ESTABLISHMENT & INTRODUCTION OF THE EURO

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Article

Establishment and introduction of the Euro — Richard Tilman

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In 1999 the Euro was launched as a monetary unit of account and in 2002 currency money (tangible coins) was introduced, the result of a direct decision-making process and preparation of more than thirty years. The first ideas for one economic and monetary union in a larger European context were already considered in the twenties of the last century.

As early as 1929, Gustav Stresemann, the German Minister of Foreign Affairs, asked the League of Nations to consider a common European currency, given the reshuffling of states and the economic division after the First World War.

Nothing happened until after the second World War, when gestures toward a united Europe were again revived.

The idea arose from two sources:

- the Latin Monetary Union, a 19th-century system that unified several European currencies into a single currency that could be used in all the member states, at a time when most national currencies were still made out of gold and silver. It was established in 1865 and disbanded in 1927.

- the Scandinavian Monetary Union, which provided for fixed exchange rates and monetary stability between Denmark, Norway and Sweden. Founded in 1873, it lasted until the outbreak of World War I.

In the 1950s, the Schumann Plan — the European Coal & Steel Community — was the first step toward European integration. Then in the 1960s came the European Economic Community.

The starting moment of the current Euro was marked by the decision of the European Council in 1969 to work toward the establishment of a monetary union.
The Werner Plan of October 1970, aka Werner Report, named for Luxembourg’s Minister of Finances Pierre Werner, called for gradual, institutional reform leading to the irrevocable fixing of exchange rates and the adoption of a single currency. Also played the threatening abolition of it.

This was in keeping with the old “Bretton Woods” agreement for fixed exchange rates, but ran afoul of a US push to abandon the system in favor of floating currencies. In 1972 most of the EEC countries showed a willingness to cooperate to keep exchange rates relatively stable, limiting fluctuation to 2.25%.

Originally it was thought that the monetary union would be a fact by 1980, but it soon became clear that a large number of barriers still had to be overcome. Almost a decade later, in 1988, a fresh start was made. To push the idea along, France and Italy started issuing a few stamps with a value indication in European Currency Units (ECU):
Establishment and introduction of the Euro (Part 2) — Richard Tilman

In 1999 the Euro was launched as a monetary unit of account and in 2002 currency money (tangible coins) was introduced, the result of a direct decision-making process and preparation of more than thirty years.

The first phase in the creation of a European Economic Monetary System was an arrangement established in 1979 where most nations of the European Economic Community (EEC) linked their currencies to prevent large fluctuations relative to one another. That phase was concluded in 1991 with the conference in Maastricht, culminating in the Maastricht Treaty, signed on 7 February 1992.

Phase two involved formulating further rules for economic and budgetary policies and also the preparation of the European Central Bank through the establishment of the European Monetary Institute on 1 January 1994.

Phase three received the starting date of 1 January 1997 because by this time sufficient Member States had met their required criteria. In this phase, the exchange rates were determined for the introduction of a common currency, the ‘European Currency Unit ‘ECU. The coins of the different European member states were taken together (‘basket currency’) where the share of each currency in the basket was determined by the economic strength of that currency.

The ECU was used in international financial transactions and had the ISO currency code XEU.

Continuing to call the future single currency “ECU”, however, encountered opposition. After all, Ecu was an old French coin and they did not want to favor a country in this way. That is why a new approach was chosen: the EURO. The EURO got the ISO code EUR. The European Monetary Institute was transformed to the European Central Bank ECB.

The practical transformation process also started and the change became visible. All Member States had participated in the ECU, but only 11 participated in the EURO.

Greece joined in 2001 as the 12th country. The United Kingdom*, Denmark and Sweden decided not to participate in the EURO.

* this decision was perhaps a harbinger of the Brexit sentiments yet to come. —ed.
Establishment and introduction of the Euro (Part 2) — cont’d.

Part of the process was of course also to choose a character. That became the sign €. Here too Italy ran ahead again by issuing a stamp with the new sign:

The European Central Bank was established in Frankfurt and received a larger and more concrete role. This should lead to more financial and economic stability.

However, the expected rapid development into the world’s second reserve and trading currency was not yet a reality. But, the introduction of Monetary Union has contributed to a European profile and a better European identity.

The monetary introduction

The European Monetary Union started on 1 January 1999. The EURO replaced the ECU, with a ratio of 1 EURO = 1 ECU. Twelve Member States participated at that time.

In addition, the EURO zone includes some smaller countries that are not part of the EU: Monaco, San Marino and Vatican, which had a monetary agreement with neighboring countries.

Also, Andorra used the currencies of France and Spain. Non-EU countries Kosovo and Montenegro also chose the Euro as the official currency; theirs used to be the German Mark.

The French overseas departments and some other areas, as well as Portuguese autonomous regions, also introduced the Euro.

The total thus came to 29 areas.
Establishment and introduction of the Euro (Part 2) — cont’d.

Portugal, 1999, Scott# 2282

Luxembourg kept the relationship secret with “A” as an indication of value.

Luxembourg, 1999, Scott# 1002

In the following period, more and more countries issued stamps with double values. Typical for (the lack of) harmonization is that each country chose its own moment to start with dual value indication. This was started in Italy in January 1999, Portugal in March 1999, France in mid-1999, Spain in late 1999. Germany, Luxembourg and Greece chose the beginning of 2001, the Netherlands started in mid-2001.

Austria had no stamps with dual value indication; that suddenly started with Euros. Also the end of the validity of “old” stamps have a wide variety.

These “double-valued” stamps have become a separate collection area. It is a period that has a clear beginning and end. That makes it one collection that can be completed entirely. A selection of these issues is given below.

Portugal, 1999, Scott# 2282

France, 2001, Scott# 2830

Luxembourg kept the relationship secret with “A” as an indication of value.

Luxembourg, 1999, Scott# 1002

The adjustment also had to find its way into the franking labels. France in particular was very clear about this and both values were mentioned:

The information campaign for the upcoming conversion ratio was supported in the postal cancellations used.

The Netherlands, 2001, Scott# 1077-79

France, 2001, Scott# 2830

San Marino, 2001, Scott# 1520-21
The physical introduction

1 January 2002 was the date that the euro started its existence in the form of tangible coins and banknotes. The Euro had thus become a daily reality. Philatelic attention was also paid to this by many countries that had not yet done so, such as this “Here comes the Euro” issue from Aland.

Was the displayed coins already anticipating the very quick decline of the lowest two values 1 and 2 cents? Nice is that Luxembourg did not wait with the singular value until 2002, but these stamps showed the light for a few months.

Other countries chose other images that showed the development from old to new coins. Austria also used the reverse side of the stamp for this.

The “introductory series” of Portugal and Monaco depicted the coins that were in use from that moment.
Finally, Germany chose the mint mark that would be widely used from 2002. In the 10-stamp sheets, in which Germany issues all the stamps, the sheeting was used to state the theme. These stamps also came into circulation in self-adhesive format.

**Final remark**

This overview of the creation of the Euro until the beginning of 2002 would seem to imply that the moments of introduction are an end point. Nothing is less true. It is the starting point for the further development of the Euro, as a unit of account in daily life and as the most important currency on the world stage. EU member states exchanged their currencies for the Euro ... and there is always a possibility that countries will leave the euro zone again.

Thus we leave this as a segue for the next article: Expansion of the EUROZONE after 2002. This Grenzenloos article will be taken up next.

The euro design featured in the Windows font Comic Sans originally had a cartoon eye inside a serif. This was removed to make the symbol fit character-width restrictions because of its use with numerals. It was jokingly commented to be the result of potential legal action by the EU.
After the first issues of the Euro coins and the Euro banknotes on 1 January 2002, over the years several countries joined what was called the European Monetary Union (EMU).

In 2004 Vatican City issued an extensive set of 15 stamps under the title “The Euro connects Europe, 15 countries under one Euro”. Each stamp had images of the flag and a coin of each country. (N.B. With Andorra, these are 3 states, though not members of the EU, Official users outside the EU at this time were Kosovo and Montenegro (since 2002).

Malta also issued two blocks (next page) to show the transition from old to new. The first block showing the old coins was issued on 31 December 2007; the second block, showing the new Euro coins, was issued on 1 January 2008. StampWorld shows these both as having been issued on 30 December 2007, but Scott’s dates seem more appropriate.

The 16th country to join the EuroZone was Slovakia, which issued a stamp with an image of the Eurologo and the map on 1 January 2009.
Establishment and introduction of the Euro (Part 3) — cont’d.

Latvia was next in 2014 with an issue of 6 stamps showing flowers. The stamps are all denominated in euros. The stamps were also issued in a miniature sheet, as shown below.

Scott lists the stamps individually, as Scott# 850-55. The mini-sheet is 855a. Scott also lists a variety of the first stamp, with a date of “2016”, as #850a.

Finally, Lithuania joined the EuroZone in 2015 and issued a stamp showing two coins and the flag of Lithuania.

Note: Andorra, Monaco, San Marino and Vatican City are allowed to own euro coins. Andorra can do that only since 1 July 2013, which only came into circulation in December 2014.
MEMORIAL ISSUES
Three different types of events in the young history of the Euro have been commemorated by stamps from different countries.
Firstly, the decision-making of EMU in 1998.
Secondly, the introduction of the Euro as legal means of payment in the Eurozone in 1999.
And finally the issue of euro banknotes and coins in 2002.

2008 - The EMU established 10 years ago.
France issued a block entitled “Great European Projects” which includes a stamp “Ten years ago European currency” on which a euro coin and the eurologo are shown.

The Netherlands issued a sheet of anniversary stamps, which included 2 identical stamps “Ten years European Central Bank”

Monaco issued a series of six stamps, with coins from 1837 to 2006:

Moreover, in the same year a stamp sheet with 15 stamps appeared entitled “Marianne et l’Europe” with a new one Marianne with stars.

Slovenia issued a stamp with the 1 euro coin turned into “10”. Luxembourg and Romania each issued a stamp with the image of the European Central Bank building in Frankfurt.

France, 2008, Scott# 3500

France, 2008, Scott# 3467

Monaco, 2008, Scott# 2512-17

Slovenia, 2018
Scott# 766

Luxembourg, 2008, Scott# 1228

Romania, 2018, Scott# 5045
2009 - 10 year anniversary of the introduction of the Euro as legal payment method

Belgium came out with a booklet of 10 identical stamps on which is depicted the Eurologo and the bilingual text "10 years of Euro".

Belgium, 2009, Scott# 2350

Bulgaria issued a sympathy stamp on which images of a one euro coin surrounded by the colors of the euro countries and a map of the euro zone.

Bulgaria, 2009
Scott# 4512

Greece issued a stamp with the eurologo, as well as Luxembourg and Malta:

Greece, 2009
Scott# 2389

Luxembourg, 2009
Scott# 1257

Malta, 2009
Scott# 1364

Cyprus celebrated 10 years of introduction of the Euro with two stamps with the eurologo:

Cyprus, 2009, Scott# 1107-08

Italy celebrated 10 years of legal tender with a series of 5 stamps with images of Roman buildings and stamp with eurologo. The stamps were issued in a booklet to celebrate “Europa Day” at the Italia 2009 Philatelic Exhibition.

Italy, 2009, Scott# 2977

Pictured on the stamps are examples of Roman architecture across Europe: Pont du Gard (France), Hadrian’s Wall (Great Britain), Odeon of Patras (Greece), Porta Nigra in Trier (Germany), and the Segovia Aquaduct (Spain).
Portugal issued two stamps with the eurologo as well as Romania with the number 10, in yellow and gold.

Finally, Spain issued a special sheet, with an image of the Spanish euro coin as the stamp, and the Euro sign and church windows on the background motif:

2012 - 10 years of Euro coins and banknotes

Bosnia-Herzegovina surprises with a stamp on which some euro coins are shown, and Estonia follows up its previous euro accession issues with a third stamp, now with a euro coin and a map on the front.

Luxembourg came up with a clever design. The number One is composed of banknotes, the number zero from coins.

This subheading closes with a sheet from the Marshall islands with images of the euro coins from the first twelve countries of the Eurozone.
Finally, two separate issues.

In 2014 the fourth stamp in the Estonian series of euro coin stamps was issued. This time with 2 coins - 1 euro and 20 euro cents. This is probably in celebration of 3 years using the Euro.

In 2016 French Andorra commemorated the introduction of euro coins with 2 cheerful stamps.

The number of euro issues has been decreasing in recent years, perhaps illustrating reduced interest in the euro over the years.

In 2017, Spain initiated what looks to be a series of annual miniature sheets in booklet form that picture UNESCO World Heritage sites, with their corresponding euro coin. Their images are shown in the next column. Their catalog values are not exorbitant, so they could be reasonably included in a euro-related collection.

Enjoy!