

# A Brief Summary About the History of the Austrian Thaler<sup>1</sup>

Excerpted and summarized by  
Robert S. Sherins, M.D.  
Pacific Palisades, California  
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## Preface

During the research of my ancestors from Brody, Galicia, I happened upon some very interesting new information. I had not found any other data about this topic or seen any reference to the subject among the several genealogical journals that I receive.

After the 1772 annexation of Galicia by Austro-Hungarian Empire, the monetary system changed. It is very likely that the commercial coinage in Galicia became the Maria Theresa **THALER** (MTT). The MTT must have been used for commercial trade and foreign exchange. It became the most revered global coin in history.

## History of the Thaler

By Imperial decree of the Hapsburg court in the 16<sup>th</sup> century, the Count of Schlick of Bohemia was given the rights to mine the silver and mint the coins of the Hapsburg realm. Large silver deposits had been discovered in the St. Jachimsthal valley<sup>2</sup> of Bohemia. Silver coins were minted. From the word, *thal*, came the name of their new coin, *thaler*.

Marie Theresa (1717-1780) became the Empress of the Austro-Hungarian Empire. Her ascension to the throne began in 1740 when she became Archduchess of Austria:

1740 – Archduchess of Austria

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<sup>1</sup> Excerpted from the original article, *Tales of a Thaler*, by Peter Harrigan, Saudi Aramco World, Vol. 54, No. 1, Pages 14-23, Jan/Feb 2003.

<sup>2</sup> The English translation of the word, *thal*, is valley.

- 1741 - She became Queen of Hungary
- 1743 - Queen of Bohemia
- 1745 – Prince Francis Stephen of Lorraine, her husband, was elected Holy Roman Emperor Francis. As a result, Maria Theresa was able to assume the throne as Empress.
- 1740 – 1780 – Maria Theresa ruled the Hapsburg Empire. She produced sixteen children including Marie Antoinette
- 1780 – Maria Theresa died

Thalers had been minted since the 15<sup>th</sup> century, but Maria Theresa decreed that strict standards were to be adhered to in her coinage. The MTT<sup>3</sup> became the leading global currency of her time of death in 1780. The MTT remained the most widely used global currency during the 18<sup>th</sup> and 19<sup>th</sup> centuries. Thalers appeared in North and South America, China, the Middle East, and Africa. They were “proof coins”<sup>4</sup> that were praised for their 99% purity of silver, and excellence of aesthetics and sculptured details. Because of the outstanding design features and fine detail, the Thaler was almost impossible to counterfeit. The edges of the coin were embossed with “Institia ET Clementia.”<sup>5</sup> This fine-edged detail prevented “clipping” of the silver by unscrupulous individuals. However, later coins were often melted down for their silver content to make jewelry<sup>6</sup> or bullion.<sup>7</sup>

In Arabian history the Thaler assumed different names. It later became the *Riyal*. However, the Thaler was also known by many other names that referred to the intricate design of the coin:

1. *Abu Nuqta*: “the one with dots.”
2. *Abu Tayr*: “the one with birds.”
3. *Abu Reesh*: “the one with feathers.”
4. *Levantine Thaler* used in the Palestine region

In the Netherlands, the Thaler became known as the “Daalder.” Our American currency name, “Dollar,” was derived from the Dutch “Daalder.”

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<sup>3</sup> MTT were the initials of the Maria Theresa Thaler.

<sup>4</sup> Uncirculated coins of the highest quality.

<sup>5</sup> Justice and Clemency.

<sup>6</sup> In Arabia.

<sup>7</sup> In India.

Further details about the Thaler's design included the precision of the engraving on both the face and back of the large coin. On the face side was inscribed, M[aria] Theresia D[ei] G[ratia] R[omanorum] Imp[eratrix] Hu[n]gariae] Bo[hemia] Reg[ina].<sup>8</sup> On the back surface was inscribed, Archid[ux] Aust[riae] Dux Burg[undiae] Co[m]es] Thr[olis] 1780.<sup>9</sup>

Traders brought the Thaler to Eastern Mediterranean ports, Arabia, and along the shores to the Red Sea. The coin next found its way along the Eastern coast of Africa, around the Horn of Africa and in Ethiopia and Eritrea. The Thaler appeared in the Portuguese port of Laurenço Marques, which is now known as Maputo, Southern Mozambique, as well as Zanzibar and Madagascar. It crossed the Sahara and also reached Java and China. The Thaler was in use in both North and South America.

There were several other historical events in which the Thaler became an important monetary instrument. Mussolini, dictator in Italy, wanted the dies from the Austrian mints, which had been used to create their superb coinage. Mussolini needed the Thaler for his military campaign against Abyssinia.<sup>10</sup> Britain minted 14,000,000 Thalers between the years 1936-1941 and used them for trade. The Ottoman Empire did not encourage the use of the Thaler, however, their coinage was significantly inferior. The Turkish "*mejidiye*"<sup>11</sup> was not minted by the high standards as the Austrian Thaler. Mejidye coins were frequently "clipped" and damaged. That form of coin theft debased the Turkish currency. Further, the exquisite Thaler was often melted for its superior silver content and then remelted into the inferior Turkish mejidiye, which had much lower silver content. Other nations had melted the Thaler into bullion, which was hoarded for future use as currency or valued for more immediate use in foreign military campaigns. Thalers were also admired for their beauty and used as jewelry in necklaces, bracelets, and other adornments.

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<sup>8</sup> The Roman inscription is translated into English, "Marie Theresia by the Grace of God Roman Empress, Queen of Hungary and Bohemia."

<sup>9</sup> Translated as, "Archduchess of Austria, Duchess of Burgundy, Countess of Tyrol, 1780."

<sup>10</sup> Ethiopia.

<sup>11</sup> Ottoman silver currency.