

A Tale of the Russian Imperial Coinage: From the Muscovian Czardom to the Russian Empire (1654 – 1721)

Part I

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"Money have no ideas, only ideas make money"
Jacques Séguéla

Embarking on this numismatic journey through the turbulent years of the reign of Peter I the Great is ambitious, and scary too, a task that a hobbyist with a patchy memory of Russian history could ever undertake. The man is the major problem to the narrative of course, because of his countless deeds welded indelibly in the popular folklore and political propaganda lionising the Czar the shipbuilder, the victor ever young and wise, the justice and the forefather of the Russian Imperial statehood in its



Czar Peter I the Great inspecting the construction of Saint-Petersburg (V. Serov, 1907, Tretyakov's Gallery, Moscow). The city was founded on 27 May 1703 and officially became the new capital of Russia in 1712, 9 years before the end of the Great Northern War, while the territory was still technically within Sweden's realms.

revolving evolution up until the present. Visiting Saint-Petersburg perhaps is the only way that one would have a chance to appreciate the extend of what was done, and at what cost, to turn a medieval czardom, backward in most aspects from politics and governing to trade and technology, into a major European power with independent political agenda and far-reaching goals. Not the least place in this transition belongs to the coins – now merely the silent witnesses of the history, but then the power that fuelled the state machine building the modern army, navy and new cities, and pushing territorial expansions and new national identity which is now phobically stamped in the West as the insatiable Russian Imperial appetite.

We shall start our journey with the events of one restless night in August 1689 that saw a 17-year youth in underwear fleeing for life on the back of his horse to the Holy Trinity – St. Serguis Lavra. He had been warned that his older half-sister, Princess Sophia, was allegedly plotting his assassination at hands of her loyal guards, Streltsy. After the death of their father, Czar Aleksey Mikhailovich the Quiet (1645-1676), Sophia had been appointed Regent for her younger brothers, Ivan and Peter. As the boys grew up her ambitions would size disproportionally. She had come to power back in 1682 by orchestrating a mutiny of the Streltsy, the old-fashioned firearm infantry of the Muscovian state. With support of her mother's family, the notorious Miloslavskys, she intended to become a sovereign ruler of the country. However, in 1689, she underestimated the stamina of the boy-czar Peter, who had grown up from a 10-year old child scared to death by watching his relatives and loyal staff being killed at the stairs of the Red Porch



Czar Peter I as the younger co-ruler to his brother Czar Ivan V. Their older sister Sophia was appointed the Regent of Russia during their childhood and tried to usurp the power with the help of the Streltsy.

in the Moscow Kremlin by the Streltsy during the mutiny of 1682, into an amateur soldier with a great vision for a new-model army.



The Russian Streltsy army was established by Czar Ivan IV the Terrible in 1550. Although the first Streltsy were free recruits, soon their service became lifelong and hereditary. Towards the end of XVII c. their military aid became obsolete due to poor training and corruption. They were eventually dissolved by Peter the Great.

Indeed, while in the exile in his family estate Preobrazhenskoe from 1682 to 1689, Peter raised from a drummer boy of the toy army that he himself envisioned and built employing some palace guards and household staff, to the leader of an efficient military unit, though small in numbers and weapons, but loyal to him to the last drop of their blood. Following Peter's flight to the Lavra, the Preobrazhensky and Semyonovsky regiments took the side of the young Czar and, on his order, arrived at the walls of the Lavra. Unable to proceed with her plan, Sophia was caught and imprisoned in Novodevichy Convent, where she died in 1704. Sophia's accomplices were executed, and Peter was greeted by his older half-brother and senior co-ruler Czar Ivan V on 7 October 1689 in the Cathedral of the Annunciation in the Moscow Kremlin. Ivan later resigned from the state business due to poor mental and physical health and died quietly on 8th February 1696, leaving Peter the sole sovereign of Russia. This is the date where we shall

begin our numismatic survey of the coinage reform of Peter the Great in the context of the early Imperial history of Russia.

HISTORICAL CONTEXT OF PETER'S REFORM

Before we begin with the imperial coinage, it would be instructive to review the historical perspectives of the Peter's reforms. By the middle of the XVII c., the Russian coinage was in a pitiful state. Both small purchases and large transactions were carried out using the archaic monetary system introduced in 1535 during the coinage reform of Elena Glinskaya, the mother and Regent to young Czar Ivan IV. The system was based principally on a single silver coin type of 0.68 g. weight, which even did not have a denomination, in the usual sense, and was just called a *denga*, meaning a *money piece*. There were also two fractions of *denga* which, however, were increasingly less common towards the 1650's.



The wire coins, also known as fish-scales, of Czar Ivan IV the Terrible (1533-1584): 1, ½ and ¼ *dengas*. These coins were the result of the reform of Elena Glinskaya aimed to standardise the currency system of the united Russia.

The reason for the scarcity of smaller denominations was the medieval coin minting process, which basically involved taking thin slices of a silver rod and striking the images upon them by hand. The silver rod would be cut at an angle, thus increasing the surface area to fit the die image, and as the result such coins had an oval shape, like a pumpkin seed. This minting process made the small denominations too laborious and uneconomic for mass production, particularly, as the coins were becoming lighter over time. Due to their specific shape, these coins are now commonly referred to as



The 3.4 g. gold *ugorsky* (ducat) of Czar Boris Godunov, 1598. In the XVI and XVII c., the gold coins were used as the court presents and awards for the loyal service.

wire money or fish scales. By the 1650's the coin iconography had little changed since the time of the Glinskaya's reform, featuring on the obverse a Grand Duke astride a horse pointing a spear toward the ground with letters below or at the sides, and the title (e.g., 'Czar and Grand Duke of All Russia') and name of the Czar on reverse. The lancer on the obverse (*kopei'schick*) may have prompted the common name of the coin unit by which it started to be called in the second half of the XVII c. – *kopei'ka*, or *kopeck*. The letters under the horse might have indicated the moneyer, assayer, mint city or date, which first appeared in 1597 on the coins of Czar Feodor I of Russia. Alongside the standard silver kopeck, there were gold kopecks equal to 10 silver kopecks and some larger gold units of 3.4 g, called *ugorsky* or *chervonets*, modelled on contemporary Hungarian ducats. Minted in very small quantities they were used mainly as the court presents and awards for the military service, often worn by the proud recipients on a neck chain.

During the turbulent century of the Russian history between the middle of XVI c. and middle of XVII c. the silver wire kopecks were minted by the legitimate monarchs, imposters and pretenders, Swedes occupying Novgorod, and by the second volunteer army led to Moscow in 1612 by merchant Kuzma Minin and Duke Dmitry Pozharsky to chase out the Polish garrison lodging inside the Moscow Kremlin, the task that the first volunteer army failed to complete in 1611, eventually restoring temporary peace, order and a new dynasty of the Romanovs who were to rule Russia for the next three centuries. A few cities in the XVI-XVII c. had mints occasionally, such as Tver, Pskov, Novgorod, Yaroslavl', with Moscow being the principal mint. The first standard silver kopecks weighed 0.68 g., and 100 kopecks made a counting unit called *ruble*. As a currency unit, ruble was first mentioned in the Novgorod chronicles of XIII c. and equalled a half of, or probably even the whole, Novgorod *grivna* - a 200 g. silver ingot used a major currency unit during the "coinless period" from XII c. to XIV c. A silver ruble, as a coin denomination, was introduced in 1654 during the coinage reform of Czar Aleksey Mikhailovich the Quiet.

The reform conducted in 1654-1663 by Aleksey Mikhailovich was instigated by several factors, and it proved to be very unpopular and overall unsuccessful in the end. The extensive coin clipping and shortage of local silver (the silver was largely imported from Europe as coins and luxury items) caused the steady decrease of the weight of the silver kopeck down to 0.45 g. by the mid 1650's. The lack of fractional denominations had negative effect on the local trade, because a full kopeck had relatively high intrinsic value (e.g., a live chicken cost 1 kopeck and a work horse cost 1 ruble) which made it inconvenient for small purchases. On the other hand, the growing commercial links with Europe required larger denominations and a currency that would be recognised abroad. Besides, the budget was rather tight to meet the expenses of the upcoming wars with Sweden (1654-1658) and with Poland and Lithuania (1654-1667), so that the coinage reform was meant to provide essential income towards this aim.



The monument to the greatest Russian patriots, merchant Kuzma Minin and Duke Dmitry Pozharsky, on the Red Square in Moscow is the iconic testimonial to the events of 1612. From 3 to 6 November 1612 the multi-ethnic volunteer army led by Minin and Pozharsky liberated the Moscow Kremlin and its inhabitants held by the Polish garrison. The 4 November is celebrated in Russia as the National Unity Day.

Since the XVI c. silver European thalers had been the principal source of metal for Russian kopecks, while providing the steady income to the government's coffers. The latter worked as follows. According to the Russian Trade Book for Young Merchants, the use of the foreign coins as currency for the transactions inside Russia was banned by the state, under the risk of confiscation and a fine. The merchants arriving in Russia had to hand in their silver thalers to the treasury in exchange for 36-36.5 kopecks. They could also make use of the free coinage right, i.e., bring their thalers to the state mint and get 38-38.5 kopecks to the thaler in exchange. The varying fineness of the thalers and the kopecks made thereof were tightly controlled by the assayers at the Russian mints. The mint would strike 46-46.5 kopecks from each thaler bought, making a substantial profit on the re-coining. These measures kept the procurement price of the thaler at 33-33.5 kopecks in the XVI c., but as the weight of the silver kopeck reduced, the thaler purchase price grew to 50 kopecks by the time of the reform of 1654.

The reform started in 1654 by minting a silver *ruble* = 100 silver kopecks, copper *poltina* = 50 silver kopecks and silver *polupoltina* = 25 silver kopecks. The above kopeck exchange rates were enforced by the decree. The material for new coins was still that of the European thalers. However, in a change from the established process, the first silver rubles were struck directly on the thalers firstly hammered blank to remove the host image.



The silver *ruble* (ca. 28 g.) of 1654 issued during the coinage reform by Czar Aleksey Mikhailovich the Quiet (1645-1676).

The innovative design features the equestrian monarch on obverse and a double-headed eagle under a crown on reverse, with the date *anno mundi* in Cyrillic above.

The ruble on obverse portrayed the Czar *en face* in an elaborate gown wearing a royal fur cap while riding a horse and holding a sceptre and an orb. The image was surrounded by the inscription 'By the Grace of God His Majesty, Czar and the Great Duke Alexey Mikhailovich of All Great and Little Russia'. The reverse featured a crowned two-headed eagle with the wings down, surrounded by the scrolls between the written denomination and the emission year *anno mundi* in Cyrillic ('Of the Year of 7162' corresponding to 1654 *anno domini*). One theory proposes that the distinctively Russian design was chosen over the European type because of the concerns regarding the circulation of the European currencies in Ukraine, which had just united with



The silver *polupoltina* of 1654 struck on a cut quarter of a thaler. With the intrinsic value of 16 kopecks it was passed for 25 silver kopecks by the Czar's decree.

Russia under the Treaty of Pereyasavl of January 1654. The design of the copper *poltinas* was similar to that of the silver rubles, while the *polupoltinas* were more traditional in that respect, bearing an image of the mounted Czar holding a sceptre and an orb with the denomination interspersed in the three corners on obverse, and with the royal title and the date on reverse. These large coins required new machine manufacture and craftsmen, particularly engravers and die cutters, and proved to be uneconomic at the time. Therefore, the first ruble coin and its fractions were minted in small numbers and they are extremely rare today.

Apart from the technical difficulties, the fundamental problem with the first silver ruble was its rate to the standard silver kopeck. The average weight of the contemporary European thaler was ca. 28 g., whereas the weight of the standard silver kopeck was ca. 0.45 g. Therefore, the intrinsic value of the thaler-ruble was slightly more than 60 kopecks, while passing it as a 100-kopeck made a large profit for the state. The new coins were not received with great enthusiasm, and in order to pacify the growing unrest, the government decided to balance the intrinsic value of the thaler to the silver kopeck. Indeed, permitting the free circulation of the European thalers at their intrinsic value would have nullified the state profit. Therefore, it was decided to keep the procurement price low while countermarking the thalers by the official stamps. In 1655, a number of silver thalers, notably those from Joachimsthal in Bohemia, were countermarked with the obverse die of a silver kopeck and an additional small punch of the date in Arabic numerals, and they went in circulation at a fair rate of 64 kopeck. This issue is known from the contemporary sources by the name of *efimok*, which derives somehow from the name of the Bohemian city. The efimoks were also used in payments to the army during the war with Poland and Lithuania (1654-1667). A persistent problem with efimok issue was the uneven fineness of the European thalers. Although the mints were making effort to select the thalers with higher silver content, those were increasingly scarce, so some efimoks were coined of relatively poor quality material. The efimok's emission was very intensive, but short lived and they were recalled by the state for exchange for the copper coins in 1659, although some coins remained in circulation in Ukraine up until the early XVIII c.



The 1655 *efimok* of 64 silver kopecks was an emergency issue aimed to remedy the negative effects of the 1654 emission of the silver ruble and to fund the war with Poland and Lithuania. For the first time the date on the Russian coins is shown *anno domini* in Arabic numerals.



The copper kopeck of Czar Aleksey Mikhailovich. The uncontrolled emission of copper coins from 1654 to 1662 aggravated population distrust in the government course which culminated in the Copper Riot in Moscow and the pathetic end of the coinage reform.

One government gamble which is worth a mention was the emission of copper coins solicited to the Czar in 1654 as a means of reducing the cost of the coin material. Alongside the copper kopeck, two new denominations, *grosh* = 2 kopecks and *altyn* = 3 kopecks, were introduced, with the latter initially minted on the round blanks by the machine method, which proved difficult. It was later struck from the copper wire in the old fashion by hand.

In the beginning, the copper coins were accepted peacefully and seeing that, the government increased their production to an absurd rate by setting up new mints across the country. Alongside minting the copper coins in enormous amounts, the taxes were still collected in silver coins, while the payments were now made in copper. The silver efimok was withdrawn and exchanged for copper coins at the same rate as for the silver kopecks earlier. This situation unbalanced the rate of the copper kopeck with its silver counterpart, encouraging people to retain and hoard silver coins, thus the government could not withdraw them from circulation. The culmination of the reform was the Copper Riot on 25 July 1662, when Czar Alexey Mikhailovich was besieged in his residence in Kolomenskoye by the angry crowd of some 10,000 Muscovites. With the aid of the Streltsy the riot was put down with up to a thousand people killed, hanged, or drowned in the Moscow River. Several thousand people were arrested and later exiled after brutal investigations. Nevertheless, fearing the worse, the government recalled all copper coins from circulation, closed the copper mints in Novgorod and Pskov and returned to the standard silver kopeck coinage as prior to the reform.

From 1663 to 1696 there was little change in the standard coinage, apart from the concurrent emission of the silver kopecks in the names of either Ivan V and Peter I and an interesting issue of the presentation gold pieces of $\frac{1}{4}$, $\frac{1}{2}$ and 1 ugorsky (3.4 g.) by Princess Sophia, depicting her wearing a Royal crown and holding a sceptre on obverse and two young Czars, Ivan V and Peter I, wearing Grand Duke's headdresses on reverse – an unabashed claim for sovereignty by the ambitious Princess. These gold coins, along with the solid gold and gold-plated kopecks, were handed over to her loyal Streltsy for the 1682 mutiny and for the first Crimean campaign of 1687-1689. It is noteworthy that the eagle on reverse was shown in a more optimistic way, with the wings raised, in contrast to the earlier image on the ruble of 1654.



The *ugorsky* (ducat) of the Princess Sophia, after 1682, showing her wearing the royal regalia on obverse and the young Czars Ivan V and Peter I on reverse. During the regency, Sophia gained the support of her maternal family and Streltsy, and, allegedly, planned to get the throne for herself. Her conflict with Peter caused her deposition and imprisonment in the Novodevichy Convent in Moscow, where she died in 1704.



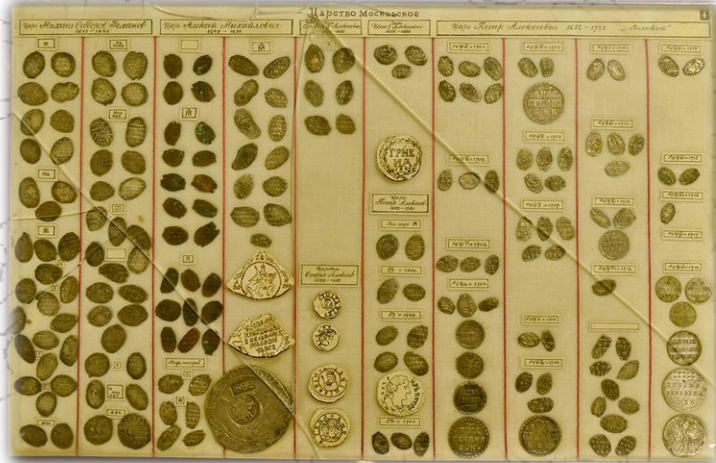
The *sevsky chekh* of 1686 shown alongside the Polish *poltorak* of 1622. The first provincial issue of the expanding Russian state pursued a political agenda, although it did not fit at all with the standard Russian coinage.

One particular innovation of the regency period was a small issue of provincial coins for the Little Russia – the eastern European territories under the Russian protectorate. The situation with the currency in Ukraine and western territories was very unpleasant for the central government. Due to the lack of the standard coinage and the demands of the cross-border trade, the population there was using a mixture of Polish, Lithuanian and other European coins. In 1686, a small mint was set up in the town of Sevsk to produce a new coin as the alternative to the Polish *poltorak*, or 1.5 grosh coins, which was a popular currency in the region at the time. The new coin, colloquially known as *sevsky chekh*, weighed 0.95 g. and was struck from the base silver by the *walzwirk* (roller milling) technique, never used in Russia afterwards. The obverse of the coin depicts the Russian two-headed eagle, topped with three crowns this time, and the surrounding inscription bearing the first letters of the names and titles of Ivan V and Peter I. The reverse shows an orb encircled

by the city name and the date. Due to the lower fineness and extreme fragility, the new coins were not readily accepted by the population and soon withdrew from the circulation.

Concluding this part of the story, we should make a note on collecting the Russian coins of the XVII c. Indeed, all large gold pieces of the period and the first silver rubles, copper poltinas and silver polupoltinas are excessively rare, which stimulated their modern forgeries and copies of exceptional quality. It is not uncommon to see the word *novodel* in the description of the pieces occasionally found in the auction catalogues, but one should bear in mind that an authentic *novodel* implies a coin struck from the original dies at a later date, mainly for a wealthy collectors and museums. The majority of what is claimed to be *novodel* today are just fakes struck from the newly made dies, or even fantasy items. The *efimok* coins are relatively more common, but for the past few years there were so many fake *efimoks* on the market, some counter-stamped by fake dies of superb quality on authentic coins,

that even a specialist would struggle to authenticate a real piece. The gold-plated kopecks turn up time to time, but without the provenance they are impossible to authenticate either. The *sevsky chekh* coins are scarce, yet a few of them have been seen sold recently, often in a very good condition. The most available material for collecting on a tight budget is silver and copper kopecks of the period. Although they may look dull and homogeneous, because of almost identical designs and weights, they have many subtle variations which make some of them



Ca. 1920 collection of Russian coins (500+)
Sincona AG, Auction 24, 12-14 October 2015, Lot 1501
Starting price CHF 1,000, Price realised CHF 17,000

very desirable items indeed. The wire kopecks can be collected by rulers, mints, dies, dates or in relation to the events they witnessed, such as the Troubles (*Smuta*) of 1598-1612, the volunteer army and liberation of Moscow in 1612, the Copper Riot of 1662 and the Streltsy mutiny of 1682 that nearly robbed Russia of its most venerated Emperor, Peter I the Great.

THE COINAGE REFORM 1696 – 1704

Although the reform of 1654 - 1663 was a massive fiasco, ultimately ended by restoration of the pre-reform coinage, its ideas, instruments and lessons eventually informed and equipped the next reform undertaken by Peter I, which started in the first regnal year of 1696 of the young monarch as the sole ruler of all Russia. The underlying reasons were mostly the same or similar to those driving the previous effort, while the implementation of the new reform was carried out in a different way, taking into account the factors that caused the past failures. From the beginning, the aims of the new reform were crystal clear, thanks to the great vision of the Czar. A systematic approach was taken, aimed to foster the evolution of the currency system, thus allowing more time and information for people to absorb and adjust to the changes. The reform was designed to: 1) create a flexible polymetallic currency system based on gold, silver and copper and fit to furnish the growing trade with Europe; 2) transform the archaic coin striking to efficient machined production of coins of a high quality; 3) harmonise the coinage across core Russia and its domains in Ukraine and the Baltic area; 3) increase the state budget through the reformed coinage to balance the growing war expenditures and social and economic reforms. The reform was carried out in several consecutive stages.

The very first step taken by Peter in 1696 was the reduction of the weight of the silver wire kopeck to 0.28 g., down from the previous 0.45 g. standard, so that the counting ruble of 100 new kopecks would match the weight of a European thaler. This would allow re-introduction of the silver ruble currency of equal weight with the thaler. The distinctive feature of the new kopeck was the date *anno mundi* in Cyrillic placed under the lancer on obverse. The kopeck metal was debased in 1698 so that a hundred of kopecks would match a 25 g. pure silver content of the European thaler.

As the child, Peter received a poor primary education, in contrast to his older half-brothers Feodor and Ivan. That was due to the ostracization of the civil education at the time, led by Patriarch Joachim of Moscow who appointed for Peter two poorly educated clerics as tutors. As the result, for the rest



The new silver wire kopeck of Peter I, 0.28g., 1698. The date is indicated in the exergue by the letters 'CS' corresponding 206, or 7206 AM.

of his life Peter struggled with grammar and vocabulary, but his curiosity, inquisitive mind and constantly growing interest in the European lifestyle made him an outstanding and fearless innovator, who learned everything from practice and labour. There was no new legislation, law or civil project that Peter had not authored or thoroughly revised (he even carved himself the first typeset of the simplified Russian alphabet which we still use today). There was virtually no craft or skill that he had not attempted to learn or mastered, and, as a practical man, he idolised knowledge and skills, making a great effort to introduce talented Russian youths to the most advanced European

engineering, sciences and warcraft. He was a man of simple habits, but by his effort the country acquired one of the best collections of science and arts in Europe. At the same time the Russian arts exploded in all aspects. The key role in the development of his personality and vision was played by the Grand Embassy, which was the Russian diplomatic mission led by Peter from March 1697 to August 1698 and strategically aimed to strengthen the alliance against the Ottoman Empire and to gain new allies in the persistent Russian effort to access the Baltic sea.

The tour was designed to minimise the formal receptions and protocols and to maximise the opportunity to meet informally with the state leaders on the political agenda and with scientists, engineers, lawyers, manufacturers, architects, miners, moneyers and shipbuilders – all those who Peter could potentially invite to Russia to work and teach. Although Peter wanted to travel incognito under the name of Petr Mikhailov, that was the Polichinelo's secret, not least due to his enormous height of 6 feet and 8 inches. The stories of his voyage and mischiefs, both real and fictitious, could easily make a book, but important for us is his attention to the European coinage.

It seems that from the very beginning Peter understood the utmost importance of the coinage reform for the Russian economy, trade and finances. He was also aware of the failures of the previous reform attempted by his father, Czar Aleksey Mikhailovich. Now he was looking for the practical solutions, both economic and technical. During the Embassy, Peter collected some specimens of the European coinage and medal art, which later laid the foundation for the munz-cabinet in Kunstkamera – the first public museum in Russia founded in 1714 and the great testimonial to Peter's vision for a national academy of all sciences which materialised only after his death.

While staying in Britain from January to April 1698, Peter visited the Royal Observatory, the Royal Mint, the Royal Society, The Parliament, the University of Oxford, as well as several shipyards and artillery plants. Actually, he visited the Royal Mint three times, although there is no evidence that he personally met Isaac Newton, then the Warden of the Royal Mint. What Peter was looking for in England was specialists and the codifiable knowledge, particularly that of the shipbuilding. Indeed, he had been dissatisfied by the previous visit to the Holland's shipyards and the largely empirical approach of the Dutch which would take ages to transfer to the Russian wharfs. What British were hoping to gain from Peter's visit were



The ivory model of an eye carved by Peter the Great. While visiting Holland in 1696 and 1717, Peter attended lectures at the Leiden University, where he learned some general surgery and anatomy. He also carved ivory models of human eye and ear. Czar's medical experiences were the backbone of the new military and civil medical services in Russia.



"Peter the Great at Deptford Dockyard" by D. Maclise, 1857.

the trade links, including the timber and other products for the British Navy, and new markets, particularly for the colonial tobacco and tea. At the time, the economic links were weakening since the trade sanctions imposed by the Russian government following the execution of Charles I.

After leaving Britain, and King William III tired of hosting the impudent Russians, the

Great Embassy was suddenly interrupted in June 1698 by the news of the Streltsy uprising in Moscow, so the Czar had to rush to the capital to quell the unrest. Upon his return, Peter vented medieval rage against the medieval mutiny, torturing, beheading and exiling hundreds of those suspected in partaking. After that, he gradually dissolved the old-fashioned Streltsy army, while quickly raising the new-model regular recruit army. The Czar decapitating rebels with his own hands – that was unprecedented and, certainly, the thunderous statement that no discontent on the monarch's political course would ever be tolerated. Concerning the cruelty, we can only speculate that that was a psychological issue, given that Peter suspected Sophia in plotting the overturn and even ordered to put three gallows by her windows in the convent, with the hangmen holding the copies of the alleged plead, the original of which had never been recovered.

The year of 1700 was a key date for Russia and for the coinage reform too. It is believed that Peter brought new screw presses from Holland and England, along with the invited foreign engravers and other specialists. There was a clear intention to increase the coin production considerably, particularly to back the state finances stressed by the start of the Great Northern War (1700-1721) – the military conflict between Sweden and the coalition of the European countries led by Russia for the control of the Baltic coast. Apparently, there was no chance to make a mistake in the coinage reform, for otherwise the consequences would have been immediate, catastrophic and long-echoed.

There were two important aspects that influenced the coinage innovations in 1700. Firstly, the Russian silver and gold coinage was still fully dependent on the import metal. Therefore, re-introduction of the copper coinage was inevitable, even although there was a shortage of native copper too. Although Peter encouraged the metal explorations, considerable results were only achieved after his death and after the end of his reform. But for the time being, all sources of metal were good. Gold was imported from Europe in coins and as alluvial ("boxed") gold from China. Silver was in great demand and silver thalers were reserved for the foreign purchases. In the meantime, the non-monetary use of silver was restricted by the government and all confiscated gold and silver items were sent to the mints. New schemes for purchasing the old heavy silver kopecks from the



The Streltsy uprising of 1698 started as a local unrest and propelled into the major conflict. The rebelled regiments marched on Moscow wishing to deliver the message to the government, but they were crushed by the government forces and the most active leaders executed. Unsatisfied with the quick resolution, Peter demanded massive investigations, which culminated in the public execution of a thousand in October 1698, five of whom were beheaded by the Czar himself.



The toy model of the screw press for minting milled coins (The Museum of Money, St. Petersburg).

These machines replaced the archaic wire kopecks with high quality milled coins. Photograph by the author.

population were also introduced. Peter also paid great attention to the “sunk” metal in the monastery treasuries, so that the Synod, the high council of the Russian Orthodox church established by the Czar, was ordered to requisition the luxury offerings. However, as a main means of providing silver for coins was the gradual replacement of the silver wire kopecks by copper coins, as well as debasement of the coinage from 1711 onwards. It is noteworthy that Peter was a mercantilist in his economic views, who wanted to maximise the export while retaining the gold and silver in the country. As to the copper, it would have been partly sourced from old cannons and bells in the early years of the reform. Peter also envisioned the new coinage strategy, which was locating the mints near the mines, and in the late years of his reign, Peter was trying to establish the copper mint in Ekaterinburg, closer to the Ural copper mines.

The second aspect of the reform was the amount of the coins to be struck to deliver the envisioned budget income. Obviously, increasing the striking of the old-fashioned silver wire kopecks would require new mints and staff, which was not efficient in the

long term. The introduction of the machine production should have resolved the issue with the low mint outputs. The new mints were set in Moscow, including Krasny (1696/7), Naberezhny (1699), Noviy (1700), Naberezhny Silver (1701) and Kadashevsky (1701).

In 1700, the traditional Russian calendar *anno mundi* was permanently changed to *anno domini*, as in the rest of Europe, and this change was reflected on the silver wire kopecks. The same year the first new copper coins were struck by the machine method at 10 rubles from two stones (ca. 16 kg.) of copper. Those were the copper *denga* (1/2 kopeck), *polushka* (1/4 kopeck) and *polupolushka* (1/8 kopeck). The copper coins were backed by and guaranteed to be exchangeable on demand for the silver wire kopecks, which were struck concurrently with the copper coins up until 1718. The copper denominations were advertised as a means of facilitating small purchases only. The respective decree was read at the town markets and in the churches.



The copper *denga* (1/2 kopecks) of 1701. The date is shown on obverse in Cyrillic. On-line catalogue <https://vechi.com.ua/>



The silver *poltina* (1/2 ruble) of 1702. The date is shown on obverse in Cyrillic. The Czar's portrait was executed by Dutch engraver Solomon Gouin.

On-line catalogue <https://vechi.com.ua/>

The new milled copper coins were of high machine quality. Their designs were similar: they had the written denomination and the date in Cyrillic on reverse and a two-headed eagle under three crowns on obverse. The other inscriptions gave the name and titles of the monarch, e.g., ‘Czar and Grand Duke Peter Alekseevich’ (obv.) and ‘of All Russia Sovereign’ (rev.) on the copper dengas.

In 1701, the first milled silver coins were produced, including *poltina* (1/2 ruble),

polupoltina (1/4 ruble), *grivennik* (10 kopecks) and *desyat' deneg* (5 kopecks). The weight of the silver coins derived from the 28 g. silver ruble (not struck yet as a coin) made up of 100 silver wire kopecks of 0.28g. each.

The design of the new poltina coins reconciled the European portraiture with the Russian identity. For the first time, the obverse featured the draped and cuirassed bust of the Czar wearing the laurel wreath, foretelling his future victories in the Great Northern War, encircled by the inscription 'Czar Peter Alekseevich of All Russia Overlord'. The reverse bears the state arms, the two-headed eagle under three crowns, with the denomination as 'Coin of the Fair Price of Poltina' and the date in Cyrillic running along the circumference. The polupoltinas had similar images. The design of the silver grivennik and desyat' deneg coins was less ornate and similar to the copper coins of the previous year.



The silver *grivennik* (10 kopecks) of 1701. The date is shown on obverse in Cyrillic. On line catalogue <https://vechi.com.ua/>



The first milled copper kopeck of 1704, Krasny mint ('БК' below the horse indicating the Main Treasury). The date is shown on obverse in Cyrillic. On-line catalogue <https://vechi.com.ua/>

It was not until 1704 when the first copper kopeck was struck, alongside the first silver ruble and silver altyn (3 kopecks). The copper kopeck intentionally had the iconography similar to the silver wire kopeck, which was still struck as a guarantor of the copper coinage. The design featured the royal lancer on obverse and the written denomination and date in Cyrillic on reverse, with the inscriptions similar to those on the copper dengas. The letters under the horse indicate the mint.

The iconography of the first milled ruble of Peter the Great is, in one aspect, different from that of the poltinas of 1701. The young Czar is shown in a justicoat with the bare head, which makes the portrait even more authentic. In respect to the portraiture, we should note that today there is no common opinion as to what extent the coin imagery had been influenced by the foreign masters. Indeed, there are many varieties of the portraits on the early Russian coins, some executed by European artists, while the others were certainly made by the native engravers trained by the foreign specialists. The Russian engravers often did not sign their work, but it seems their style was often preferred by the Czar. The Russian legends on the coins made them unpassable abroad, and Peter actually wanted to keep it that way. He even preferred that Russian coins would be not seen abroad, which again was due to his mercantilistic views on the state economy.



The first milled silver ruble of Peter the Great, dated 1704 in Cyrillic on obverse. The portrait was executed by Russian engraver Feodor Alekseev. On-line catalogue <https://vechi.com.ua/>



The silver ruble of Peter the Great, 1707. The portrait is by European engraver Gottfried Haupt. The obverse description reads 'Moscow Ruble'. The edge milling first appeared on the Russian coins of 1707.

The fineness of the early Russian silver coins matched that of the European thalers, ca. 889 fine (millesimal), and most coins were actually overstruck on the European thalers. In 1711 the fineness was reduced to 729 for the smaller silver denominations, and in 1718 it was extended to the larger silver coins. Concurrently, the copper coins were losing weight: from two stones of copper there were 20 rubles of copper coins struck in 1704 and 40 rubles in 1718. In the latter case, the intrinsic value of the metal was only 5 silver rubles, so the coins of 1718 were effectively a credit (token) money, rather than proper currency.

Concerning the gold coinage, the first gold coins of Peter the Great were struck at the Kadashevsky mint in Moscow in 1701. Those were the first currency coins, rather than donative pieces, as they had been previously. The first gold *chervonets* was imitating the standard 3.4 g. European ducat, although being completely Russian in design. Its distinctive feature was the Moscow's arms, St. George slaying the dragon, superimposed on the two-headed eagle on reverse. A larger denomination was also struck, the double chervonets. The rate of the gold coins to the silver ruble was variable and depended on the current market price of gold, starting with 40 silver altyns (1 ruble and 20 kopecks) for 1 chervonets in 1701 and gradually increasing to 3.5 rubles in the 1720's. The floating rate was possibly the reason of the absence of denomination on these coins. The other reason might have been the traditional use of the earlier gold chervonets as donative pieces. Although the early gold coins matched the fineness of the European ducat, they were debased in 1718 to 781 fine. In 1718, a new 4 g. gold coin of the reduced fineness and nominal value of 2 roubles was introduced, depicting the monarch on obverse and St. Andrew the Apostle on reverse, probably alluding to the first Russian order of St. Andrew the Apostle the First-Called established by Peter the Great in 1698 for the civil service.



The first gold chervonets of Peter the Great (3.4 g.), dated 1701 in Cyrillic on obverse. The rate of the chervonets to silver ruble varied, depending on the market price of gold.



The gold 2 rubles (4 g.) of 1722 struck on the debased metal standard. Despite the nominal value, its actual rate to silver was variable.

Even if this was not enough of a change in 1718, the most important and risky one was ending the striking the silver wire kopecks. Peter already disliked the wire money for a long time, even referring to it as "old lice". Along with the silver kopeck, its copper counterpart had gone, so no 1 kopeck coins would be struck up until the milled copper coinage of 1724. Effectively, by getting rid of the kopeck denomination, Peter transferred the currency basis to 1 silver ruble.

An interesting numismatic artefact of the period is the 'beard money', which were copper tokens indicating the payment for the permission to wear the old-fashioned beard and moustaches. First introduced by Peter the Great in 1705, the tax pursued two purposes. On one hand, the beard tax was aimed to encourage shaving in the European fashion, thus facilitating the adoption of the progressive western culture. On the other hand, Peter was using all imaginable means to collect more tax money for his exploits. The beard tax was between 30 and 100 rubles per year, depending on the social status

of the tax payer. The peasants were exempted, although they had to pay 1 kopeck when visiting the towns. The beard tax was cancelled only in 1772. There are only few types of the beard money known today, and they are very scarce and collectable items indeed.

Peter also introduced the first soldier medals for the victories in the Great Northern War, departing from the old tradition of using gold coins to award the distinguished high-rank officers. The first event commemorated with the gold medals was the capture of the Oreshek fortress from Swedes in October 1702.

The medals were awarded to the volunteers who attacked on the boats and took the Swedish fortress. The obverse shows Czar's portrait, while the reverse depicts the panoramic view of the fortress being attacked by the Russian troops with the text above 'It was with the Enemy for 90 Years, Retaken 1702 October 21'. Soon the medal awards were extended onto the low officer ranks and privates, setting the first in the world tradition of soldier awards. The Czar personally contributed to the design of the earlier medals. This topic is so vast that, regrettably, we should reserve it for the future review.



The "beard money" of 1705, countermarked for authentication or renewal. The obverse shows the old-fashioned beard and moustaches and the inscription 'Money Taken', while the reverse bears the state eagle and the date. These tokens were later circulated as copper kopecks.



One of the first Great Northern War medals ordered by Peter the Great commemorating the capture of two Swedish ships on the Neva river in May 1703. The Czar's portrait was engraved by F. Alekseev. The obverse shows the Swedish ships being attacked by the Russian boats with the inscription 'Impossible is Possible' above.

The coinage reform continued after 1718, but we shall pause now to summarise the achievements and innovations of the late pre-Imperial coinage of Russia. Indeed, the imperial coinage started only in 1721, when Peter I was proclaimed the first Emperor of All Russia, soon after the peace made with Sweden in the Great Northern War. The reform so far had achieved its main goals. The country obtained the new flexible currency system. As a benefit of the system, it was purely decimal, the first in the world, and therefore easy to use. The main currency unit, the silver ruble, was equalled to the European thaler. The lack of silver and gold was relieved by the copper coinage, which was quietly

accepted by the population because of the convenience of use and the guarantee in the form of the silver wire kopeck. The profit brought by the reform to the state finances was ca. 6.1 million rubles from 1698 to June 1711, ca. 4.3 million rubles from June 1711 to June 1714 and ca. 9.3 million rubles from June 1714 to 1719, which was an immense amount of money at the time. However, there was a spoon of tar in a barrel of honey too.

Towards the end of the reviewed period in 1718, there was increasing outflow of silver and gold coins from the country. It seems the prohibitive measures had little effect, so the government had to debase the coinage to make Russian coins less acceptable in Europe. This, along with the reduction of the silver coins in circulation and increased amount of copper coins, resulted in the currency imbalance and growing prices for food and goods. The procurement price of the silver efimok increased from 50 silver kopecks in 1700 to more than 100 copper kopecks in 1720, so that the equal value of the silver and copper kopecks became purely nominal. Another threat was posed by counterfeiting. The later coins, particularly those made of copper and debased silver after 1718, had lower craftsmanship and

thus were less secure. There were plenty of fake coins in circulation, some of which are barely recognisable today.

In the next part of our story, we will review the last leg of Peter's reform from 1718 until his death in 1725. It was carried out in no better circumstances than its first stage. The Great Northern War ended, with Sweden ceding the vast territory along the Baltic coast to Russia, but for receiving the retribution of 2 million silver efimoks (1.3 million silver rubles) stipulated in the Treaty of Nystad (1721). The growing bureaucratic machine, favouritism and corruption were consuming increasing part of the budget to carry on with the reforms. The explorations for new resources across the country required more money, yet were still bringing little outcomes. For now, we shall finish by concluding that what the coinage reform of 1696-1718 actually served was the great vision of the great man – the man who dared to turn the patriarchal Muscovian Czarism, the Third Rome and the last hermitage of the unspoiled Orthodoxy led by the Czar anointed of the Lord, into the European-style Empire with the Czar the carpenter, pipe-smoker, soldier and reformer, ruling by iron and by personal example, sharing all the severities and spoils of the wars with his fellow companions and believing that the Emperor is the one who dares and is able, rather than that inheriting the title by the dynastic descent.



The Monument to Peter I by M. Shemyakin, 1991, St. Peter and Paul's Fortress, St. Petersburg, just beside the Emperor's tomb. The head of the sculpture is modelled after Peter's face taken by Rastrelli in 1719. The grotesquely enlarged chest and hands possibly signify that Peter's physique and labours overshadowed his unbalanced, yet still brilliant mind.

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