

The Monetisation of Bhutan*

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Introduction

The objective of this paper is to describe how Bhutanese society has become monetised over the years, at first very slowly, but rapidly during the last half century. I will briefly comment on the effect that monetisation has had on Bhutanese Society, and the potential conflict that exists between traditional values in Bhutan, which are largely non-monetary based, and so-called “modern” values, which are almost entirely money oriented.

Since the idea of coinage was first developed in Asia Minor around the year 600 B.C., money has played an increasingly important role in every “developed” country and society in the world. In many ways, monetisation has become a necessary accompaniment, not only to economic modernisation and development, but also to the democratisation of political processes. Money gives a person economic freedom of choice, and the ability to make a living without depending on the goodwill and patronage of his political lord and master. However, lack of money in a monetised society, can be a greater hardship, because it can be accompanied by feelings that the individual concerned has mismanaged his finances. In a non-monetised society, on the other hand, poverty can usually be blamed on outside forces, such as famine, drought, war or political mismanagement.

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Bhutan has been a very latecomer to the concept of money. It is only in the second half of the 20th century that currency has started to play a significant role in the fiscal policy of the state and in the wider economy. Bhutan provides an interesting subject for research into the social, political and economic effects of monetisation as the country continues its development process.

Historical Background

The first mention of coins in Bhutanese sources occurs during the time of the first *Zhabdrung*, Ngawang Namgyal. In his biography, it is recorded that in about 1619, the people of Chhuka presented him with some coins, and these were melted down and to build a silver reliquary for the ashes of his father.

The earliest coins that I have seen in Bhutan are silver tangkas of Lakshmi Narayan of Cooch Behar, datable to the period 1587-1626. However, the earliest Cooch Behar coins date from the reign of the previous king, Nara Narayan (1555-87), and as a trade route to Tibet through Bhutan certainly existed before 1583,¹ coins probably reached Bhutan in or before the 1580's.

The initial use made of the coins by the *Zhabdrung* implies that at this early period, they were treated as bullion, with no regular monetary use, other than as a store of value, exchangeable for goods if necessary. This can be compared with the situation in Tibet, where there is no evidence that coins were used in commerce until the 17th century, whereas in Bengal, and the area to the south of Bhutan, silver coins were used from the 13th century.²

Developments in the 17th & 18th Centuries

During the 17th and 18th centuries, mention is made in several Bhutanese chronicles (known by this time as *Ma Tam*, of coins being given as gifts from the *Desi* to monks and/or to the people in a particular ceremony called a *Mang-gyel*.³ Also, gifts offered by the people to officials were sometimes valued in terms of *Ma Tam*. The

term *Ma Tam* refers to the silver coins of Cooch Behar, and derives from the letter *Ma* at top right of these coins. These coins were called Narayani rupees in the plains of northern Bengal.⁴

During the period between about 1640 and 1750, much of the bulk transit trade between Tibet and India passed through Nepal.⁵ However, in the middle of the 18th century, King Prithvi Narayana Shah of Gorkha started his campaign to conquer the Kathmandu Valley. His ultimate success in 1768 was achieved by laying siege to the Valley, starting in about 1744, and cutting off all contact with the outside world. As a result, this transit trade had to seek other routes, and it is very likely that some of it passed through Paro. Assuming this trade was merely a re-routing of the trade that had previously passed through Nepal, it would have involved sending gold, musk, silks and wool from Tibet to India, in exchange for cotton, rice and other grains, with the balance made up of silver coin.⁶

There is evidence that during the latter half of the 18th century, the *Desi* sent silver to the Cooch Behar mint to strike into coin. As there were no silver mines in Bhutan, the bullion must have been acquired as a result of trade, and it is interesting that the *Desi* did not think of striking his own coinage. Comparison can be made with Tibet in the 18th century, which sent silver to Nepal to be struck into coin, rather than strike its own coinage.⁷

The economy of Bhutan at this time was essentially agricultural, often on a subsistence basis, with small scale trading of surpluses between neighbours. Taxes were largely payable in goods, in the form of crop sharing, and in labour. The taxes collected were stored in the *dzongs* and in times of need, surplus grain could probably be bought from the *dzongs*, using coins or in exchange for other goods. Any increase in transit trade may have benefitted the local people who would have provided transport in exchange for cash or a share of the goods being transported. It would have also presented the Bhutanese with opportunities to sell surplus local rice or other agricultural produce to Tibet, and hence retain some of the silver that was flowing northwards. When there was surplus silver in the economy, taxes could be collected in coin, but not otherwise.

Coins must have played some role as currency in Bhutan during the 18th century. They certainly made trade with Cooch Behar easier, as they could pay for the use of the Terai land, and for imports of foodstuffs and other goods from Bengal. The coins that were used in Bhutan were all made of silver during the 18th century, too large a denomination for day-to-day market transactions, so they had comparatively little practical role in the internal economy of the country, where they were mainly used as gifts and as store of wealth. When trade resulted in people building up stocks of surplus silver, the Government may have permitted the taxes, normally due in the form of labour, crop sharing, or cloth, to be settled in cash.⁸

When the bulk transit trade between India and Tibet did not pass through Bhutan, the export to Tibet of rice and other surplus agricultural produce exceeded in value the import of wool, gold, silks and salt, resulting in a net flow of silver into Bhutan from the north. There would also have been some religious donations received from the *Drugpa* monasteries in Tibet. Some of the rice exported may have been surplus to State, or rather *Dzong*, requirements, sold to relieve storage problems; but some privately owned grain may also have been exported. Although many Bhutanese engaged in trade to a certain extent, very few were full-time traders. By contrast, those Tibetans or Bengalis who visited the country would have relied entirely on trading activities for their livelihood.

In contrast to Bhutan, Cooch Behar struck silver coins as a way of raising revenue from transit trade. Traders carrying silver, had to take it to the mint to strike into local coins, before it could be exported, and local taxes and expenses paid. When there was significant transit trade from Tibet, there was a net influx of silver coins from Cooch Behar into Bhutan. It is interesting to note that hardly any coins were struck in Cooch Behar between 1681 and 1695, a period coinciding with the rule of the 4th *Desi*, so it is likely that very little transit trade was conducted at this period. By contrast, the coins of Devendra, Dhairyendra and Rajendra are particularly common in Bhutan, all struck during the period 1763 to 1783, so this must have been a period of considerable trade. Apart from coins of Cooch Behar, some Indian

silver rupees also entered Bhutan from the south, including French Arkot rupees, struck in Pondicherry, which came from the French trading station that was located at Goalpara.⁹

The use of coins seems to have been restricted to the Drugpa population in the west of the country, as I have not personally found evidence of the use of coins in the east, prior to the influx of Tibetan silver coins in the 1880's and later. Interestingly, Samuel Davis, who visited Bhutan in 1783, commented on the lack of coinage in his diary, and I will quote the passage in full:-

“That the absence of money in a society excludes, in a proportionate degree, depravity of morals and vices of various kinds, is in some measure exemplified in Boutan, where there is no other coin than the Beyhar rupee, which finds its way into the country in so scanty a portion, as to leave the natives possess almost of the same advantages with those to whom money is wholly unknown. Under these circumstances, the governors of districts, and others employed under the Rajah, have not the same means of massing wealth, which in other countries excite speculation and proves the source of the most destructive crimes: for had they ever so much a natural propensity to such practices, insurmountable obstacles would arise to the gratification of their views. An exorbitant levy on the produce of the land would be a transaction impossible to conceal; or if practised with success, the different commodities must perish upon hand, as no means would occur of turning them into money but by exportation, which would require the Rajah's authority and passport. Wealth is, besides, less valuable to an individual in Boutan, than in countries where it not only procures the conveniences of life, but the distinctions due to merit. In Boutan it might create envy, but could not raise the possessor above the rank assigned to him in one of the classes before described. The pride of dress and attendants is unknown to all except a few public officers, employed immediately under the Rajah, and the mass of the inhabitants are here more nearly upon an equality than they are in most other civilized parts of the world.¹⁰

This paragraph is particularly interesting, as it shows that, at least in 1783, Samuel Davis did come across tax payments in coin, and at that time, Bhutanese officials had to obtain a passport before travelling and trading out of the country. He also points out how lack of coinage can contribute to the happiness of the general population, by making it difficult for unscrupulous local officials to exploit the people. The incentive for corruption had been effectively removed.

Developments in the 19th Century

After 1788, the British were consolidating their control over northern Bengal, and closed the mint in Cooch Behar, as they wanted to enforce a uniform British coinage. This left Bhutan with no source of new coins to satisfy their few monetary requirements. With silver continuing to arrive in Bhutan as a result of the bilateral trade with both India and Tibet, the *Desi* and the Penlops decided to strike their own coins. This presumably involved persuading metal workers with the necessarily skills to come from Cooch Behar to work the mints in Bhutan. The coins these artisans produced were copies of the old Cooch Behar types, and Bhutan made payments to Assam and Cooch Behar with these locally made coins. Initially the Bhutanese coins were struck from silver of better quality than the old Narayani rupees, and they were readily accepted in the plains.

Until the 1830's, the Narayani rupee remained the common currency in the plains area to the south of Bhutan, even though Bhutan was the only source of new supplies after the closure of the Cooch Behar mint¹¹. By 1835, the British realised that the Bhutanese were striking coins with a lower silver content, and they refused to accept them at more than bullion value. After 1840, the Narayani rupee gradually disappeared from use outside Bhutan, as they were withdrawn by the British authorities, and replaced by British Indian rupees. There was then no incentive for the Bhutanese to strike a coin that was acceptable for trade with India¹². During the 1830's, the Bhutanese coins appear to have had about 50 per cent silver content, but the alloy rapidly deteriorated, and while some coins had a silver wash, it was not long before they became unashamedly copper.¹³

It is interesting to speculate on the reasons behind this debasement. It could be that the political instability in Bhutan would have made it difficult for Tibetan and Bengali traders to visit the country safely to conduct transit trade. The political situation may have resulted in a fall in crop production, with a reduction in the volume of rice and other crops available for export to Tibet, and may have also disrupted the collection of taxes on crops. Any fall in the trading of crop surpluses with Tibet would have reduced the supply of silver received, whether by the *Desi* and the *Penlops*, or by other Bhutanese people, so that the supply of silver available for striking into coin would have fallen. By this time, the Cooch Behari metal workers had probably located copper ore in Bhutan, and had commenced mining activities, so local copper could be struck into coins. These base metal pieces could be used in local markets, but had no value in foreign trade. The fact that the first copper coins were coated with a silver wash implies that they were intended to circulate alongside the pieces that had silver in their alloy. However, Gresham's law certainly applied, and their owners probably hoarded the silver specimens until their higher value was appreciated.

Between 1835 and the 1880's or later, no silver coins were struck in Bhutan, but an ever increasing number of base metal coins were struck in the west of the country, mainly by the *Penlops* or other local rulers. Some pieces, however, may have been privately struck by anyone with commercial acumen, and access to copper. The disturbed political situation at this period meant that control could not be effectively exercised over minting activities, and the copper coins satisfied a growing demand among the people for a convenient currency to facilitate local small scale market trading. It seems, however, that the circulation of these base metal coins was limited to the area from Tongsa westwards. In the east of the country there is no evidence that any locally produced coins circulated at all.

After 1865, the British made payments to the Bhutanese Government for the Duars that they had annexed. These payments were made in silver rupees, so that once again, the Bhutanese rulers had access to a supply of silver. The payments amounted to Rs.50,000 yearly until

1910 when they were increased to Rs.100,000, then to Rs.200,000 in 1942 and finally to Rs.500,000 annually in 1950.

During most of the 19th century trade between Bhutan and both India and Tibet remained at a relatively low level, compared to the 17th and 18th centuries. However, trade increased at the end of the 19th century, as the political situation stabilised. As a result there was little need for a coinage that was acceptable outside Bhutan. Coin was rarely, if ever, used as a medium for the payment of taxes, or for other fiscal purposes, which contrasts with the way that Nepal utilised coinage in their economy. It is clear that the nature of the traditional state in Bhutan was fundamentally different from that in Nepal and India. More similarities can be drawn with Tibet, which also did not use coins for fiscal purposes, and only struck coins in significant volumes from the late 18th century.

First Half of the 20th Century

Political stability returned to Bhutan after the 1880's, when Ugyen Wangchuck, the Tongsa *Penlop*, emerged as the undisputed ruler of the country. This enabled trading contacts with both British India and Tibet to recommence. Until the 1950's, the volume of trade was modest, but around 20,000 tons of rice were apparently sold to Tibet each year, in exchange for salt, soda, wool and silver dollars.¹⁴

Ugyen Wangchuck struck his own silver coins, called Norbhu Phubchen, mainly for use as ceremonial gifts, and he also struck similar copper coins. As an example of the use to which these coins were put, three copper coins had to be offered to the King by a newly appointed attendant. A single silver coin could be given by a high-ranking traveller to his host, in appreciation for hospitality received.¹⁵ The copper coins were widely used in the west of the country for small scale purchases.¹⁶

Fine silver half rupees and pice were struck for Bhutan in the Calcutta mint between 1928 and 1930. Only about 50,000 silver coins and 10,000 copper coins were produced in total, as there was still little use for cash money in the country. There were no permanent shops, and only a few regular markets. The reason behind the small number of

copper coins struck was presumably the cost of manufacture, which must have been prohibitive, compared with the cost of making such coins locally.

At this time government officials were still not paid regular cash salaries, and taxes were rarely payable in money.¹⁷ When large sums of money were required for bulk purchases or land transactions, either Indian rupees, Tibetan base silver *tangkas*, or Chinese silver dollars, were used. Since these coins had a trading value outside the country, the Bhutanese considered them more practical than the local silver coins. There were no roads then, and little to spend money on, so the volume of coin in circulation was not great. However, some families built up a store of the foreign silver coins in case of future need, and even today, some people still keep bags of these old silver coins as a store of wealth.

Second Half of the 20th Century

The third King, Jigme Dorji Wangchuck, who succeeded his father in 1952, instituted a very gradual modernisation of the country. The King had had more exposure to the outside world than his father, and he developed a vision of how he would like to see his country move into the modern world. Early in his reign the capital was moved permanently to Thimphu, where the old *Dzong* was substantially rebuilt as the new centre of Government. Soon after he ascended the throne, government officers received regular salaries in cash for the first time, instead of rations of grain and cloth, and other irregular royal gifts.

From about 1954, taxes in kind were gradually reduced or abolished, and replaced by taxes payable in cash. Exports of rice to Tibet continued, but in the late 1950's, the Chinese began to pay for their imports with "worthless" paper money, instead of with silver coin. Trade with Tibet ceased in 1959, and the Bhutanese trade representative in Lhasa was withdrawn in 1960. This meant that India became the sole trading partner of Bhutan. In the early 1960's, the Indian army helped build new roads from the Indian border up to Thimphu in the west, and to Tashigang in the east, which facilitated

trade with India. Wherever the roads reached, the volume of cash transactions increased, and it became worthwhile establishing shops.

In the 1950s, and particularly after 1959, Tibetan refugees began to arrive, and sought refuge in Bhutan. They were traders by nature, and they opened some of the first full time shops in the country, relying on the cash economy for their livelihood. In 1959 there were three shops in Punakha, two of them run by Tibetans. *Yab* Ugyen Dorji was only the second Bhutanese to open a shop there.¹⁸ In these early days of the modernisation of Bhutan, Indian currency played a large role. Indian traders began to sell small goods to the Bhutanese public for cash, which they took back to India, causing a shortage of small change in Bhutan. In 1950 and 1954, a total of about 50,000 half-rupees had been struck in the Calcutta mint with a Bhutanese design. In an attempt to ensure a sufficient supply of small change in Bhutan, a further 1 million similar half rupee coins were struck in Calcutta in 1967. These were not popular with the Indian traders who preferred payment in Indian coins.

In 1963, a Royal Finance Secretary was appointed for the first time (*Lyonpo* Chogyal), and he became Finance Minister in 1968, when the State and Royal Household functions became separated.

When Father Mackey arrived in Tashigang in 1963, it was initially felt that the traditional approach to civil servants could apply to him. He was not paid a salary, but all his requirements were provided from the *Dzong*, such as food rations, candles, clothes, and even cash, if he needed to make purchases. However, because of the inconvenience of having to apply continually to the *Dzong* for whatever he needed, he was given a cash salary after a few months. Indian teachers at that time, who were employed on a contract basis, were already paid in cash.¹⁹ Only in 1972, did the Bank of Bhutan open its first branch in the east of the country, at Samdrup Jongkhar. Before that, anyone in the east of Bhutan who wanted cash in significant quantities, had to go to the State Bank of India in Gauhati.

The practice of monasteries being granted the produce of certain designated Government lands ceased in 1968, and was replaced by an

annual cash subsidy of Rs.500,000, payable by the Government to the Central Monk Body.²⁰ Over time, the use of Indian currency increased considerably, but I have not been able to locate any statistics for this part of the money supply. Until the 1980's, most transactions, particularly in southern Bhutan, were conducted in Indian currency. This currency has always circulated freely in Bhutan, and is often preferred by traders, who can use it directly to buy imports from India. In 1968 the first permanent shops were constructed in Thimphu. Prior to that, traders, including some Bhutanese, operated from tents or temporary huts located in Changlingmethang. Bhutanese banknotes were first issued in 1974. Initially only small numbers were produced, in denominations of Nu.10, 5 and 1. One of the main reasons behind the issue was to ensure that small change remained available in the country, as Indian traders continued to remove any Indian small change. However, there were certainly political considerations also, since Bhutan had joined the United Nations in 1971, and as a sovereign independent country it was appropriate to have a separate currency.

The coronation ceremonies of the present King in 1974 provided the infrastructure to enable the country to cope with foreign visitors. Foreign aid commenced about that time and aid workers, paid high salaries, arrived in Thimphu and elsewhere, bringing more cash into the economy. This produced opportunities for some property owners in Thimphu, to let their properties to foreigners for good rents. Tourism started after 1974, and brought yet more cash into the economy.

As the effects of universal education come to fruition, many Bhutanese from outside the capital come to Thimphu to join the civil service. They are paid cash salaries, which they have to use for living expenses, and in this way, yet more cash enters the economy. Over time, more Bhutanese have opened shops and have started trading ventures. Improved communications make specialist production increasingly viable, accompanied by the need for cash transactions. Virtually everybody in Bhutan now has to have access to cash, if only to purchase the school uniforms, which are required in every school.

Many imported goods are available in Thimphu, for those who can afford to pay cash.

Bhutanese currency outside banks has risen from Nu.3.1m in 1980, to Nu.149.1m in 1988 and to Nu.720.9m in 1997. The growth rate of nearly 20 per cent p.a. over the last nine years is slightly distorted, as no account is taken of the Indian rupees that continue to circulate in an uncontrolled manner, but the growth has been dramatic. The *Ngultrum* has remained linked to the Indian rupee, and there has been tight control over the money supply. Inflation has been generated, more as a result of price increases in India, which have inevitably filtered through to Bhutan, than because of excess cash in the Bhutanese economy. Bhutan has therefore suffered from imported inflation, with corresponding hardship for those who depend on the cash economy.

Another feature of modernisation is urbanisation, and the need for money in an urban environment is very much greater than in a rural environment. The population of Thimphu is already about 50,000, and is growing at about 5,000 each year. Phuntsholing is of similar size, and although other towns are rather smaller, their population growth is also rapid.

As Aristotle, the Athenian philosopher, noted in the 5th century BC, democracy is only possible in a monetised society, since the elected servants of the people need to be rewarded for their work on behalf of their constituencies. This is as true today in Bhutan, as it was in ancient Athens, and it is a tribute to the way Bhutan has planned its political development that monetisation did indeed precede the introduction of democratic institutions. However, money is not an unmitigated blessing, and is one of the few commodities of which one can never have too much. There is scope for growing dissatisfaction among those who do not have enough cash to satisfy their material aspirations.

The traditional Bhutanese values are based on non-monetary principles, so if these values are to survive, then people will have to truly realise that there is more to life than money. This is what Gross National Happiness is all about, and all Bhutanese development goals

are Designed with this objective in mind. For those Bhutanese who remain, even today, outside the cash economy, traditional values remain very strong. The challenge for Bhutan is to satisfy the aspirations of the increasing number of people, especially the younger generation, who are now exposed to the cash economy, and to foreign goods, and this can most effectively be done by moulding aspirations, rather than trying to satisfy every demand.

Monetisation is a necessary corollary to “modernisation”. However, even today many Bhutanese still live a life virtually free of cash, with rice and other agricultural produce coming from family or communal lands, and weaving much of their own cloth. The people often live in joint families in family owned houses, built with communal help on family owned land. In order to attempt to ensure that this way of life is not completely eroded by the relentless advance of the cash economy, laws have been passed to ensure that landowners cannot dispose of land that leaves them with less than a minimum smallholding. In this way, most Bhutanese still live according to traditional values.

Monetisation does, however, increase opportunity. Simple macroeconomics draws the link between savings and investment, and specifies investment as the key to the stimulation of growth. The banks in Bhutan do, however, have a problem over liquidity, with not enough borrowing, public or private, to make maximum use of the cash being saved.

Some people in Bhutan, particularly those who have undertaken business or trading ventures in the urban centres of Thimphu and Phuntsholing, have benefitted more from the cash economy than others, and this trend is likely to continue. The transition from a society free of money to a monetised society is not easy, and provides an important subject for academic research by both economists and social scientists. It is inevitable that a new division of society is developing, stratified by access to different levels of monetary affluence. The traditional divisions of society could be threatened, and young people may begin to aspire more to wealth, rather than to traditional positions of respect. This presents a fascinating

juxtaposition of traditional and modern values, where materialism and compassion exist in tandem. Ruthless behaviour is forgiven, possibly encouraging further ruthlessness. New checks and balances may need to be introduced, to encourage traditional values, and impose penalties, with the force of law, on unacceptable behaviour. One of the most obvious examples of the conflict between traditional religious values and faith, and the attraction of money, is the theft of treasures from *lhakhangs* and *chortens*. Such sacrilege would have been unthinkable thirty years ago.

However Bhutan is fortunate in being perhaps the last country in the region to be monetised. The Bhutanese people can see what unrestrained materialism has done to their neighbours in Sikkim and Nepal, and much of this can be put down to the abandonment of traditional principles in favour of the attractions of money. It is doubtful whether the institutional structures in Bhutan are suitably geared up to cope with abuses of capitalism. The banks rarely foreclose on bad debts, and people who engage in unacceptable business practices are rarely penalised. Unless appropriate laws are introduced and enforced, it is likely that the old adage, “money is the root of all evil” will apply as much to Bhutan as it does in so many other countries today.

Conclusion

In this paper I have traced the development of the monetary economy in Bhutan, explaining that monetisation of the Government sector only commenced after 1950. It is only since the 1970's that the effects of monetisation and modernisation, have started to be felt. The challenge for Bhutan in the future will be to introduce institutions that are capable of initiating and enforcing checks and balances in the financial and business sectors. It would indeed be a great achievement if traditional values can be maintained, and the economy truly built, and universally appreciated, on the concept of Gross National Happiness, rather than measured on the monetary based Gross National Product.

Notes

¹ C.f. the account of the English adventurer, Ralph Fitch in Hakluyt's Voyages

² Interestingly, in Bengal, the coinage was restricted to silver, with only a very few gold coins, until the British times in the 18th century, when copper was gradually introduced. For small change, cowrie shells circulated widely in both Bengal and Assam, in the absence of a formal coinage, but I have found no evidence that cowry shells were ever used in Bhutan.

³ I am grateful to John Ardussi for this information.

⁴ C.f. "Coinage in Bhutan", *Journal of Bhutan Studies*, Vol.1, No.1, 1999, pp.84-113.

⁵ In the early 1640's, Bhima Malla, a brother of Pratap Malla of Kathmandu, led a successful military expedition against Tibet, and one of the articles agreed in the peace treaty stipulated that "Tibet agreed that all trade with India, even though conducted by other than Newari merchants, would be channelled through the Kathmandu Valley in preference to the routes to the east (i.e. via Sikkim, Bhutan or Tawang)". *Strategy for Survival*, by L.E.Rose, Berkeley, 1971, pp.13-14.

⁶ At the same time, the volume of wool traded between western Tibet and India through Garhwal, to the west of Nepal, seems to have increased, as witnessed by an increase in the volume of silver coins struck at Srinagar.

⁷ In Nepal, and in many other countries, taxes on imports were collected in local coinage. Traders had to take their bullion or foreign coins to the mint. The mint then charged an explicit fee of perhaps 5% for supplying new coins, but there could also be a hidden charge of perhaps another 5%, levied through the alloy added to the metal content. In this way the mint became a very useful source of revenue for the State, and the currency an important factor in fiscal policy.

⁸ C.f. the situation when taxes were levied in Tibetan and Chinese silver coin, from the people of Merak Sagten in the years prior to 1950.

⁹ The ten examples of French rupees I have found in Bhutan date from the period 1748 to 1773.

¹⁰ Michael Aris, (1982). *Views of Medieval Bhutan: The Diary and Drawings of Samuel Davis, 1783*, New Delhi: Roli Books Int./Serindia.

¹¹ The Cooch Behar mint only opened sporadically after 1788. The records are not complete, but it was certainly closed between 1789 and 1795. In 1799 it was working, but it was again closed in 1800, apparently as a temporary measure. There is no evidence that it was ever opened to strike currency coins after that, and requests from the Raja to the British authorities were turned down in 1805, 1821 and in 1828. C.f. "Excerpts from a Report on Kooch Behar", by Major Francis Jenkins, Apr. 1849, in *Selections from the Records of the Bengal Government*, Calcutta 1851.

¹² 'Demonetisation of Narayani Coins in Assam and N.E.Rangpur', c.f. S.K.Bose in *The Coinage of Cooch Behar* by Nicholas Rhodes and Shankar K.Bose, Dhubri, 1999, pp.30-48.

¹³ The change in alloy seems to have occurred rather quickly, with the same pair of dies sometimes being used initially to strike coins with quite a high silver content, some with a silver wash, and finally coins with no pretence of being silver.

¹⁴ Pradyumna P. Karan (1967). *Bhutan: A Physical and Cultural Geography*, Univ. of Kentucky, Lexington, p.79, quoting *The New York Times*, June 3rd, 1960.

¹⁵ Karma Ura (1995). *The Hero With a Thousand Eyes*, Thimphu, p.34.

¹⁶ According to *Dasho* Karma Gayleg, 1 *Ma-tam*, a copper coin, would buy two apples, one cup of milk, or a pile of pan leaves.

¹⁷ Adam Pain drew my attention to one early example of taxes levied in coin. Before 1950, taxes in Merak Sagten taxes were levied in silver *Be-tam*, or Tibetan coins. Presumably the people of Merak Sagten had accumulated significant surplus of such coins, as a result of trading activities with Tawang area, so it made sense for the taxes to be collected in such coins.

¹⁸ Ashi Dorji Wangmo Wangchuck (1998). *Of Rainbows and Clouds*, London: Serindia Publications, p.89.

¹⁹ Howard Solverson (1995). *The Jesuit and the Dragon*, Quebec: Robert Davies Publishing, p.103.

²⁰ Leo E. Rose (1977). *The Politics of Bhutan*, Cornell Univ. Press, p.177.