

**PRE-REVOLUTIONARY VOUCHERS OF THE  
MINING COMPANY "LA REPUBLICA".  
A NUMISMATIC DISCOVERY**

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**1-INTRODUCTION.**

Beyond a doubt, one of the nice things about collecting of any kind, is that we never cease to surprise ourselves. When one believes that he has seen enough, if not to say everything, suddenly something never cataloged springs to light. Personally, I feel very fortunate because I have not lost the capacity to enjoy and react to discoveries, even more so when related to numismatics.

Several months ago I had the opportunity to examine an accumulation of documents of many types that accompanied a philatelic-numismatic collection. The "papers" were of different eras and of various themes but all were related to the history of the country. The large majority came from the state of Chihuahua – the native state of the collector. A numismatic dealer of Mexico City had acquired the whole collection and it was he who permitted me to examine all the documents in a meticulous manner.

I confess that in those moments I had more curiosity than a specific interest. The idea never entered my mind that I would make a numismatic discovery. Among various papers of little importance and some pages from newspapers of the revolutionary era, I found legal size page of paper of very poor quality. It was an official document of the Secretaría de Gobierno of the state of Chihuahua with a short text of nine typewritten lines dated in October, 1908 and signed by the Secretario de Gobierno of that state. To this document were stapled 5 vouchers, cards and bills of different denominations from the Cia. Minera "La República" whose circulation violated the Monetary Law of 1905.

After reading the document and recovering from my "shock", I began an investigation of this unusual numismatic find under the following premises: Were these vouchers or cards cataloged? What was the "La República" Mining Company? In what part of Chihuahua was it located? Many other questions motivated me to develop this task in order to inform the national and international numismatic community.

**2-SHORT HISTORY OF THE STATE OF CHIHUAHUA.**

The state of Chihuahua is the largest of the Mexican Republic since it includes an area of 245,612 sq. km. It lies between 25° 30' and 31° 48' North Latitude and between 4° 10' and 10° 00' West Longitude. It is bounded on the north by the United States of America, on the east by Coahuila, on the south by Durango and on the west by Sonora. The western half of the state is traversed from north to south by the Western Sierra Madre.

When the Spaniards arrived, what we now know as Chihuahua was inhabited by large populations of Indians composed primarily of different groups of Tarahumaras, Pimas,

Tubares, Tepehuanes, Yumas, Conchos, Janos, Apaches, Comanches and other small tribes called "barbarians". The first Spaniard to set foot in Chihuahua was Alvaro Nuñez Cabeza de Vaca in 1528. Don Antonio de Deza y Ulloa founded the city of Chihuahua during 1709. Because of the abundance of metals found there, a mining settlement beside the Chuisar River was quickly inhabited by various Spanish families. In 1718 King Phillip V gave it the title of town with the name San Felipe de Chihuahua.

Together with Durango and part of what is today Coahuila, Chihuahua formed the Kingdom of Nueva Vizcaya. In 1776, by Royal Order, as one of the so-called Internal Provinces (the others were Coahuila, Texas, New México, Sonora and Sinaloa), it was placed under the command of a Governor and Commanding General (Teodoro Croix was the first) directly under the control of the King, even though the Province, in the juridical order, continued depending from the Royal Tribunal of Guadalajara.

During the War of Independence, Chihuahua became famous because in 1811, the principal leaders of the insurgents, Father Miguel Hidalgo, Ignacio Allende, Juan Aldama and José María Jiménez were executed there.

In the Acta Constitutiva de la Federación of January 31, 1824, an Internal State of the North was established that was composed of Chihuahua, Durango and New Mexico. In Art. 5 of the Constitución Federal of the same year, Chihuahua appears as an independent state.

On May 2, 1847, The North American Colonel Alexander Doniphan occupied the city of Chihuahua. In October 1864, President Benito Juárez arrived there during his retreat before the French occupation, leaving in August 1865 for El Paso del Norte (today Ciudad Juárez). During March of the following year, the imperialists were defeated by General Terrazas. Juárez and his ministers were able to return to the City of Chihuahua, in order to march to Durango.

The notable progress of the state was during the last third of the 19<sup>th</sup> century. Industry and mining, as well as agriculture and cattle were in full bloom.

The Rayón District was formed by three municipalities, Ocampo, Uruáchic and Moris. The capital was the mining center Ocampo. This small village was established in 1821, by Tomás Bom, José Tomás Rivera and Vicente Pancorbo. The mining center, embedded in the Sierra Tarahumara, extended up to the base of the mountains Santa Ana, San José and Tope. Production was basically gold and silver. During the 19<sup>th</sup> century there were 300 mines working simultaneously. In addition to minerals, Ocampo produced cereals, fruits, lumber and cattle. By 1905 it had 2,400 inhabitants. In 1908, the principal mines were San José, Belén, Zaragoza, Navidad and República.



### 3-NOTES ABOUT MINING IN CHIHUAHUA AND THE MEXICAN REPUBLIC UP TO 1908.

The mining industry was very relevant to the rapid development of Chihuahua, until just before the armed movements of the revolution. According to government calculations at that time the total coinage of silver produced in that state from the beginning until 1905 was greater than 3,500 million pesos. In search of precious metals, the Spaniards crossed mountains and deserts, conquered the climate and the fierceness of the tribes that inhabited the area. They built missions and founded cities.

The amount of gold and silver mined during the Spanish domination was incalculable until 1811. From that year, until 1888, the Chihuahua Mint struck more than 44 million pesos, according to the notes of García Cubas. That was without counting the participation of the Guadalupe y Calvo Mint. The noble soil of Chihuahua has produced in abundance during all of its history: gold, silver, copper, lead, zinc and mercury.

During the last part of the 19<sup>th</sup> century and the first part of the next, various prosperous mining companies were established through the length and breadth of the state. Examples of these are: La Candelaria Mining Co., Aventura Mining Co., Cia. Minera de Dolores, Cia. Beneficiadora del Concheño, Uruáchic, Cia. Minera La República, Rosario Mining and Milling Co. Veta Colorado Mining Co., Gugenheim Exploration Co., Almoloya Mining Co., Cia. San Pedro, Cia. Minera de Naica, Santa Eulalia Exploration Co., Chihuahua Mining Co., Potosí Mining Co., just to mention some of these companies who themselves were owners of several mines, totaling hundreds of them operating in all the state of Chihuahua.

According to a report of the then Minister of Hacienda, José Yves Limantour, the total number of mining titles that existed in the whole national territory at the end of March 1900, was 10,125. In 1907, Chihuahua was the state that had the most mining titles, amounting to 4,166 covering an area in excess of 56 thousand hectares. Sonora was a very close second and then Durango with 3,600 titles. Just the first two states mentioned contained 40% of the total area titled under the mining laws of the nation and their production totaled one third of the total of the Republic.

The amount of foreign investment at that time was very impressive and basically came from companies of the United States of America. In round numbers they had a total investment of over 250 million "hard" pesos (2 pesos per dollar at that time) and owning close to 840 mining companies. There also were between 30 and 40 English companies operating in Mexico whose invested capital reached 74 million pesos in round numbers. At the same time, there were also French, German and Spanish investors.

In the case of Mexican investments there were, until 1908, 148 Mexican companies in all the national territory with total capital of 28 million pesos. Just in Chihuahua there were 7 mining companies of national capital that reached 1 million 400 thousand pesos, being in ninth place. Hidalgo flaunted first place with 18 companies with an investment in excess of 8½ million pesos.

In summary, all of the national and foreign capital in that year arrived at 363 million pesos. That was an impressive quantity for that time and demonstrated the importance of the mining industry in our nation.

#### 4-THE "LA REPUBLICA" MINING COMPANY.

The general offices of this company were established in El Paso, Texas in the Masonic Building. The offices of the mine were in Ocampo, District of Rayón (today the Municipality of Ocampo), Chihuahua. The president was J. J. Mundy; the Secretary, B. F. Darbyshire; and the General Manager, M. B. Parker. The company was founded in 1906 under the laws of New Mexico, with capital of 2.5 million gold dollars (5 pesos per gold dollar). They were the owners of the "República" and "Francisca" mines, covering 56 concessions. They principally mined sulfates of iron, zinc, lead and silver. There were steam engines of 80 horsepower. Two wells were drilled to 225 and 300 feet with tunnels of 350 and 150 feet respectively. The extension or total length of the work area reached 1,300 feet. The mills were equipped with 10 presses to grind and pulverize the mineral that operated at more than 850 pounds of pressure. They also had cyanide treatment plants. In 1908 there were about 100 employees and in 1910 there were 150.

#### 5-NUMISMATICS, THE VOUCHERS OF "LA REPUBLICA".

The discovered document displays a printed circular seal in the upper left quadrant, 44mm. in diameter, that has in the center a "Porfiriano" type eagle and around it the motto "*Secretaría del Gobierno del Estado \* Chihuahua \**". Above the described seal, a wavy ribbon with the motto: "*República Mexicana*". Below the seal, in three typewritten lines is: *Sección 1ª / Ramo de Gobernación / Número 4017* (the number is hand written).

This magnificent document is accompanied by five vouchers, cards, countermarks or bills, of different values and colors; 5 (blue), 10 (orange), 20 (green), 50 (beige) and 100 (ochre). Even though it is not mentioned on any of them, everything makes us think that the values represent CENTAVOS, but we leave this to speculation. If these values represent only time worked or articles to be obtained, was it salary or part of it? However, it was a conventional value that could only be redeemed in the store of the same mining company.

These cards are stapled to the document but even then it can be seen that they are uniface. The cards of 5 and 100 measure 60 x 57 mm. The other three (10, 20 and 50) measure 64 x 58 mm. All of these show signs of use and a longitudinal and transverse fold. All are in VG condition except the 100 that is G.

The pieces with the values 10, 20 and 50 have the same rubric ("A") on the lower part of the bill. The 5 has the hand written initials MBP (that correspond to the General Manager M. B. Parker) and the 100 has a different rubric ("B") and also the hand written word "*CARNE*" (*meat*).



Regarding the printing, all the cards have the value on the upper center with a double transverse line below; the upper one is thicker than the lower. Lastly, in a double line: Cia. Minera / LA REPUBLICA.

VALUE	COLOR	SIZE	CHARACTERISTICS	CONDITION
5	blue	60 x 57 mm.	initials MBP	VG
10	orange	64 x 58 mm.	rubric "A"	VG
20	green	64 x 58 mm.	rubric "A"	VG
50	beige	64 x 58 mm.	rubric "A"	VG
100	ocher	60 x 57 mm.	"CARNE" rubric "B"	G

None of the five pieces have any date, however we have seen that the Cia. Minera was founded in 1906 and was fined for issuing these vouchers in 1908. Therefore, it is clear that they did not circulate more than 20 months.

On the other hand, that which gives relevance to all of this is the content of the document. The transcript follows.

*The Governor of the state, being informed by your note N. - 2550 of 22 of last month, ordered returned to you the five vouchers emitted by the Cia. Minera de la República in violation of Monetary Law, you should apply to the violators the fine to which Art. 26 of the Monetary Law in force refers, which law was published in the Official Journal of the State on April 9, 1905.*

**LIBERTAD Y CONSTITUCIÓN.**

**Chihuahua, octubre 2 de 1908.**

**El Secretario.**

Guillermo Porras (rubric)

Some reflection is needed here. In 1908 – date of the document – the Cia. Minera “La República” only had 100 employees contracted. Therefore we can infer that the vouchers of higher denomination are more scarce, even more so, if we take into account that the median salary in a mine in those years was about 50 to 75 centavos daily. It is obvious that they did not receive that pay clear. It is well known by all, that large debts were carried forward for generations in the company stores of the mining companies, as well the others in the haciendas.

In addition to the foregoing, we must add that the mining company, having violated the monetary law in effect, must have destroyed the large majority of the mentioned vouchers, if not all of them. Could those of this document be the only ones preserved?

#### 6-VIOLATION OF THE MONETARY LAW OF 1905.

On November 16, 1904, the Secretario de Hacienda, José Yves Limantour, sent to Congress the modification of the monetary laws of the Mexican Republic. On December

9, of the same year, the decree was issued by the Congress authorizing the President to reform the said laws, thus establishing the bases to proceed to a new Monetary Law.

In view of that authorization, the Executive, General Porfirio Díaz, issued the law of March 25, 1905, that established the new monetary regimen that became effective May 1, of the same year. It is worth mentioning here that on March 31, General Díaz issued the decree that ordered the closing of the mints of Culiacán and Zacatecas, effective on May 31 of that year.

Returning to the Monetary Law of 1905, it says in article 9° that *...the authority to issue money belongs exclusively to the Executive of the Union, which he will exercise in accord with this law.* Also, in article 26, that is the one that the document refers to, it says textually: *"The use of vouchers, cards, small plates of metal or other objects of any material is prohibited for use as symbols established in substitution of legal coin. The one who puts these objects into circulation will be punished... with a second class fine, that will be increased in accord with the importance of the emission, the one who voluntarily accepts them will be forbidden any civil action to collect the value that had been given to them. These prohibitions do not apply to bank notes or other credit documents whose emission and circulation were authorized by law or special concessions".*

It is important to understand the foregoing, that the law clearly prohibited the circulation of any "object" for private monetary use except bills of the banks of emission. Practically all of which were in the hands of businessmen. But further on it makes clear that these bills and credit documents must have authorization or concession. All of the state banks had this, they were revoked during the next decade.

With the foundation of the Banco de México, in 1925, the government became the only issuer of paper money. For this reason the Monetary Law was reformed in order to establish in Article 2° that: *"...The only circulating money will be: a) The bills of the Banco de México...b) The metallic coins of..."*

It is evident that, more than three years after the new Monetary Law was issued, the "La Republica" Mining Co. used vouchers that were not legal as the form of payment to the employees. It is very probable that - avoiding a perverse thought - the mentioned mining company did not know this law, since it was established in the national territory in 1906. A year after the monetary reform was issued. But what calls our attention is, the state authorities of Chihuahua applied the law. In this specific case, during 1908, the date of this document. This makes us think that the company produced its own money for two long years, until Governor Enrique Creel was informed by means of a report dated September 22 of that year. He then issued instructions to the Secretario de Gobierno, Guillermo Porras, to punish the guilty ones for the flagrant violation of the Monetary Law.



## 7. CONCLUSION.

There is no doubt that numismatics is a very attractive Box of Surprises. It allows us to study and learn in an interminable manner and on countless occasions rewards us with these discoveries. Perhaps some of these vouchers exist in some collection. It is probable. Why not? But what makes it important, interesting and far-reaching for collectors and students of Mexican Bills, is the manner in which they were found. That is to say, perhaps if an isolated bill had been found, it would not have been possible to easily identify it. Certainly it would not have led us to know what the document, itself, has permitted. Also, we can now date these vouchers between 1906 and 1908, but in other circumstances it would have been difficult, if not impossible, to accomplish in this rare emission.

I do not wish to close this matter without profoundly thanking the dealer who acquired this document as well as the present owner, for all the facilities that they offered me to study, photograph and publish these pre-revolutionary vouchers that enrich the treasure of Mexican numismatics.

It is magnificent not to lose the capacity of surprise.

LABOR VINCIT OMNIA

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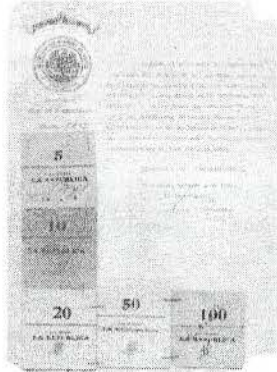
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- 1) Chihuahua. Geographical and Statistical Review. Mexico, 1909
- 2) Porrua Dictionary. History, Biography and Geography of Mexico. 1970
- 3) Official Mining Directory of Mexico. 1908
- 4) Monetary Law of 1905
- 5) Monetary Law of 1931 and its most important changes up to 1993
- 6) Medals of Mexico, vol. II, Frank W. Grove. USA, 1972
- 7) Records of the General Direction of Mints, Fiscal Year 1904/1905, Mexico, 1907

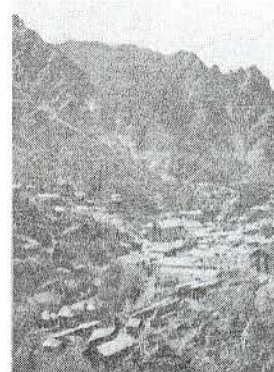
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**Photos:**

- 1) Document.
- 2) Mining Center Ocampo.
- 3) The five vouchers



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