

# THE USE OF BANK NOTES AS AN INSTRUMENT OF PROPAGANDA

## PART II

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### Allied Anti-Japanese Propaganda Dropped in the Far East

Toward the end of World War II, in an effort to hasten the downfall of the Empire, the Allies commenced dropping airborne propaganda notes over Japanese occupied territory in widely separated geographic locations.

The first of these was an airdrop over Singapore and the Malayan States during 1944 and 1945. The British selected the Japanese Government 10 dollar Malayan occupation note for their propaganda message. Printed on Psychological Warfare presses in Calcutta, India these notes, when ready, were delivered to various Royal Air Force bases in India and Burma. From there they were delivered over the target area by the 231<sup>st</sup> Wing of the RAF.



Genuine Japanese 10 dollar occupation note for Malaysia

The purpose of the propaganda message was to undermine Malaysian confidence in the Japanese and their money. The obverse of the genuine Japanese occupation 10 dollar note was altered by adding a diagonal stripe to the photogravure facsimile which read in Malaysian *Wang Jepun Akan Mati Bersama Jepun* (Japan and its Japanese Money will soon disappear). The reverse of the facsimile contains three columns of text, in Malay, Arabic and Chinese. The translated text reads:

“Japanese notes are no longer being used in Burma. The only legal money now being used is British. When the British return to the Malay States, their currency will become valid again as before. Japanese notes will forever disappear together with the Japanese, but genuine British notes will be used forever”.



Desiring to undermine Malaysian confidence in Japanese occupation money, the British airdropped leaflets over Malaya in 1944 and 1945. These were bogus copies of the 10 dollar Malaysian occupation note which had been altered to deliver propaganda messages. The text, in three languages, informed the occupied population that Japanese money would soon disappear along with the Japanese. This prophesy became true. Although Malaya was still in Japanese hands when the war ended, British pound notes were soon circulating again.

Each group of notes produced was coded on the reverse at the bottom of the center panel. The code “SMA/39” stands for “S” (South-East Asia Command, “MA” (Malaya) and “39” (the 39<sup>th</sup> production run). The highest numbered code known is SMA/102. This example represents the only use of bank note facsimiles by the British in the Pacific theater of war.

A similar operation took place about the same time in Burma. In late 1944 American Psychological Warfare Units wished to inform the remote Kachin hill people that the Japanese money in their hands was worthless. To do this they selected the Japanese Government occupation of Burma 5 rupee note as their propaganda vehicle. The obverse of the note created was a good reproduction of the original Japanese Government one. The back of the note was filled with anti-Japanese propaganda. The reverse of the 5 rupee contains a box to the left which reads:

“The Japanese Military Government commanded their troops in Burma to keep secret about the following directive: ‘The Military Government is issuing these notes for your (Japanese troop) use in Burma. Spend as much as you need for food and other things, but do not tell the people about the true value of these notes’.”

Under the heading *Jinghpaw Ni!* (Kachin!), at right, the text reads:

“The Japanese are making these worthless notes for your use. It is easy to get these notes, but very hard to buy food and other necessities with them. Avoid these notes or you will be cheated”.

The notes were delivered to the Kachins by planes from U.S. Air bases in Burma and China.

Herbert Friedman in his article *Propaganda Currency of the Far East* tells of the difficulty he had when originally attempting to obtain a translation of the supposedly Burmese text. Requests for assistance in translation were addressed to U.S. and Burmese authorities and to the United Nations without success. After consulting with the Burmese Consul in New York, Friedman learned the problem was that the note was written in Kachin, not Burmese, as everyone had assumed. There was no one at the embassy who spoke the language, however. Further research with the former OSS and various missionary societies proved fruitless. Finally the determined Friedman hit upon a copy of a Kachin-English dictionary in the New York City Library and with the aid of the Burmese Baptist Convention was finally able to translate the note’s text. This numismatic mystery took the dedicated author the best part of a year to solve!



*Ginjang Japan ni Myen  
 mung de nga ai shanhte  
 a hpyex ma ni hpe, ip da  
 let, amyinx jaw tawn ni gaw  
 "Majan oten e, shahpa,  
 coolie hte ra ai arai ni lu na  
 matu sha Nippon hpyex  
 hpung ni gaw maisak  
 gumhpraw hpe dip  
 shapraw nga ai. Mung  
 masha ni hte ndai gumh-  
 praw a lam hpe neum  
 bowng mu. Ra ai hte  
 maren lang mu."*

**JINGHPAW NI!**  
 JAPAN NI GAW NANHTE HPE JAI  
 LANG SHANGUN AI, NDAI ZAWN  
 MANU N DAN AI MAISAU GUMHPRAW  
 HPE ALOISHA GALAW LU MA AI.

SHAHPA, COOLIE AMU HTE RA AI  
 ARAI NI GAW SHANHTE GUMHPRAW  
 LU LOI AI DARAM, NANHTE LU YAK  
 NGA MA NIT DAI.

MAWP SHA HKUM HKAM MU.  
JAPAN GUMHPRAW KOI GAM MU!

Toward the end of the war in the Pacific theater, United States psychological warfare units desired to inform the remote Kachin hill people of Burma that their Japanese money was worthless. To do this they created bogus Japanese Government 5 rupee notes with various propaganda messages on the reverse. These were then airdropped to the Kachins from Allied bases in Burma and China.

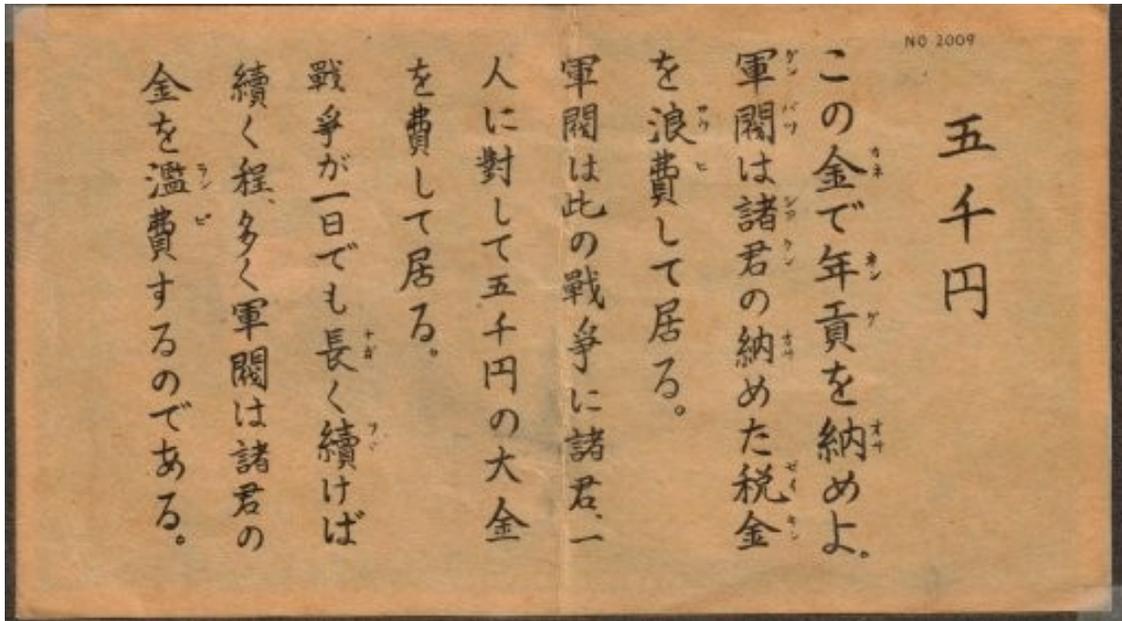
As the war in the Pacific wore on and American bombers were able to reach Japan, the United States was soon directing its propaganda at the Japanese homeland. Four different replicas of the Japanese 10 yen note then in circulation were produced. All have the same block and serial number - block 1124, serial number 450941. These notes were extremely well made and when falling face up on the ground appeared quite genuine. These bills were eagerly picked up by the Japanese, who must have thought it was their lucky day. It was not until the finder turned them over, however, did he realize that he had not found real money but a piece of propaganda instead. The propaganda messages were directed at the civilian population and concerned such subjects as the cost of food, taxes and the value of the yen.

The four notes differed only in the message on the reverse. They are known by their code numbers found in the lower right corner - number 2009, 2016, 2017 or 2034. These notes, the brainchild of the Military Intelligence Service in Hawaii, were airdropped over Japan in large quantities, hence it is still possible to encounter specimens today. The messages they contain are worth repeating as they give us a good insight into how we attempted to undermine Japanese morale.

2009: “Use this money for your yearly contribution. The military clique is squandering your taxes in a most wasteful manner. They are spending ¥5000 per person for this war. If the war is prolonged, even for a day, the military clique will waste even more of your money.”

2016: “Workers! Up until now you have been earning a good deal, but what does this amount to? The purchasing power of this ¥10 note has greatly diminished. You are using most of your strength to produce weapons. You are ‘military’ men in production, but can you buy the rice and beer that soldiers can? Are you able to obtain the special allotments of rations that soldiers and their families get?”

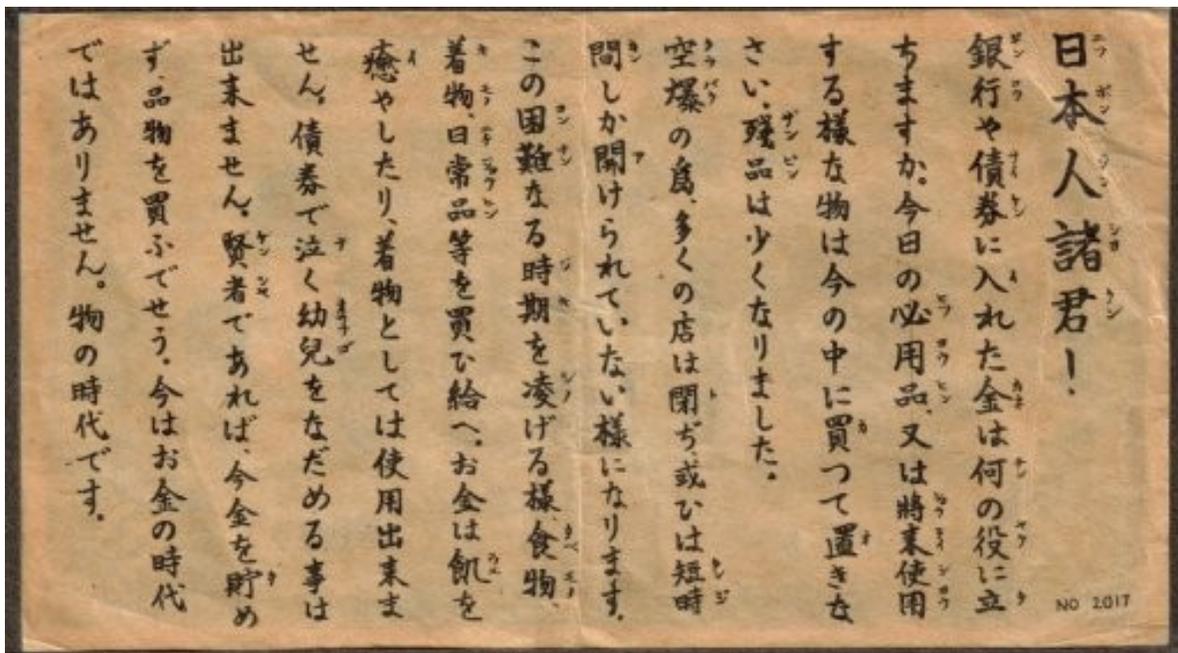
2017: “To the Japanese people! To what use can money and bonds in the bank be put? Buy now the things you need or will need in the future because supplies are running short. Many shops are closed because of the bombings, others are open for a short time only. Buy food, clothing and daily necessities now. Money cannot stave off hunger and savings bonds cannot comfort a crying baby. If you are wise, you will not save your money but will buy goods instead. Now is the time to spend your money.”



During World War II American planes commenced dropping propaganda leaflets on the Japanese homeland once they came within bombing range. Many leaflets took the form of currently circulating 10 yen bank notes. Each authentic looking note, when picked up, revealed a message on its back intended to undermine the morale of the civilian population. All notes in this series have the same serial and block number. The four different propaganda messages each bear a code number on the reverse. Shown here, and below, are numbers 2009 and 2017.

2034: “Before Showa five, (the fifth year of the Showa dynasty = 1911 ) ¥10 would buy 20 kilograms of quality rice, or material to clothe eight people, or four packages of charcoal weighing 50 kilos. After the war began in Showa twelve (1938) ¥10 could buy only 20 kilograms of inferior rice, material for five persons, or 2 ½ packages of charcoal. After hopelessly fighting the Allies for three years you can now only buy 1½ kilos of rice on the black market, a little charcoal if available, and no clothes at all for your ¥10”.

In these messages the idea was to encourage the civilian population to hoard, to incite rivalry between civilian and military factions, to create discontent with taxes paid to support the war and to provide a yardstick with which the average Japanese could calculate the loss of purchasing power.



The last Pacific area in which such anti-Japanese propaganda on paper money was used was in the Philippines. In this case genuine Japanese Government peso notes for the Philippine occupation were utilized. Shortly after Manila was retaken in 1944 the Japanese Treasury depository, located in the Wilson Building on Juan Luna Street, was captured. As a major supply depot, this office supplied currency to all Japanese occupied areas in the Philippine Islands as well as to the Netherlands East Indies, Malaya, Burma and the occupied Pacific Islands which the Japanese called Oceania. The bulk of the notes in the depository were destroyed but some were saved for propaganda purposes. Added to these were peso notes taken in Leyte when the town of Tacloban was overrun.



After General MacArthur returned to the Philippines and began his drive up the island chain to retake Manila, a large quantity of Japanese Government occupation money, which was still spendable, was captured. "Liberated" 1, 5 and 10 peso notes of the Rizal monument type were overprinted by the Psychological Warfare Branch with the question: THE COPROSPERITY SPHERE: WHAT IS IT WORTH? in an effort to humiliate the Japanese in the eyes of the Filipinos. The overprinted notes were then airdropped over islands still in Japanese hands.

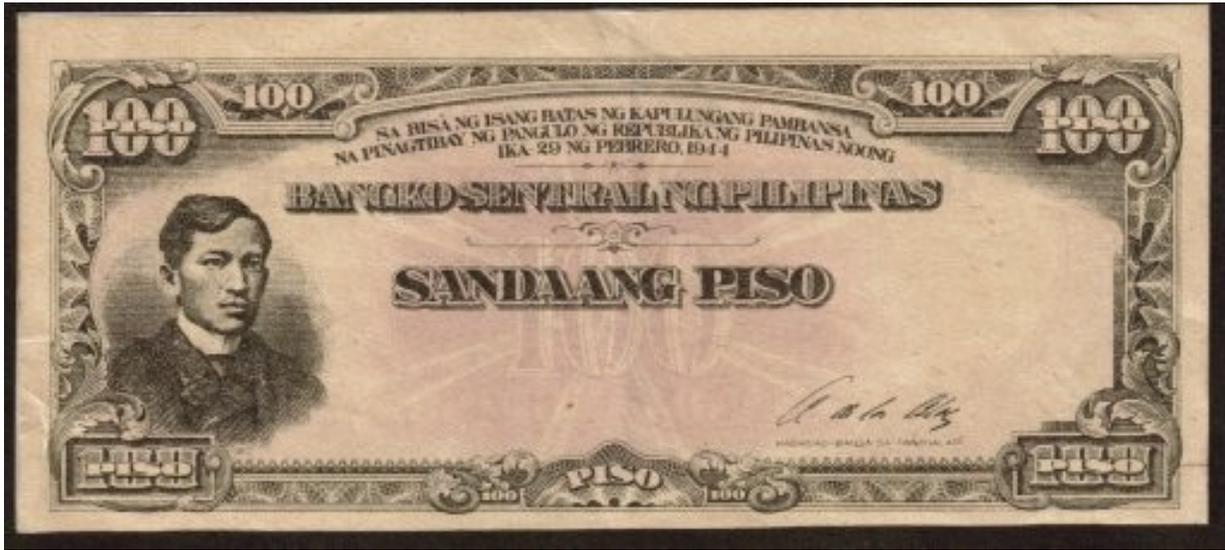
The letterpress printed message on the captured notes was a rhetorical one: “THE CO-PROSPERITY SPHERE; WHAT IS IT WORTH?” This referred, of course, to the Japanese propaganda campaign in which occupied peoples were given to believe that they were better off united under Japanese rule than of the British, French and Dutch colonials. In addition to the ‘Asia is for Asians’ theme, the Co-Prosperity Sphere carried various economic connotations as well.

The overprints were the brainchild of the Psychological Warfare Branch of General MacArthur’s Headquarters. Bank notes utilized for this purpose were the 1, 5 and 10 peso notes of the second issue of Philippine occupation money, known as the Rizal Monument type. The overprinted notes were then dropped by the Fifth Air Force over central Luzon and the remaining islands still under Japanese control.

Three different type styles were used when printing the ‘Co-Prosperity’ notes. Since the overprinting was hastily done to achieve the maximum impact, it is reasonable to assume that the work was undertaken by more than one printing firm or army unit. This adds to the confusion when trying to tell genuine from fake overprints. It is said that few notes were actually overprinted and distributed since, upon hearing of the operation, General MacArthur vetoed it, being fearful that the notes would be passed as real currency. This logic is questionable but, for whatever reason, few notes were overprinted in this way.

There is no doubt that immediately after the war some entrepreneurs, in order to satisfy the demand of souvenir hunters, took it upon themselves to replicate the “Co-Prosperity Sphere: What is it Worth” overprint. Many of these were done by applying a hand-stamp to the back of the note. These can easily be discerned from the genuine overprint as the ink is thicker, is redder in color and does not penetrate into the paper as the letterpress ink does.

After American troops landed in the Philippines the Filipinos became increasingly reluctant to accept the Japanese Government ‘Rizal’ notes. To counter this the Japanese decided to issue a new currency, which they hoped would be more acceptable. This currency was printed in Tagalog rather than English, and issued in the name of the “Bangko Sentral ng Philipinas” (Central Bank of the Philippines) under the authority of the “Republika ng Philipinas”. This effort came too late. By the time the notes could be prepared the war was over. The only note which had been finished, was a 100 piso bill which bore the portrait of Jose Rizal. The note never found its way into general circulation.



In 1945, after the American invasion of the Philippines, the Japanese realized that they were rapidly losing prestige among the Filipino population. To make the Co-Prosperity theme more appealing, a new issue of occupation money was authorized under the auspices of the “Republika Philipinas”. Tugalog, the native Filipino language, was used instead of English when printing the notes. It was a case of too little, too late, as the war ended before the new currency could be put into circulation.

## The Chinese Cause Their Captors to 'Lose Face'

Desirous of expanding their influence into Asia proper, the Japanese, in July 1937, initiated full-scale war with the ill prepared Chinese. To do this they staged an "incident" at the Marco Polo Bridge outside Peking, provoking Chinese troops to fire upon the Japanese, thereby justifying the subsequent invasion and occupation of North China. Japan's North China Expeditionary Army quickly overran the northern provinces. A puppet government, known as the Provisional Government of North China, was then set up to administer the area. The newly created Federal Reserve Bank of China was its financial arm.

The bank's notes initially were printed by the Bureau of Engraving and Printing in Peking. These well-executed notes are fine examples of the engravers' art. They depict many well-known Chinese places including the Forbidden City, the Marco Polo Bridge, Great Wall of China and the Summer Palace. By using so many images associated with Chinese culture, the Japanese no doubt were currying favor with their newly "liberated" subjects.

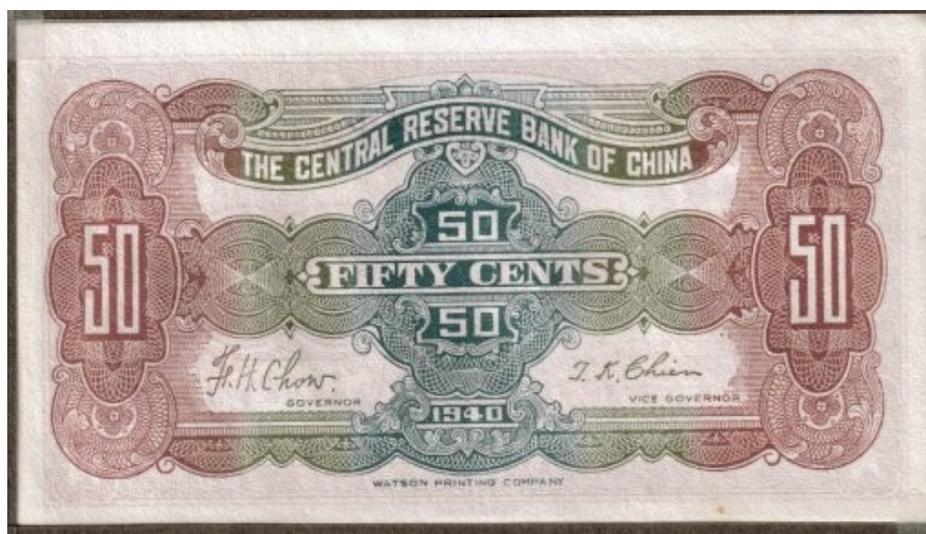
In one case the Chinese had the last laugh, albeit at a terrible price. Inasmuch as the 1938 series of notes was produced using the facilities of the former Bureau of Engraving and Printing, it was only natural that the actual work performed on the notes be executed by Chinese engravers already employed there. One such patriotic Chinese, whose name has been lost to posterity, took it upon himself to alter the portrait of Confucius which appeared on the Federal Reserve Bank of China 1 yuan note. Traditionally Confucius was always shown with his hands clasped in prayer. On this note, however, the engraver re-worked the portrait to show the hands making an indecent gesture. Unbelievably, the note found its way into circulation in large numbers, much to the delight of the Chinese. When the Japanese caught on they were furious at the loss of face over the incident. They quickly rounded up the offending patriot and executed him. This note is a perfect example of how psychological propaganda can be successfully applied in warfare.

Several years later the Central Reserve Bank of China was set up as the puppet bank for the newly created Reformed Government of the Republic of China, headquartered in Nanking. This collaborationist government was the Japanese answer to a sovereign Chinese state. The bank was formed to serve the needs of central and south China after the Nationalist Government moved the Central Bank of China main office from Shanghai to Chungking just one step ahead of the Japanese advance.



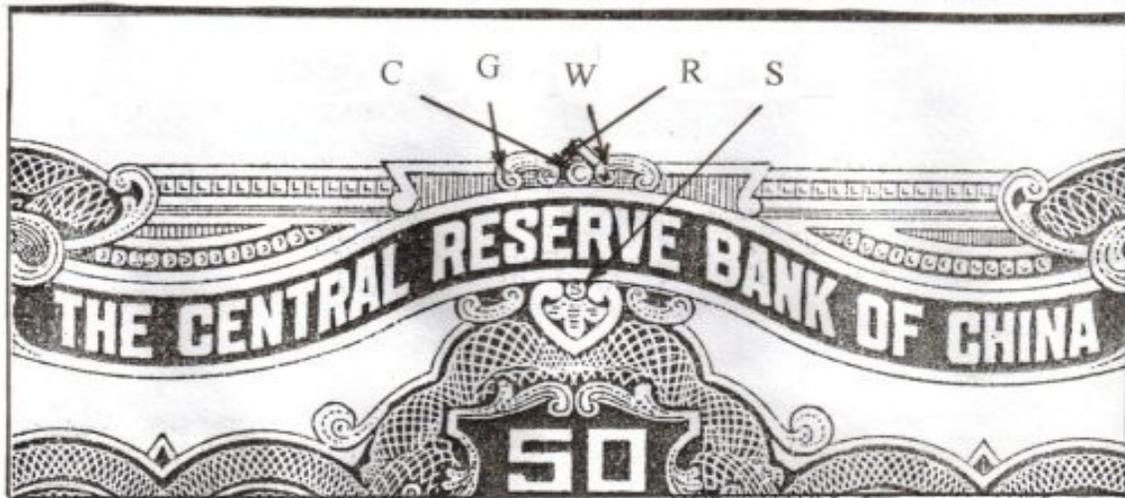
After invading North China in 1937, the Japanese puppet government set up the Federal Reserve Bank of China as its financial arm. The 1938 series of notes featured Confucius hurling an insult at the Japanese by using an indecent gesture with his hands. Confucius was traditionally shown with his hands clasped in prayer, as seen at right.

In an effort to gain public acceptance for the CRB notes, the Japanese placed an effigy of Sun Yat Sen, the founder of the Chinese republic, on the obverse and his mausoleum on the reverse. These are the only two designs to be found on this series. At first the notes met with a distinct lack of enthusiasm. Chinese banks, the railroads and the general public all refused to accept them. Ultimately the Nanking puppet government passed a law stating that anyone refusing to use the CRB currency would be liable to imprisonment.



Central Reserve Bank of China notes are famous for their clandestine propaganda messages. In an effort to boost morale during the worst of times, Chinese engravers working for the Japanese cut hidden messages into the engraving plates. This was done at the risk of their lives. The 10 yuan note of 1940 has a series of bisected turtles as part of the border design. These animals were held as loathsome by the Chinese - an obvious reference to their contempt for the Japanese oppressors. In another example the Chinese engraver secreted a propaganda message into the obverse and reverse plates used in

printing the 50 cent note dated 1940. With the aid of a magnifying glass it is not too difficult to find a number of Chinese characters hidden in the bushes and trees surrounding the mausoleum and among the scroll-work and borders on the back. Similar secret marks have been found on the 5 cent note of the same series. When arranged in the proper order, the letters “C”, “G”, “W”, “R” and “S” hidden on the reverse spell out the message “Central Government Will Return Soon”. Circulation of massive amounts of this currency under the very noses of their Japanese oppressors, without discovery, must have boosted morale considerably among the suffering peasants. One can only hope that those responsible escaped detection and punishment by the Japanese.



In an effort to boost sagging morale, patriotic Chinese engravers employed by the Watson Printing Company, a Japanese contract printer, secreted hidden messages while engraving several Central Reserve Bank of China notes. A strong glass will reveal several Chinese characters among the hillside shrubbery on the obverse and the cryptic message “CGWRS”, which when unscrambled, spells “Central Government Will Return Soon” on the reverse.

The most well known of these hidden messages appears on the 200 yuan note dated 1944. Four letters appear on this note, two on the obverse and two on the reverse. These letters are well hidden amongst the intricate lathe work of the engraving. When properly arranged the letters “U”, “S”, “A” and “C” secreted there supposedly stand for the morale boosting phrase “United States Army (is) Coming!”

### Vietnamese War Propaganda Notes

As soon as World War II came to an end, and long before the United States entered the war in Viet Nam, France attempted to reestablish control over its former Southeast Asian colonies. From 1946 onwards the French army was actively engaged in suppressing the Vietminh communist factions in Viet Nam, Laos and Cambodia in an effort to save French Indochina.

At first the army had little trouble in reestablishing control. The Japanese puppet Ho Chi Minh was driven out of Hanoi and into hiding in the countryside. By 1949 the French had created a nominally independent government under the playboy Bao Dai; however all real power remained in French hands. Trouble began when the Vietminh challenged French authority and slowly began to win increased influence over the countryside. At this point the French appealed to the United States for assistance. President Truman recognized Bao Dai's government in 1950 and agreed to provide military and economic aid to it. Despite this support over the next several years, things went badly for the French anyway. By late 1953 the communist forces had gained sufficient strength to face the French army in the field. The Vietminh defeated the French at Dien Bien Phu after a protracted siege; whereupon the French withdrew their forces and abandoned Indochina. Not long afterwards the country was divided into North and South Viet Nam.

By 1951 Vietminh currency had made the transition from the crudely printed notes of 1946-1949 to a more suitable currency. The *Viet Nam Dan Chu Cong Hoa* (Democratic Republic of Viet Nam) series of notes were well printed and bore a portrait of Ho Chi Minh on the obverse together with various militaristic and propaganda scenes on the reverse. The 50 dong reverse shows soldiers assisting with the rice harvest, the 100 dong note a crude grenade making factory, the 200 dong depicts soldiers practicing the bayonet thrust, while the 1000 dong note depicts anti-aircraft gunners in action.

It was the 50 dong note of this series that the French chose for the only propaganda message of the war to appear on a bank note facsimile. The French prepared this note in an attempt to ridicule and undermine the new currency. The reverse showing the rice harvest was retained and a crude portrait of a Vietnamese was substituted in lieu of Ho's portrait on the obverse. The message *Cong Dung Duy Nhut Cua Ggiay Bac Ho Chi Minh* reads: "Ho Chi Minh's money is worthless, it has no international value". A suggested use for the Ho Chi Minh currency is graphically shown as the peasant holds one of these notes in his hand, leaving no doubt as to what the French thought of the money.

In 1965 the United States became directly involved in the continuing conflict. From this point on, the use of bank notes for various propaganda purposes increased. One such application was the creation of a safe conduct pass for civilians. This was the product of the Army Psychological Warfare Branch. They printed facsimile copies of the South Vietnamese 5 dong note with a "genuine" obverse and an altered reverse. The river scene on the reverse was altered to show a woman standing in a boat waving while holding a baby in her arms. The text was directed to those civilians who had gone over to the Viet Cong side. (The term "Viet Cong" was an American one derived from the



The French propagandized this North Vietnamese 50 dong note by creating a facsimile in which the image of Ho Chi Minh was dropped from the front of the note. A crude picture of a peasant with a North Vietnamese bank note in his hand was substituted instead. The propaganda message left no doubt as to what he should do with it.





Democratic Republic of Viet Nam notes bore a portrait of Ho Chi Minh on the obverse together with various militaristic and propaganda scenes such as an underground armaments factory, infantry practicing the bayonet thrust and anti-aircraft weaponry.

words '*Viet Nam Cong San*', which meant “Vietnamese communist”). The message directed all South Vietnamese military and administrative agencies to cooperate fully in assisting the bearer of the note to locate the nearest government agency where he could be reunited with his family. These notes were printed in the Philippines and signed by Major-General Nguyen Khanh.

In another example, the psychological warfare units produced a completely bogus bill, which had been made to resemble a real North Vietnamese note. This note, for which there was no genuine counterpart, was denominated 50 dong and contained designs showing an industrial worker, farmer and woman with two children on the obverse. The propaganda message on the reverse urged the bearer to “Participate in the Three Readies”. These were enumerated on the back as (1) be ready to call off the Viet Cong aggression in South Viet Nam, (2) be ready to receive more rice once the Viet Cong stop trading it to Red China, and (3) to be ready to resist all hardships that the Viet Cong impose upon you in support of their aggression in the South.

Perhaps the most effective use of propaganda paper money to appear during the war came about with the creation of the “double use” facsimile notes. Produced by the U.S. army to be dropped over North Vietnam, they were excellent color copies of North

Vietnamese 1958 issue dong notes, which contained a major addition. Each was a faithful and convincing copy of an actual North Vietnamese 1, 2, or 5 dong note produced on both sides in full color. The notes were printed, however, with an additional blank strip of paper remaining on the side of the note upon which a propaganda message could be printed.

The propaganda on the 1 dong note featuring a monument reads: “Money is worth less and less. As the war goes on there will be less and less to buy. Prices will go higher and higher. Your savings will become worthless paper”. The other side of the strip reads: “Beware of another money reform. You may lose all your wealth, the fruit of your sweat and tears”. The 2 dong strip note carries the same message as the 1 dong note. On the 5 dong facsimile showing Ho and heavy industrial equipment, the message reads: “Watch out for another currency reform. The Party destroys the value of your money in a hopeless war. War destroys your homeland, etc.”.

The various messages were coded on the propaganda strip; code 4543 being assigned to the 1 dong, 4541 to the 2 dong, etcetera. The purpose of the strip was two-fold. First it contained the propaganda message, and secondly it could be readily cut off leaving the bearer with a passable counterfeit note in his hands. The temptation to spend it must have been great. How many of these notes were passed off as real currency, once the strip had been removed, will never be known. There can be no doubt that many were spent in this way, as those with the propaganda strip still attached are harder to find today than those without.

Later, in 1963, the Viet Cong issued their own notes under the heading *Uy Ban Trung Uong* ( National Government Committee). The *Uy Ban Trung Uong* functioned as the Central Committee of the Communist Party with responsibilities similar to our Cabinet. These notes are very communistic in theme with emphasis on military action. The 10 dong note of the series depicts a scene in which the Viet Cong have ambushed a column of armored vehicles. Several American G.I.s are shown with their hands held high in the act of surrender. The 50 dong note is even more graphic. It’s obverse shows a convoy of camouflaged trucks making their way down the Ho Chi Minh Trail, while the reverse depicts several Viet Cong, including a female soldier in the act of bringing down several American helicopters with a rifle! Whether this sort of exaggeration was believed by the masses or not is questionable; nevertheless it held great propaganda value for the enemy.

### The Rise of Islamic Fundamentalism

When the Shah of Iran was overthrown by the Islamic fundamentalists in 1979 their religious leader, the Ayatollah Khomeini, ordered all public portraits and images of him eradicated. This dictate applied to the Shah’s paper money as well. Since it would



The “double use” facsimiles of North Vietnamese notes, produced by the U.S. Army, were convincing two-sided colored copies of actual currency in circulation. The notes were printed with an additional blank strip of paper attached, upon which a propaganda message was printed. When the propaganda strip was cut off, the bearer was left with a passable counterfeit note in his hands, thereby doubling the propaganda's effectiveness.



Viet Cong bank notes emphasized a different kind of propaganda, this time directed at the Americans. The 50 dong shown here contains a vignette of supplies moving down the Ho Chi Minh Trail together with one of a female soldier shooting down an assault helicopter with a rifle!

take awhile for the new Islamic state to order, receive and distribute their own bank notes, it was necessary to continue the Shah's central bank notes in circulation for some time to come. Having the Shah's portrait remain on Islamic paper money, however, was totally unacceptable to the religious zealots. Old notes containing the Shah's portrait were quickly withdrawn from circulation, while new stocks of notes were over-printed to remove the offending effigy prior to release.

As the process of over-printing these notes was a massive undertaking requiring rapid completion, many different devices were employed to obliterate the Shah's portrait. These take on the form of arabesque cartouches, which completely cover the offending ex-ruler's image. Several different types of cartouches were used by the printing firms contracted to do the work. In their zeal to rush the alteration of the notes, the Mullahs overlooked the fact that the Shah appeared elsewhere on the notes in the form of a hidden watermark! Considering the Shah's watermark to be equally offensive, an order was given to obliterate them also. Henceforth the printing firms executing the work not only removed the Shah from the obverse of the note but from the watermark as well. Again, several different devices were utilized to accomplish this.

The promulgation of these directives resulted in a hodge-podge of currency overprints. On some notes the Shah's portrait only was over-printed. On other notes of the same denomination, both portrait and watermark were removed. Frequently different color inks were used. When adding the different cartouches and devices used to cover the watermark to those obliterating the Shah's portrait, many different combinations result for each denomination. This area can be a formidable challenge for the collector of Islamic material.

Ultimately new designs were introduced for the replacement Iranian currency. The propaganda behind these designs was meant to exalt and glorify the fundamentalist state. Typical of these designs is one in which we see adoring crowds marching with clenched fists with Ayatollah Khomeini's banner held on high. Viewed from a paper money perspective, there could be no doubt that the regime had undergone a fundamental change.



When religious fundamentalists overthrew the Iranian government in 1979, anti-Shah feeling was fomented by the mullahs. All paper money then in circulation was ordered to be overprinted to remove the Shah's offending image from the face of the note as well as the watermark. Shown here is the 500 rial note before alteration and after being overprinted.



Overprinted notes of the Shah's old regime, such as this 50 rial note, were replaced in 1983 by a new series which extolled the virtues of the Islamic fundamentalist state. In this religious procession marchers are carrying Ayatollah Khomeini's portrait on high while raising clenched fists in defiance. Such scenes are typical.

## Glorification of the Communist State

Communist societies are depressing places, but you would not know that if you relied on the propaganda images presented on their paper money. Take for example the People's Republic of China throng of happy workers heading for a day's toil shown on the 1 jiao note. Here we see smiling peasants with hoes, shovels and axes held high marching off to another day of drudgery. No doubt they are singing their praises to Chairman Mao for their good fortune!

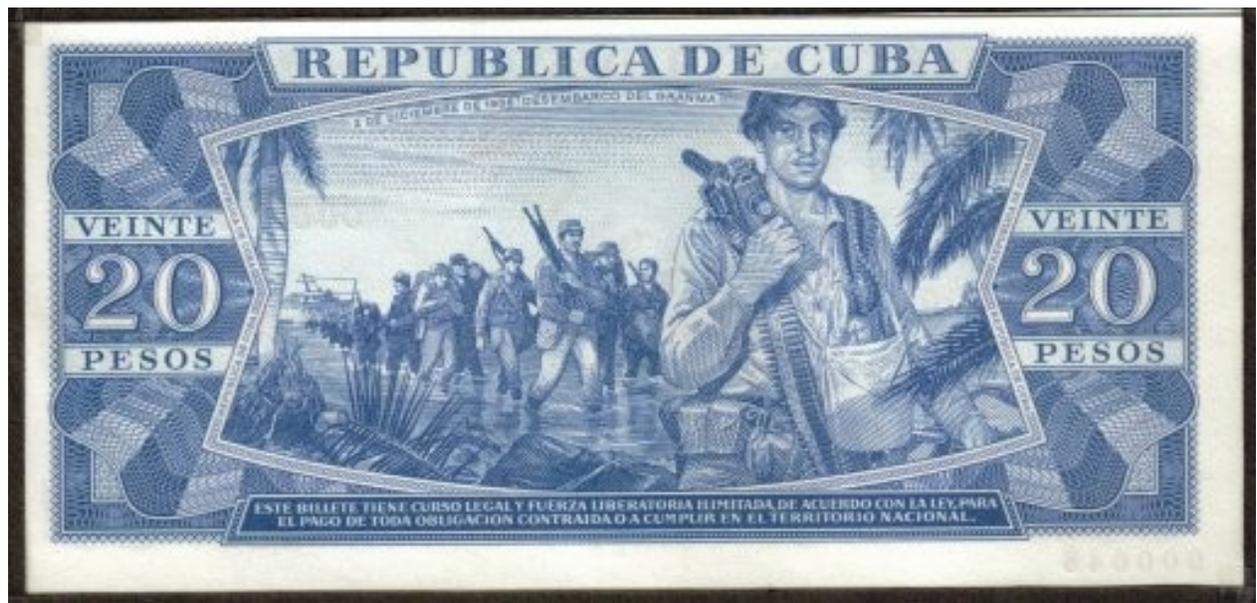


Cuban paper money presents us with another slant on the glories of living in a communist “utopia”. The standard fare in bank notes for years featured the veneration of the Castro revolution. Incidentally, this series of propaganda notes was printed behind the Iron Curtain in Czechoslovakia. The 1 peso note shows a victorious Fidel riding into a vanquished Havana on top of a tank. The 5 peso denomination features a vignette showing a group of ragged revolutionistas with weapons drawn and is entitled “Septiembre-Octobre de 1958 Invasion”. The 10 peso note reverse depicts Fidel Castro haranguing a crowd with one of his indeterminable long speeches. The size of the crowd exceeds what would reasonably fit into several Super Bowls! Camilo Cienfuegos is featured on the 20 peso bill. Cienfuegos was the revolutionary equal to Fidel Castro. A non-communist, he was tremendously popular with the Cuban people. Each man commanded a column of the rebel army. It was Cienfuego’s troops which liberated Havana.

The reverse of the 20 peso note shows armed men wading ashore carrying full combat gear. It was this note, incidentally, that the CIA forged to provide the Bay of Pigs invasion force with ready money. Bogus notes all bear series F69 and F70 designators. Cienfuegos met his end in a mysterious plane crash soon after the Cuban Revolution ended. To this day it is not known whether the CIA or Castro masterminded it.



This 10 peso note of communist Cuba was signed simply “Che” by Che Guevara, the then president of the Banco Nacional de Cuba. He was later assassinated while inciting revolution in Bolivia. The reverse shows Castro haranguing an adoring crowd in 1960.



Illustrations on Cuban bank notes take the form of propaganda which glorifies the totalitarian state. Most are militaristic in content, such as a victorious Castro riding into Havana on top a tank, together with war scenes from the revolution.

North Korea today presents a listless, shabby appearance not unlike its communist predecessors of the 1960s and 1970s. Grey apartment blocks, erratic water and electricity supplies, empty four-lane highways and bugged hotel rooms hold little appeal to the outside world, yet this surreal, depressing place will do anything to deny these truths. Thanks to Kim Il-sung the founder of North Korea's "Democratic" Republic and his son Kim Jong-il (referred to by his adoring masses as "the Dear One"), the country maintains an outlaw-like status in world affairs.

Monuments to the deceased Kim Il-sung are everywhere. Children are taught to sing and dance in his honor. Kim's embalmed corpse is on constant display at the Pyongyang mausoleum, yet only a few of the privileged are permitted a glimpse. A recent traveler upon returning from North Korea reported that there were no lights at night due to the energy shortage. With nothing to do at night in Pyongyang silence reigns to the point that one can hear babies crying from the other side of the river. On the road named Restaurant Street were several eating establishments, all of them empty. It is as though the outside world does not exist - there are absolutely no signs, symbols or advertisements to indicate otherwise. It makes me think of the last days of the Chinese Ch'ing dynasty when their disillusioned and ignorant emperors still believed China to be the center of the universe, and all else of no consequence.

Even the paper money of this last bastion of communism is bizarre. The cult-masters of North Korean propaganda have created a currency, which goes to extremes in glorifying the communist state. The front of the 1 won note shows a happy smiling family extolling the virtues of living in a totalitarian society, while the reverse shows a flower maiden alongside a uniformed man brandishing his rifle while yelling in defiance. The 5 won bill resurrects the trite old communistic symbol of workers united - this time a woman welder standing beside the wheel of industry with a communist bible firmly in her grasp; she is joined by an agrarian miss holding the expected sheaves of grain. My personal favorite among these notes is the 50 won bill which brings together four youthful looking, "eager-beaver" appearing comrades in the act of extolling the virtues of the "utopia" in which they live. All of these notes buy very little inside the country and are totally worthless without.

Instead of the happy, viable images the propagandists portray on North Korean currency, we are confronted with the reality of a starving and oppressed people. The 1995-1997 famine alone killed 2 million while countless hundreds of thousand dissidents languish in Kim Il-sung's prison camps. After returning from his visit to this bizarre land, our visitor concluded that it must still be ruled by a dead man.



Communist dictators often use paper money to extol the virtues of their “utopian” societies. China and North Korea are good examples. North Korea attempts to paint a virtuous picture of a communist utopia through images of flower girls and eager workers and families extolling the virtues of the “Dear One”, North Korea's technocratic playboy leader. All this fools no one, as the truth reveals a poorly managed, bankrupt state with no ties to the West. Here mass starvation and concentration camps are daily realities for millions.

## Safe Conduct Passes

From the Bunker Hill safe conduct pass of the American Revolution, discussed earlier, right down to the surrender leaflets used in the Gulf War, propagandists have continually tried to convince enemy soldiers to give themselves up. The conditions on the surrendering side are always portrayed as dire and hopeless, while those on the winning side offer hope and a better life. Every war it seems, has seen such attempts to persuade the enemy to surrender. I will cite a few examples, which use bank notes as a means of disseminating such propaganda.

In 1944, German authorities occupying Yugoslavia decided to declare an amnesty for all Yugoslavian partisans deserting to the German army. Partisan held areas were subsequently inundated with airdropped surrender leaflets. These took the form of bogus copies of pre-war Yugoslavian 100 dinar bank notes with the Wehrmacht seal superimposed over the watermark area. The denomination “100 dinara” was altered to read “100 persons”. The accompanying propaganda message guaranteed freedom and food for 100 partisans using the note to surrender, provided they also surrendered their weapons. A similar prewar 10 dinar note has been reported which guarantees the same conditions for those surrendering in groups of ten.

The Philippine Islands offer an example of a different type of surrender pass. This one was used to lure the HUKs, a communist resistance group left over from the Japanese occupation, into surrendering to Philippine authority. The HUKs kept their arms after World War II with the intention of taking over the Philippines. When all other dissident groups surrendered or disbanded after the war, the HUKs were abandoned becoming an underground organization sought by the Philippine army. After a protracted guerilla war fought under the name of the Hukbong Mapagpalaya ng Bayan (HMB), they were finally suppressed in 1955.

Safe conduct passes were airdropped over HMB positions in 1951 by the Philippine government. These took the form of 2 peso facsimiles bearing the likeness of Jose Rizal. The unusual feature of this note is a signature line, which is provided for any defector wishing to turn himself in, to sign. The words “Signature of HMB” appear beneath the line. The caption on the face of the note reads: “NOTE: - Any HMB voluntarily presenting this signed certificate to any member of the Armed Forces of the Philippines is guaranteed fair treatment and protection”. The reverse side of the safe conduct pass is addressed to Philippine troops. It states: “Any HMB voluntarily presenting this Safe Conduct Pass should be accorded the fairest possible treatment and accompanied to the nearest headquarters for proper disposition”. Let us hope that the “disposition” referred to was a kindly one!

The “police action” in Korea, as it was called, produced a series of surrender notes. The most famous of these are North Korean 100 won facsimiles authorized by Generals Ridgeway and Mark Clark. The three language message on the reverse of these notes is directed at soldiers of the United Nations. The text reads: “Attention U.N. soldiers: This certificate guarantees good treatment for any Chinese or North Korean soldier who desires to cease fighting. Take this man to your nearest officer and treat him as an honorable prisoner of war”. Code numbers appear on the notes: 6015-9017 for Ridgeway notes and 6027-9027 for Clark. These passes were the work of the First Radio Broadcasting and Leaflet Group of the Psychological Warfare Section of the army. Except for minor differences in the color of paper and type font, the message is the same.

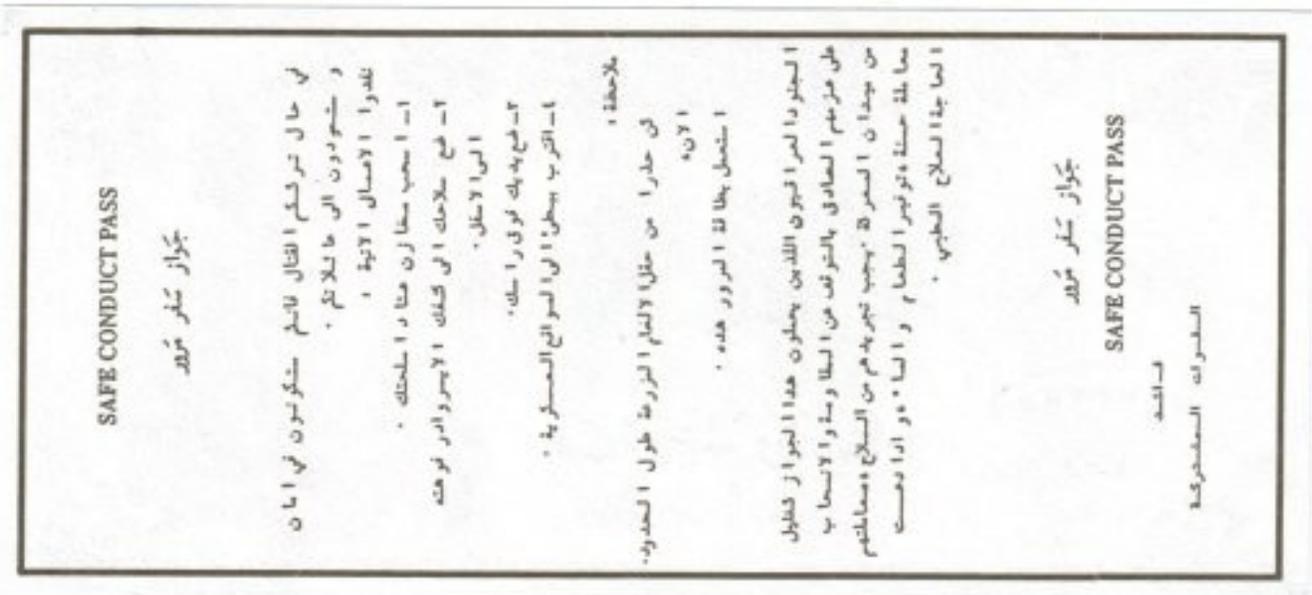
During the Gulf War the army’s Fourth Psychological Group, based in Saudi Arabia, produced a series of anti-Saddam Hussein propaganda notes. All of these were faithful copies of the multicolor 25 dinar note then in circulation. These bills bore the bust of Saddam in uniform at right and a group of Arab horsemen at center. Various Arabic texts were printed on the blank reverse of the note, tailored to fit the desired propaganda. Some messages were aimed at drawing a contrast between Saddam’s great wealth and the poor masses, others at the spilling of innocent Arab blood by the hand of Hussein.

One facsimile note of this series was a surrender pass. Under the caption SAFE CONDUCT PASS the reverse Arabic text reads:

“ You do not have to die! You can be secure and return to your household and loved ones if you end your resistance. Strictly follow these orders: Remove the magazine from your weapon.....Place your hands over your head.....If you do this you will not die ..... Beware of explosive mines along the frontier .....Soldiers using this safe conduct pass will be removed from the battle area, disarmed and be given food, water and required medical treatment”.

The safe conduct version of the 25 dinar facsimile was known as “leaflet E08”. These passes proved to be in great demand and thousands were used by surrendering Iraqi troops.

For a discussion of Chinese safe conduct passes employed during World War II, see my article *Shanghai’s Wartime Emergency Money* which appeared in the May 1998 *NI Bulletin*. During the war the Japanese army also used surrender passes in bank note format to urge Chinese guerilla soldiers to wave a white flag, lay down their arms and surrender to the nearest Japanese garrison.



Safe conduct pass used during the Gulf War. Facsimiles of Iraqi 25 dinar notes then in circulation were made for multiple uses. The backs were left blank and later printed with various propaganda and/or surrender messages, before being airdropped over enemy lines. This one sets forth strict procedures for surrendering and promises the soldier food, fair treatment and medical attention, if needed.

In this article I have attempted to explore the use of bank notes as a vehicle of propaganda. As we have seen, such usage can take on many forms including alteration of real notes, the creation of bogus facsimiles or parodies of the real thing. The impact of these propaganda messages upon those it is intended to influence can be either devastating, vindictive and mean spirited, insulting, or merely annoying. As long as governments, armies and individuals wish to propagandize their adversaries the practice will no doubt continue.

## More on Concealed Propaganda Messages Found on Japanese Occupation Money Used in China

After my article *Japanese Sponsored Coin and Bank Note Issues for the Occupied Regions of China* appeared in the March issue of the *NI Bulletin*, I was gratified to receive several communications from fellow collectors concerning it.

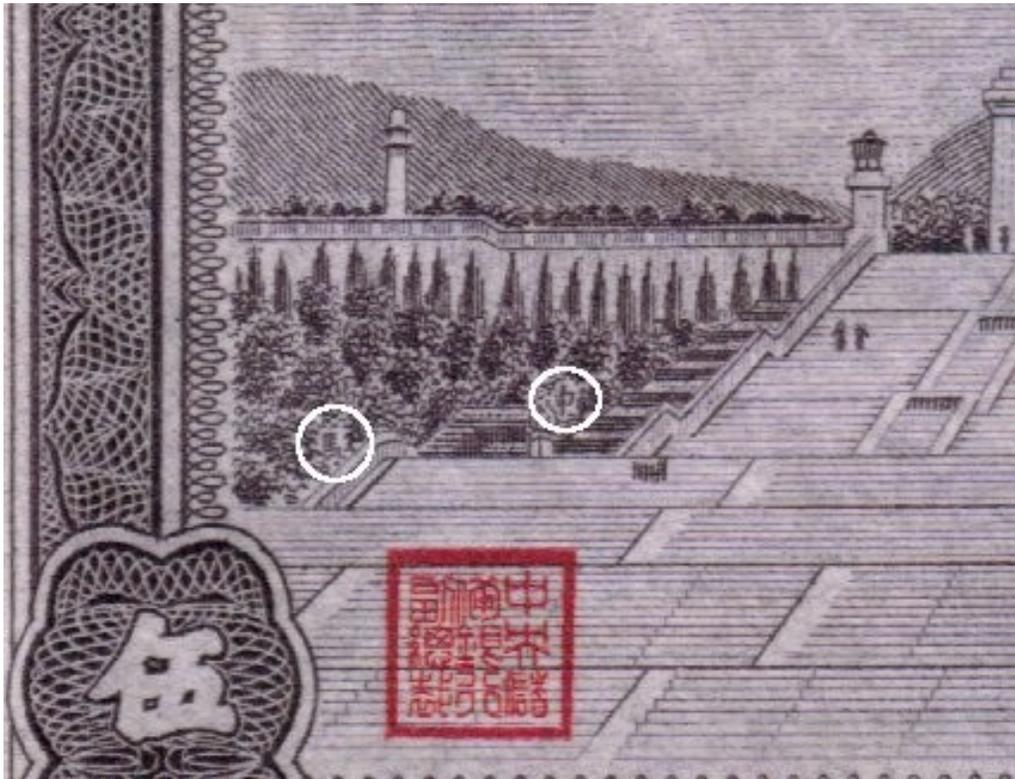
A call from Atlanta, Georgia brought information which I would like to share with you here. Harry Atkinson called to congratulate me on what he deemed to be a very interesting and well researched article. It turned out that Harry was an army officer on duty in Nanking in the 1940s. He was able to provide me with information heretofore unknown to me. The most interesting revelation concerned the propaganda notes of the Central Reserve Bank of China. When discussing this series in my article, I illustrated several of the notes which contain hidden messages. One of these was the 50 cent fractional note dated 1940. I had long been aware that this note was one on which a loyal Chinese engraver had secreted a propaganda message. I had successfully located all the Chinese characters on the front of the note (there are five of them hidden among shrubbery and buildings) as well as the five English letters on the back. The problem was, I could never learn the significance of this elusive potpourri of letters and characters.



Full face of the 50 cent Central Reserve Bank of China note indicating location of the five Chinese characters cut into the steel plate by a patriotic Chinese engraver.

As it turned out, Harry had been aware of their meaning for a long time and was kind enough to share the information with me. Colonel Atkinson stated that the letters “C”, “G”, “W”, “R” and “S” spell out the message (Central Government Will Return

Soon). This message compliments the later message “U”, “S”, “A”, “C” (United States Army (is) Coming) which appears on the 200 yuan issue of the Central Reserve Bank of China released in 1944.



Partial obverse of the 50 cent note of the Japanese controlled Central Reserve Bank of China showing the Chinese characters “Ma” and “Chung” secreted among the trees surrounding Sun Yat Sen's mausoleum in Nanking.

To put all this into historical context, it must be remembered that the Japanese armies, when invading China, first occupied the coastal cities and then drove inland along the principal railway lines. As city after city was occupied, the Kuomintang government of the Chinese Nationalists moved their capital first to Hankow and finally far up the Yangtze River to the mountains of Chungking where they were immune to Japanese aggression except for repeated devastating air raids. Colonel Atkinson states that, in reality, the Japanese occupation of Chinese territory was more or less limited to the cities and railway right of ways, while guerrilla bands, both Nationalist and Communist, freely moved in and about everything in between. In this climate it is understandable that the Chinese people never really bowed under to the Japanese invaders and were constantly seeking ways to humiliate, trick and embarrass them. The use of secret messages on their money is just one example of this. That the Japanese were slow to catch on is borne out by the fact that the 50 cent note in question

underwent three separate printings, changing colors on each occasion, with the printing plates never giving up their secret! Harry also stated that the secret messages were known to most Chinese who got quite a kick out of the Japanese unwittingly advertising the return of the Central government and the coming of the United States army on their own money!



U, S, A, C seen in magnification. The "U" and "S" are found on the reverse of the note.

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