locations

First Printing - Matagas, Misamis Occidental Province

5 centavos	1943	I	thick “I”	62,400
10 centavos	1943	H	narrow “H”	68,000
20 centavos	1943	G	narrow “G”	68,000
50 centavos	1943	F	narrow “F”	60,000
1 peso	1943	E	narrow “E”	60,000
2 pesos	1943	D	smaller “D”	84,000
5 pesos	1943	C	maller “C”	92,000
10 pesos	1943	B	double error note	881,900
20 pesos	1943	A	smaller “A”	56,000

Second Printing - Kolambugan, Lanao Province

5 centavos	1943	II	narrow “II”	117,200
10 centavos	1943	HH	narrow “HH”	323,600
20 centavos	1943	GG	narrow “GG”	323,600
50 centavos	1943	FF	narrow “FF”	278,300
1 peso	1943	EE	narrow “EE”	421,800
2 pesos	1943	DD	narrow “DD”	275,600
5 pesos	1943	CC	Smaller “CC”	299,800
10 pesos	1943	BB	narrow “BB”	297,000
20 pesos	1943	AA		98,400

Third Printing - Esperanza, Agusan Province

5 centavos	1943	II	wide "II"	*
10 centavos	1943	HH	wide "HH"	*
20 centavos	1943	GG	wide "GG"	*
50 centavos	1943	FF	wide "FF"	*
1 peso	1943	EE	wide "EE"	*
2 pesos	1943	DD	wide "DD"	*
5 pesos	1943	CC	changes in type style	*
10 pesos	1943	BB	wide "BB"	*
20 pesos	1943	AA	wide "AA"	*

* Surviving records combine second printing totals with third printing.

Fourth Printing – Loreto, Agusan Province and Dipolog, Zamboanga Province

5 centavos	1944	I		15,800
10 centavos	1944	H	"series" and "SERIES"	140,000
20 centavos	1944	G	"series" and "SERIES"	117,600
50 centavos	1944	F, 5	wide and narrow dates	345,800
1 peso	1944	E, V, V5	"series" and "SERIES"	418,300
2 pesos	1944	D, 5	wide and narrow dates	305,500
5 pesos	1944	C,T,5,T5	wide and narrow dates	390,500
10 pesos	1944	B,S,S5,SA5	wide and narrow dates	372,200
20 pesos	1944	R,R5,RA5	date w/o control mark	268,300

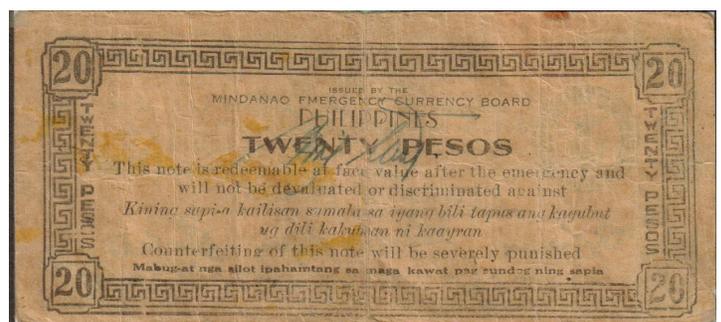
Fifth Printing – Loreto, Agusan Province

5 centavos	1945	I		24,900
10 centavos	1945	H	small "Series 1945"	41,900
20 centavos	1945	G		44,900
50 centavos	1945	F		56,200
1 peso	1945	E		28,200
2 pesos	1945	D		56,000
5 pesos	1945	C		46,100
10 pesos	1945	B		38,100

The second issue of Mindanao Emergency Currency Board notes was much more extensive and the one, examples of which, are found in most collections. Second issue notes bear dates of 1943, 1944 or 1945 reflecting the year in which they were released to circulation. Second issue notes were the product of Sam Wilson's mint, known as the "hit-and-run mint", since the makers were constantly on the move to avoid confiscation, capture and death at the hands of the Japanese. It is amazing that this currency was so widely accepted by the Filipinos, becoming the foundation of their existence under occupation, considering that the Japanese, early on, decreed that anyone caught with the currency would be shot on the spot.

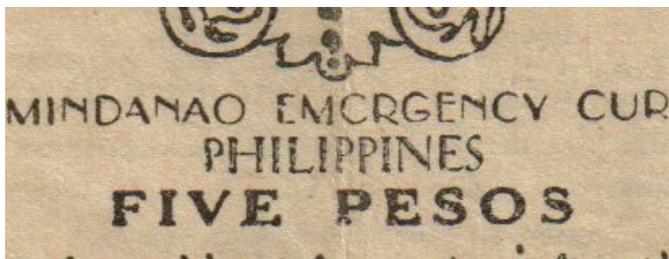
All notes carry the signature of Florentino Saguin, as Chairman of the Board with F.D. Pacana and I. Barbasa as Members. The second issue went through a series of five printings: three in 1943, one in 1944 and one in 1945. For the most part all notes can be identified to a specific printing; however due to confusion in serial numbering, cases exist where it is impossible to tell them apart. The series consists of small size denominations (5, 10 and 20 centavos), medium size notes (50 centavos and 1 peso) and large size notes (2, 5, 10 and 20 pesos). The notes were printed on light weight manila paper. Notes of 50 centavos and higher bear the seal of the Commonwealth of the Philippines, while lower denominations do not. All are simplistic in design, yet amazing products, considering the hardships and lack of material at hand with which to produce them. The many variations in the basic design have produced varieties within this series which are a delight to collectors.

Printed ink signatures of the three signers appear in blue, red or green depending upon the denomination of the note. The text appears in black. The series date is usually found above the serial number. The larger denominations bear both English and Tagalog text on the reverse.

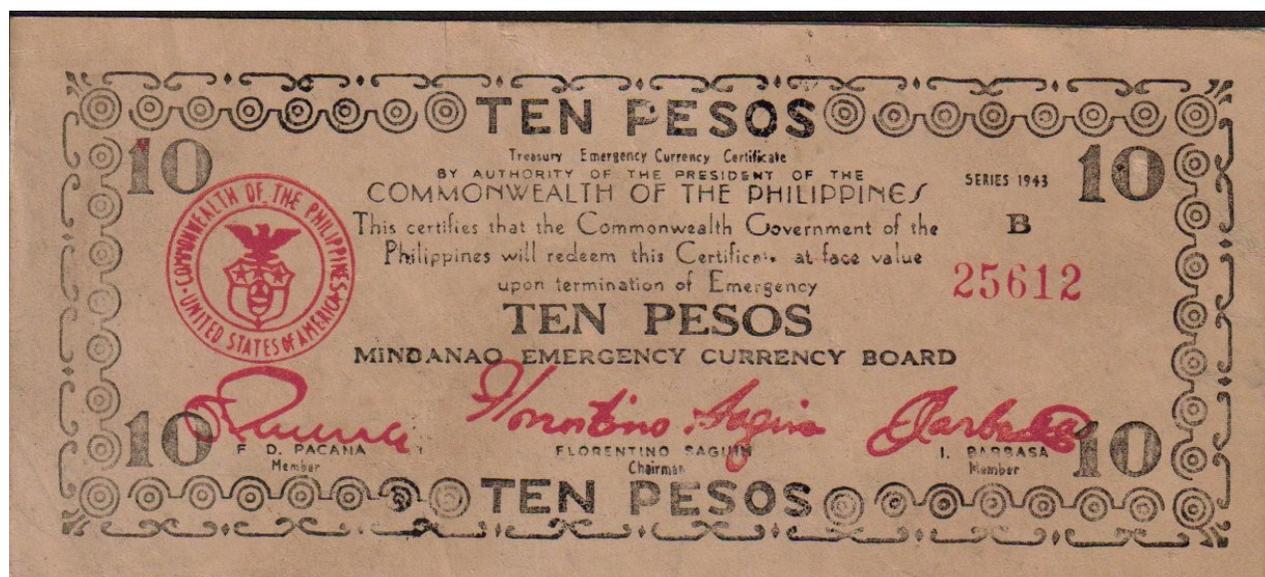
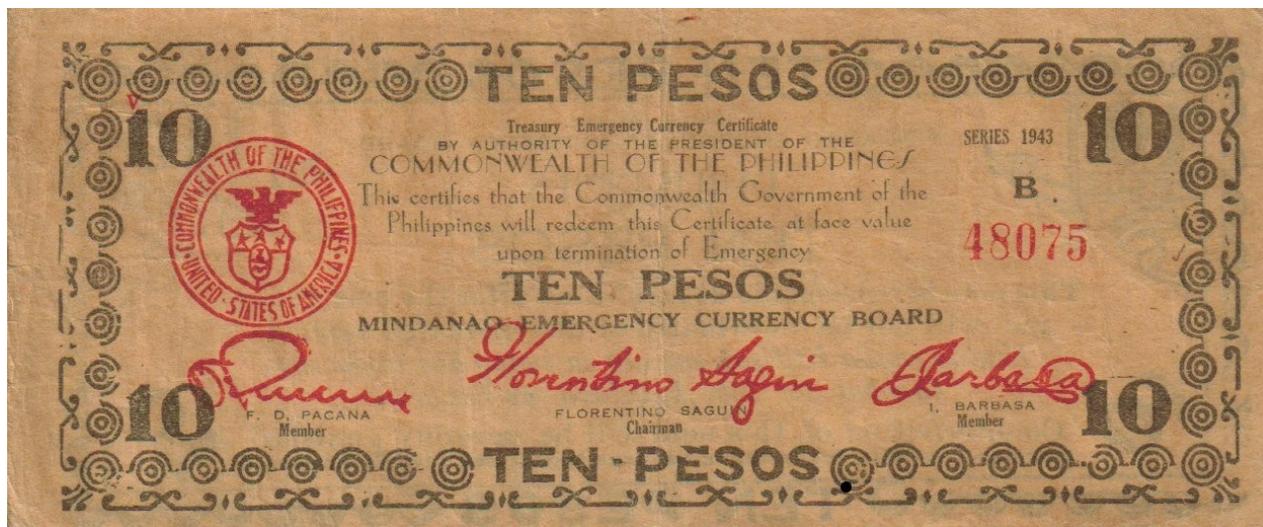


Notes of the first 1943 printing have a single letter control device. Higher denominations notes carry a countersignature on the reverse as a security feature. The practice was dropped after the first printing, possibly because it slowed down the production process.

Notes of the first printing usually have a handwritten signature at the center on the reverse. This was meant to be an authenticating signature for control purposes. Control letters consist of a single capital letter. An error occurs on the 5 peso note of the first printing. The word “EMERGENCY” on the reverse of the note is misspelled “EMCERGENCY”, possibly due to a shortage of type for the upper case “E”. Another error appears on the 10 peso note of the first printing. In this case the signatures of two of the three signatories are reversed; i.e., Barbasa is listed as “Chairman” and Saguin as a Member. To compound the error the word Chairman is misspelled “Chariman”, marking this note as an interesting “double error”. One other peculiarity sets the first printing apart from the others. In this issue, the 10 peso note was counterfeited, the only time counterfeiting occurred in the series except for the 20 peso of the fourth printing. In both cases these notes were produced by the Moros to cheat the guerrilla civil authorities. They were somewhat crudely made when compared to the real thing which, in itself, was crude. A close study of the detail on both notes will allow the counterfeits to be easily recognized.

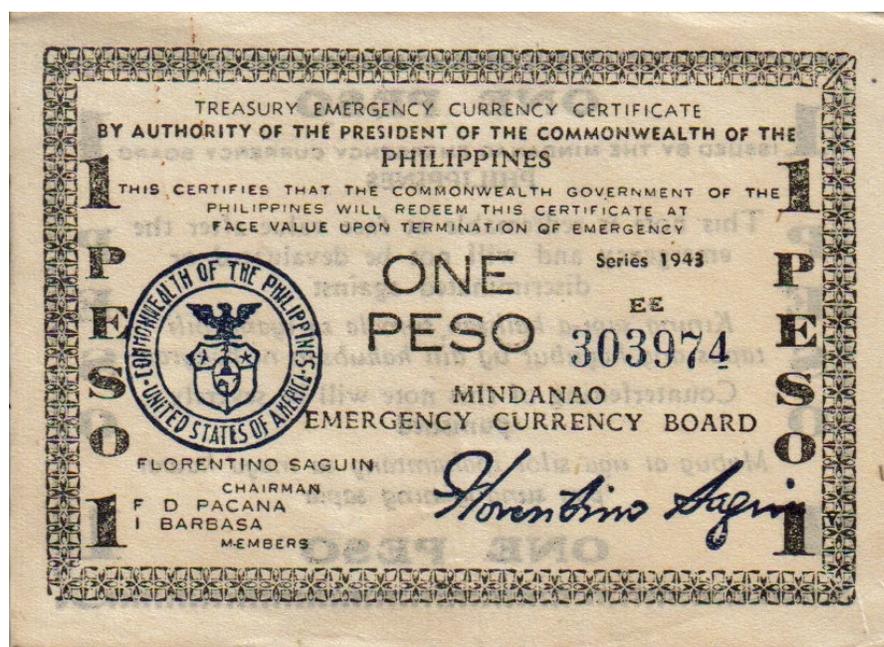
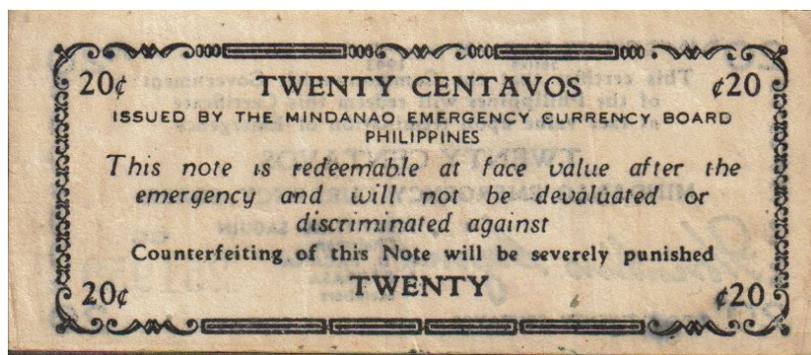
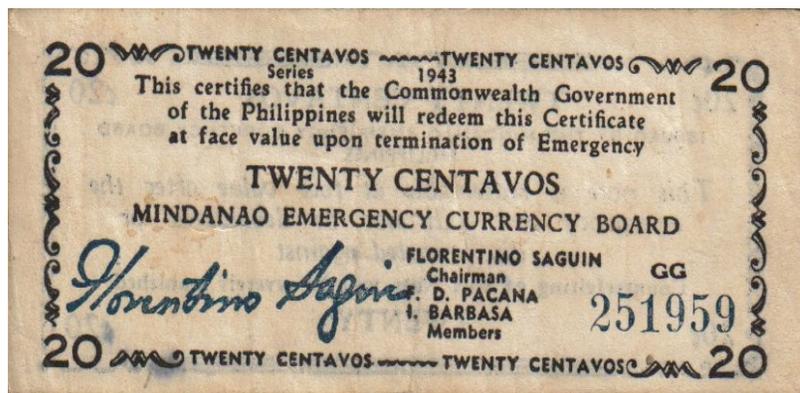


Several errors appear on notes of the first 1943 printing. On the 5 peso note the word EMERGENCY is spelled with a “C”. Other issues use a different type style for the letter “E” as seen on the right. The 5 peso note is the only denomination affected. This series also contains a rare “double error” where the names of Board officials were reversed. On this 10 peso note Barbasa is listed incorrectly as the Chairman when in reality he was a Board Member. In addition, the title “Chairman” is misspelled “Chariman”.



A genuine 10 peso note (above) and the Moro counterfeit (below). The counterfeit is easy to spot when you know what to look for: (1) the paper is not the same, (2) the font used in the date series designator is incorrect, and (3) the red ink used on the seal and signatures has a purplish quality, whereas on the original it is a bright vermilion.

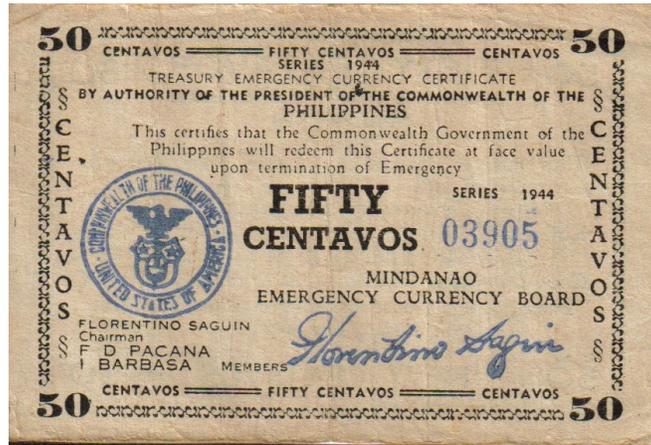
The second printing of Mindanao Emergency Currency Board notes was done at Kolambugan in Lanao province. They are similar in all basic respects to those notes prepared for the first printing except for double letter control designators; i.e., “GG”, “BB”, etcetera. By the time the third 1943 printing was required, Sam Wilson's mint had moved again, this time to the town of Esperanza in Agusan province. The same denominations were issued. The same error in the misspelling of the word “EMCRGENCY” appears on the 5 peso note of the third printing.



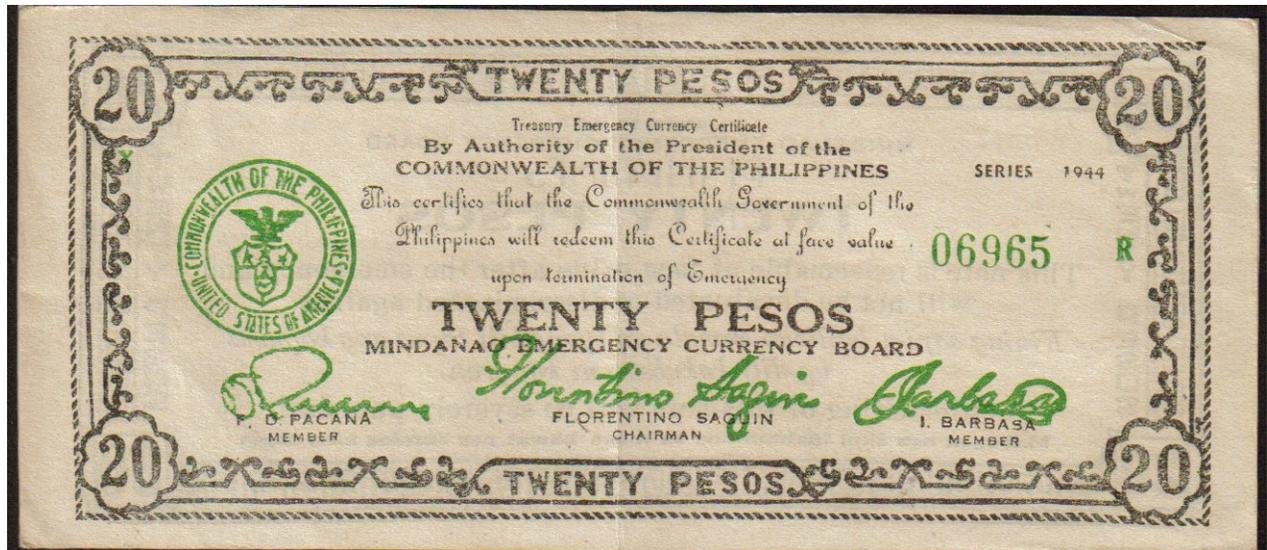
1943 second printing notes bearing the identifying double letter control designators

By the year 1944, the Japanese had become increasingly active in pursuing Fertig's guerrilla band. Records show that notes bearing the year 1944 were printed in three different provinces – Agusan, Zamboanga and Misamis Occidente. Control letters on 1944 series notes vary from past practice. In this series control markings may consist of a single letter, a number, combination of both letter and number or no control indicator at all. (See Table 2.). The words “SERIES 1944” also appear in wide date and

narrow date formats. Again, some 5 peso notes contain the misspelled “EMERGENCY” variety. The second Moro counterfeit also appears on the 20 peso note in this series.



Series 1944 50 centavo note above. At the center are two 2 peso notes bearing “narrow” and “wide” series designators. Below is a 10 centavo note of the final 1945 issue



A genuine 20 peso note of the 1944 series bearing the control; designator "R". This note was the highest Mindanao Emergency Currency Board note issued.

The last and final issue of Mindanao Emergency Currency Board notes was released in 1945 on the eve of McArthur's return to the Philippines. This final printing took place in April, 1945 at Loreta in the mountains of Agusan province. The issue was printed in relatively small numbers; consequently the notes are hard to find today.

Postwar Note Redemption

As soon as the war was over the question of which guerrilla issues would be redeemed by the Philippine and American governments arose. Republic Act Number 369, enacted by the Commonwealth, addressed this issue. Notes registered and deposited under the provisions of the act were divided into two categories. These were titled Pre-Surrender and Post-Surrender notes. The term "pre-surrender" referred to notes issued during the period commencing with the invasion of the Philippines to the eve of the occupation of any particular island or province by Japanese troops. These notes were considered to have been maintained under tighter control and hence more valuable than later issues. This group was redeemed at par (100 percent of face value). The remainder, including all of the Mindanao Emergency Currency Board notes, were declared "post surrender" notes. Act Number 369 provided a table of redemption for this group as follows:

- 100 % redemption for the first 500 pesos presented
- 50 % redemption for amounts between 500 and 1000 pesos
- 30 % redemption for amounts of 1000 pesos to 10,000 pesos
- 15 % redemption for all amounts in excess of 10,000 pesos

A period of four months was allowed for the exchange of guerrilla money for post-war Philippine Commonwealth notes. Counterfeit and severely mutilated notes were excluded from this provision.

These provisions satisfied ordinary Filipinos as to the disposition of guerrilla money in their hands following the surrender. Of course, it did nothing to ameliorate the suffering by those who had been forced to accept worthless Japanese occupation money during the war. These people turned to several groups who set themselves up for the sole purpose of petitioning the government for similar redemption privileges as afforded holders of guerrilla currency. Principal among these was The Japanese War Notes Claimants Association of the Philippines, Inc. As notes were presented to the agency they were hand-stamped with a rubber seal on either obverse or reverse of the note with the name of the association and the notation "Received for Safe Keeping" together with the printed signature of an official of the association. There were several of these groups attempting to redeem Japanese notes for their constituents, no doubt on a percentage basis. Another frequently encountered purple oval stamp reads: 'COMPILED JAPWANCAP INC.'" I have never found anyone who could tell me who sponsored this organization. I have in my collection war claimants notes ranging from ten centavos to 1,000 pesos. The centavos overprints are difficult to find, presumably due to their low intrinsic value as compared to the higher denominations. Both the first and second issues of Japanese invasion money are represented. The Philippine government steadfastly refused to honor them and as a consequence those who held the claims were out of luck and out of pocket.





After the war was over, several Filipino groups set themselves up to process claims for the reimbursement of Japanese invasion money in the hands of their hapless countrymen. The most prominent of these groups was the Japanese War Notes Claimants Association of the Philippines. After years of futile pleadings to the Philippine and American governments, they gave up and went away empty handed. The lower denomination fractional notes are very difficult to find with the Association hand-stamp.

In 1945 the United States Bureau of Engraving and Printing began to re-issue its pre-war Philippine currency for general circulation - only this time the notes carried the notation "VICTORY series No. 66" on the obverse and a large black overprint with the single word "VICTORY" on the reverse. Denominations were 1, 2, 5, 10, 20, 50, 100 and 500 pesos.



Post-war Victory Series No. 66 100 peso note.

As previously promised, full independence was granted to the Philippines by the United States on July 4, 1946. The newly created Central Bank of the Philippines, not being ready with its own notes, issued instead the same Victory Series 66 notes with an



additional “Central Bank of the Philippines”, in red, above and below the word “VICTORY”. It was not until 1949 that the first truly Filipino currency came into being.

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