

Special and Allied Military Currency

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During World War II the Bureau of Engraving and Printing produced two general types of temporary paper currency —special currency and Allied military currency (AMC)— for use by U.S. and Allied forces in conducting military operations overseas.

What were Special Currency and Allied Military Currency?

Special currency consisted of regular U.S. Federal Reserve notes and silver certificates, and Philippine Treasury certificates with unique markings added so they could be easily identified and deemed non-legal tender if large amounts fell into enemy hands. They were produced for use in U.S. areas under threat of invasion or in enemy-held areas set to be invaded by U.S. forces. Special currency included Hawaii notes which were silver certificates and Federal Reserve notes with the word “HAWAII” printed over the face and back of the notes, yellow seal dollars which were silver certificates that featured a yellow Treasury seal (rather than the usual blue seal), and Philippine Treasury certificates that were overprinted with the word “VICTORY” on the face and back of the notes.

AMC was printed in the monetary units of countries in which Allied military actions were planned. AMC was produced to supplement existing local currency and ensure that Allied forces had adequate amounts of money with which to pay for costs associated with invasion, and liberation or occupation of the targeted area. Allied military lire, francs, marks, yen, and schillings were produced for use in Italy, France, Germany, Japan, and Austria, respectively.

How did Special Currency and Allied Military Currency Work?

Officials from the U.S. War, Navy, State, and Treasury Departments and representatives of the British Government directed the development and use of special currency and AMC. The notes became a legitimate currency in an Allied-controlled territory by declaration of the supreme commander of the area. The U.S. War and Navy Departments distributed the notes in the field through numerous military finance units located throughout the command hierarchy. Special currency and AMC replaced, supplemented, or were exchanged for local notes and were withdrawn from circulation once an area's financial and economic affairs stabilized and local currency supplies became predictable.

How were Special Currency and Allied Military Currency Produced?

Special currencies were printed by the intaglio method; the unique markings were printed over the intaglio-printed notes using a relief printing process. AMC was produced using a multicolor offset process in which notes were printed in a select range of overlapping colors which made them very difficult to duplicate. This process was chosen because it was faster and cheaper than intaglio production and provided an acceptable level of security against counterfeiting.

How do the Intaglio, Relief, and Offset Printing Processes differ?

In the intaglio printing process the image area is cut, or engraved, into the printing plate. Ink is held in the incised lines of the plate; the engraved plate is then pressed against a sheet of paper using heavy pressure which forces the paper into the grooves of the plate, picking up the ink, and transferring the image onto the paper. In the relief process, the image area is raised above the surface of the printing

plate. Ink touches only the raised areas of the plate; the plate is pressed against a sheet of paper and the image is transferred directly onto that surface. In the offset (or lithographic) process, the image area is flush (even) with the surface of the plate and the distinction between printed and non-printed areas is achieved by a chemical process in which ink adheres only to the image area of the plate. The inked image is lifted off the printing plate onto a rubber blanket and then transferred or “offset” onto the paper.

Who Produced Special Currency and Allied Military Currency?

Orders for AMC were large and deadlines were tight and such conditions were to prove a challenge to the Bureau’s production capacity. Upon completion of the first order of AMC, Bureau officials realized they lacked the equipment and manpower to carry out such a massive project within the timeframe specified. Outside help was solicited.

The Bureau employed Boston printer Forbes Lithographic Manufacturing Company in the production of AMC used in Europe. For military yen, the Bureau employed Stecher-Traung Lithographic Corporation of San Francisco to do the printing and made arrangements with the State of California Bureau of Printing to carry out the numbering, finishing, and delivery of the notes to the War and Navy Departments. Bureau representatives were stationed at the various plants to maintain control over inventories of materials and completed work. For security and protection, U.S. Secret Service agents were stationed at Forbes while Coast Guardsmen were used at Stecher-Traung and the California state printer facility.

AMC production was a complex, coordinated effort between the Bureau and its partners. For lire, the Bureau provided designs, inks, and paper to Forbes who produced sheets of printed notes that were shipped to the Bureau where serial numbers, series, country, and denomination were added and the notes were separated, packaged, and delivered to the War Department. The process was similar for marks. In the case of francs, Forbes carried out all aspects of production and delivery. For schillings, the Bureau and Forbes each completed certain denominations. For yen, the Bureau provided designs and materials to the West coast firms who produced and delivered the final product. Upon completion of the AMC project, the designs were returned to the Bureau and all other production-related materials were destroyed on site under the supervision of Bureau, Secret Service, and printing company representatives.

Types and Amounts of Special Currency and AMC Produced

Currency Type	Total Notes Delivered	Dates in Use	Currency Type	Total Notes Delivered	Dates in Use
Hawaii Notes	64,138,012	1942–1944	Philippine Victory Notes	202,608,000	1944–1949
Yellow Seal Dollars	130,872,000	1942–1944	Committee French Francs	1,645,000,000	1945–1948
Allied Military Lire	971,662,000	1943–1950	Military Yen, Type A	331,690,000	1945–1946
Supplemental French Francs	686,720,000	1944–1945	Military Yen, Type B	311,374,000	1945–1958
Allied Military Marks	532,720,000	1944–1948	Allied Military Schilling	529,088,000	1945–1947

Hawaii notes were used in the territory from 1942 to 1944 due to fears of a Japanese invasion. They were also used in some of the Pacific campaigns. Yellow seal dollars were used by American forces invading North Africa in November 1942. They were also used in the July 1943 Allied invasion of Sicily until the first AMC, Allied military lire, was available. Supplemental francs were used in the June 1944 Allied campaigns to free France of German occupation. They were replaced with committee francs after the country was liberated. Allied military marks were used in the Allied occupation of Germany. Philippine victory notes were used in the October 1944 American-led campaign to free the islands from Japanese occupation. Type “A” military yen was used in liberated Korea; type “B” was used in Allied occupied Japan. Allied military schillings were used in the Allied occupation of Austria.