

Rundheersing Bheenick: First commemorative platinum coin of Mauritius

Address by Mr Rundheersing Bheenick, Governor of the Bank of Mauritius, on the occasion of the Launching Ceremony of the first commemorative platinum coin of the “Father of the Nation – Platinum Series”, Port-Louis, 30 October 2009.

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Life has not been treating Central Bankers at all well since Lehman Brothers went belly-up. Those who found themselves at the epicentre of this perfect storm have been doing a creditable job, keeping the global economy on an even keel. The economic jargon has been much enriched with such exotic terms as toxic assets, TARP, and quantitative easing. There was even a brief period when banking ran the risk of once again becoming – one of the less reputable professions!

Tonight, as I welcome you all to the Bank, we are putting these concerns aside. Tonight, I am exercising one of the powers, and indeed, one of the great privileges, of being Governor of a central bank, by issuing a new coin. I am the only person in this country with the license to do that. If anyone else here has a go, he goes straight to jail.

So, thank you all for being with us tonight. And a very special “thank you” to our Prime Minister, Dr the Honourable Navinchandra Ramgoolam, for having agreed to officiate at this launching ceremony. We have some special overseas guests tonight and I extend a very special welcome to my fellow-Governors and Deputy Governors from COMESA Central Banks, to the Commissioner of Economic Affairs of the African Union Commission, to the Secretary-General of the Central Bank Governance Forum at the Bank for International Settlements, and to the members of the IMF Article IV consultation.

Some of you were here last year when we launched a gold coin to mark the 40th anniversary of the Independence of Mauritius. You may recall that, on that occasion, I promised to go one better this year. Tonight, I redeem that promise. Tonight, we are going not just for gold but for platinum. And tonight, we launch not just one coin but we inaugurate a series of three coins. I do not know how to better this one in future, but I promise to give it some thought.

The coin we are formally issuing today is the first in our platinum series. It is a fitting tribute to Sir Seewoosagur Ramgoolam, our first prime minister, and subsequently Governor-General, and acknowledged by one and all as the Father of the Nation.

The coin is the first of a series of three commemorative coins, dubbed the “Father of the Nation” Platinum Series, to be issued over three years, one coin being issued each year. The first coin depicts on the obverse, the State House, Réduit, with the inscription “Rs1500” underneath, with the surrounding inscription “FATHER OF THE NATION PLATINUM SERIES * MAURITIUS 2009 * STATE HOUSE – REDUIT *”. The platinum content of the coin is ¼ oz, its weight is 7.8 grams and it has a diameter of 25mm.

The second and third coins will be issued in September 2010 and in September 2011, respectively. Both coins will have the inscription “Rs1200” underneath, with the surrounding inscription “FATHER OF THE NATION PLATINUM SERIES * MAURITIUS 2010 * AAPRAVASI GHAT *” and “FATHER OF THE NATION PLATINUM SERIES * MAURITIUS 2011 * LE MORNE BRABANT *” respectively. Their platinum content will be 1/5 oz; their weight will be 6.2 grams with a diameter of 22mm. After the third year, a set of three coins will be issued. All three coins will bear on the reverse the effigy of Sir Seewoosagur Ramgoolam with the surrounding inscription “DR THE RIGHT HONOURABLE SIR SEEWOOASAGUR RAMGOOLAM KT *”. The coins will be minted by Monnaie de Paris, and

will be legal tender for their face value. We are putting the first platinum coin for sale at Rs14,000.

For the benefit of our visitors from abroad, the State House, also known as Château du Réduit; Aapravasi Ghat and Le Morne Brabant form part of our national heritage. The Château du Réduit was built under the French Occupation in the mid-18th Century. The Château du Réduit became the official residence of former governors and that of Sir Seewoosagur Ramgoolam in his last official function as Governor-General of Mauritius. It is presently the official residence of the President of the Republic of Mauritius. The Aapravasi Ghat, or Immigration Depot, in Mauritius was inscribed on the World Heritage List at the 2006 session of the World Heritage Committee as "the site where the modern indentured labour diaspora began". The Morne Brabant which was at the time of slavery a shelter for runaway slaves was classified as a National Heritage site by UNESCO in July 2008.

A word now about the metal itself. Platinum has a very curious history and is now used in industry, in the jewellery trade and, in very few countries for special coinage. Platinum is rare in Nature; much rarer than gold; hence it has an intrinsic value greater than gold, weight for weight. It is curious, isn't it, that in these days of currency volatility, we hear a lot about "gold bugs", vaunting the merits of the yellow metal as a "safe haven", but have you ever heard of a "platinum bug"?

It was not known to the Egyptians, to the Romans, to the Greeks, to the Babylonians, to the Hindus, to the Chinese and other people of the Ancient World. It first emerged, in the 15th century, in Central America. Platinum was found basically within the diggings of other mineral mines and was considered a nuisance metal or a trash metal, difficult to be got rid of to get to the copper and the gold and the silver with which it was often associated.

The first European reference to platinum appears in Italy, in 1557, where it is described as a metal found in Mexico, "which no fire nor any Spanish artifice has yet been able to liquefy." Its name actually is derived from the Spanish term platina del Pinto, which literally translates as "little silver of the Pinto River." A detailed account of platinum as a metal was only presented to the Royal Society of the UK in the mid-18th century. Since then, lots of work were done to find the merits of platinum for different uses. And then we hear nothing about it until about 1875 at a time when, you will recall, the gold standard was the bedrock on which economies and currencies were being built. Platinum came up for a mention as the basis for another International Standard, the measure of length – the International Standard Unit. This was defined as the distance between two lines on a standard bar of an alloy which comprised ninety per cent platinum. So platinum became, so to speak, the gold standard for the measure of length.

I think I must pause here to tell you the story of how I myself first heard about platinum, if you can spare me a minute. Like most Mauritians, we speak a mixture of Creole, French, English, Indian languages and other languages; some speak Mandarin, Cantonese and so forth. We speak lots of languages. In the old days we used to run British cars as part of the legacy of imperial preference. Cars from other countries would only be allowed after paying extortionate rates of import duty. British cars in those days were not as reliable as cars tend to be today and one would spend probably as much time going to see the mechanic as we do these days to call at the petrol pump station. So I used to run this old Hillman car which had some problems with its engine. It seemed to be having some screws loose and it was not firing on all cylinders. Probably, as some of you will say, it was just reflecting the state of the owner himself! Be that as it may, when the mechanic had a good look at it, he pronounced authoritatively "*Missié, problème platine ça!*". For those of you who don't understand our local language, what he said was: "Sir, I've got it! You've got a problem of platinum!".

Now that I must have got you thoroughly bemused, let me explain. "Platinum" in the English language has nothing to do, or at that time had nothing to do, with the internal combustion engine. But its french-language equivalent *platine* stood for what you call "points" or "contact

points” in the English language. And those of you who are familiar with the English terminology – with carburettor, with the air intake, with the mixture of fuel and air and the technology to send the spark in the right cylinder at the right time – you will readily appreciate there was a critical role for a contraption called the French equivalent of “platinum” there. So that was my first contact with *platine* or platinum, and I am sure that’s what it meant for most Mauritians in the streets if you asked them about *platine* in those days. But those of you who are tech-savvy know that now carburettors have almost vanished as fuel injection has taken over. If you happen to open the bonnet of a car, you can’t recognise anything anymore! *Platine* may have left the front part of the car but platinum is still very closely associated with the ubiquitous internal combustion engine. It’s now present at the other end – no longer on the intake side, but now on the exhaust side – as platinum is also a “green” metal. It’s very ecologically-friendly. It’s a key element in catalytic convertors to reduce our carbon footprint.

Let me end that diversion and continue with the platinum story. Did you know that the bulk of platinum that we have today is mined in just two parts of the world: South Africa and Siberia in Russia? They produce two-thirds and one-quarter of the world's platinum supply respectively. Another curiosity relating to platinum is the fact that it was not until the 19th century that this rare metal was first used in rather special platinum coins. Russia started the fad in 1828. Spain produced platinum coins in the 19th century. But we have to wait until much closer to our own times, the 70's, before any more platinum coins come to be issued. The first was a medal issued in Israel in 1973, followed by Panama in 1976. The Russians perhaps come closest to qualifying as “platinum bugs”. The USSR produced platinum coins from 1977 to 1980. *Perestroika* and *glasnost* did not dim their fascination with the metal and the newly-independent state of Russia issued platinum coins from 1992. Nearer to us, Lesotho issued a platinum coin of half an ounce of platinum in 1981. Other countries producing platinum coins include Australia, Canada, France and Portugal.

Tonight, therefore, we continue the coinage chapter of the platinum story. Tonight, Mauritius joins this select and fairly exclusive list. We now rank among the three countries in the southern hemisphere to have issued platinum coinage. And we are the only small island developing state to do so.

The gold coin we issued last year became one of the fastest-selling coins in the history of the Bank – the bulk of the edition was sold out within five days. The value of platinum is greater than gold and so today we are issuing a collectors’ coin that goes one better than last year’s gold coin. Moreover, bearing in mind the strange story of platinum, the choice of this metal with its special range of qualities and uses may well be claimed to reflect those of the reputation of the great statesman it commemorates, Sir Seewoosagur Ramgoolam: exceptional, precious, rare, durable and, as we can go to pay our respects at his “Samadhi” at the national Botanical gardens, environmentally-friendly!

Let me say a word before I conclude about a project that I have at heart. The downward trend in the savings rate in the economy has been a subject of growing concern to us for quite some time. It has continued tumbling from nearly 30 per cent at its peak in 1992 to 26 per cent at the start of the millennium and now stands dangerously close to 12 per cent. The launch of the platinum coin gives me thus an opportunity to kick-start our “Saving for a Better Future” programme which, we hope, will help foster a better culture of savings for our population. We think our dodo has too easy a time, just sitting there in the logo of the Bank. We plan to press-gang our dear, daft, and defunct dodo into service to advance this cause of saving. Hopefully, domestic savings will do what the dodo never did – that is fly off the danger zone. Do not be surprised therefore if piggy-banks in our part of the world will never look the same again!

I thank you again for your presence at this launch ceremony. Thank you very much for your attention and I look forward to some active sales this evening.