

THE HISTORY OF THE PESETA

30 June 2021 is the official date on which pesetas will cease to be exchangeable for euros, ending the currency's more than three centuries of history. Usage of the word “peseta” dates back to the 18th century, when it was a colloquial reference to *dos reales de plata* coins. In fact, it was probably used even longer ago than that. However, no coins bearing the name “peseta” would appear until the Peninsular War (1808-1814). The first of these, with “peseta” engraved on the obverse side, were minted in Catalonia during the French occupation of 1808-1813.

It would not be until **1868**, with the decree of 19 October, that the peseta would become the **basic unit of the Spanish monetary system** and rise to the rank of national currency. The 1868 decree aimed to establish a new system aligned with that of the Latin Monetary Union. France, Switzerland, Italy and Belgium had formed the Latin Monetary Union under a treaty signed in 1865, seeking to unify standards for the weight, fineness, diameter and exchange of the member countries' gold and silver coins. The peseta was a product of this Europeanist aspiration, but it is also inextricably linked to Spain's Glorious Revolution, which ended absolute monarchy and forced Queen Isabella II into exile in 1868. The revolution, led by progressive liberals, ushered in universal suffrage and the freedoms of religion, education, the press, assembly and association. The currency switch of 1868 was far more than an economic transition: the peseta embodied the dawn of a new era.

The image of the new currency therefore had to be representative of the incoming regime's values. An ad hoc committee was set up to design the peseta, which selected the motif of Hispania, **inspired by the Roman matrons featured on Hadrian coins**, to represent national sovereignty. The coat of arms was also altered to incorporate the ideas of liberal rationalism and to eradicate all symbols of the overthrown monarchy. Thus, the obverse side of the newly born pesetas portrayed Hispania holding an olive branch and seated, reclining or standing, depending on the metal from which the coin was stamped (copper, silver or gold, respectively). The Banco de España's **numismatic collection** holds a valuable gold medal commemorating the Provisional Government of 1868. It shows Hispania reclining against the Pyrenees, wearing a mural crown and holding an olive branch, the same motif that appears on silver coins from that period.

This impeccably crafted medal of fine delicacy was the work of the Spanish Royal National Mint engraver Luis Marchionni.

The 1868 peseta also marked the introduction of the decimal metric system, a further sign of the modernisation and standardisation of the currency. The peseta thus divided into 100 centime and 1, 2, 5 and 10 centime pieces were minted. The bronze 5 and 10 centime coins were minted two years after the decree that brought the peseta into being. Their reverse side bears a lion, whose unusual pose, with its two front paws resting on the Spanish coat of arms, prompted some confusion amongst the public, who took it for a dog. As a result, the two coins became popularly known as ***perra gorda*** (fat dog) and ***perra chica*** (small dog), respectively.



Commemorative medal of the Provisional Government, engraved by Luis Marchionni in 1868.

The first **peseta banknotes** did not come into circulation until six years after the 1868 decree had ushered in the new currency. Thus, the first peseta banknotes were issued in 1874, coinciding with another decree, in March of that year, granting the Banco de España the monopoly on the issuance of banknotes. Why it took so long for the first peseta banknotes to be issued is unknown. However, there is speculation that the technical means to make the change more quickly were lacking, and even that the Banco de España, in a gesture intended for the government, refused to issue banknotes in the new currency until it was awarded the issuance monopoly in 1874. This series of banknotes, the first ever in pesetas, bore images of the prominent Spanish artists Rafael Esteve, Juan de Herrera, Francisco de Goya and Alonso Cano.

THE HISTORY OF THE PESETA (cont'd)

The banknotes enjoyed a lengthy history from 1874. More than **50 different peseta banknote issuances** passed through Spaniards' hands before they were permanently withdrawn from circulation in 2002. Over the years the banknotes have borne witness and testament to the historical vicissitudes of our nation, including the Spanish Civil War, which split the country

in two. The Banco de España was likewise divided in two, with each side issuing different banknotes for the duration of the conflict.

The banknotes changed over time, in consonance with the economic and social context. The denominations and characteristics of the print series varied, as did the



100, 500 and 1,000 peseta banknotes of 1 July 1874, with the portraits of Juan de Herrera, Francisco de Goya and Alonso Cano, respectively. These belonged to the first issuance of peseta banknotes.

circulation and physical appearance of the banknotes, whose motifs reflected the shifts in political regimes, schools of thought, fashions and social trends. The materials and security features also underwent enormous change, in step with the unrelenting fight against counterfeiting.

The banknotes of the later issuances (from the 1970s and 1980s and dedicated to prominent figures from the arts, literature and politics) remain in living memory. Many will remember their parents or grandparents handing them a 100 peseta banknote bearing the face of Manuel de Falla or the 1,000 peseta bill featuring Echegaray. So too will they recall making countless

payments using the 1,000 peseta bill portraying Galdós, the 2,000 peseta note with Juan Ramón Jiménez and the 200 peseta note showing Clarín. Nor can we forget the 500 peseta banknote featuring Rosalía de Castro, both for its interesting design and as the first Spanish banknote to portray an illustrious woman who was not a member of the monarchy. The last issuance before the introduction of the euro was illustrated with American themes, commemorating the fifth centenary of the discovery of America in 1992. Hernán Cortés, Pizarro, Celestino Mutis, Jorge Juan and Christopher Columbus where the last personages to appear on peseta banknotes before their permanent withdrawal in 2002.

THE HISTORY OF THE PESETA (cont'd)



From left to right, starting with the top row: 100 peseta banknote of 17 November 1970, with the portrait of Manuel de Falla; 1,000 peseta banknote of 17 September 1971, with the portrait of José Echegaray; 500 peseta banknote of 23 October 1979, with the portrait of Rosalía de Castro; 2,000 peseta banknote of 22 July 1980, with the portrait of Juan Ramón Jiménez; 200 peseta banknote of 16 September 1980, with the portrait of Leopoldo Alas “Clarín”.



1,000, 5,000 and 10,000 peseta banknotes of 12 October 1992, bearing the portraits of Hernán Cortés, Christopher Columbus and Jorge Juan, respectively.