Liechtenstein
A Tale of Errors, Freaks and Oddities (EFO)… and Politics
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Acknowledgements

Introduction

The Principality of Liechtenstein is one of 6 European microstates, known for its beautiful stamps. Indeed, a select few stamps issued each year still employ line engraving. Approximately the size of the Bronx, a borough of New York City and home to the New York Yankees, its neighbor to the west and south is Switzerland, and to the east and north is Austria. Its western border with Switzerland is the Rhine River, and its eastern border with Austria is the Austrian Alps. A panoramic valley paradise nestled on the northern border of the Swiss/Austrian Alpine mountain range.

I spent several weeks in Germany during the summer of 1965 hosted by Dr. and Mrs. Wagner of Stuttgart. Their son, Thomas, and I were both stamp collectors. During our return from a week in Locarno, Switzerland, we stopped at the post office in Vaduz, the capital of Liechtenstein. I fell in love with the stamps immediately, and bought every stamp for sale at the time. (Needless to say, I had to borrow a few Marks from Dr. Wagner). I have been collecting and studying Liechtenstein and its stamps ever since.

The subject of this paper was initially Michel (MI) catalog numbers 11-16, a set that has, what I believe, is the most unique oddity in Philately. However, as I researched MI 11-16, I became fascinated by the events surrounding the issuance of this set, and came to the conclusion the evolution of Liechtenstein's postal system and the resultant impact upon the Liechtenstein philatelic community pivoted upon the events of this time. Collectors of Errors, Freaks and Oddities (EFO) should be interested due to the diversity of collectibles. For collectors new to Liechtenstein philately, this should be informative as it provides an overview of the transition from Austrian to Swiss administration of Liechtenstein's postal system and the resultant breadth of stamps available.

Calm before the Storm
Prior to the end of World War I

Postal Administration. On September 1, 1817, the first post (messenger) office was opened by Austria in the village of Balzers, Liechtenstein, and was subsequently closed on August 31, 1819 due to a lack of profitability.[19] Almost a decade later on January 1, 1827, the Balzers office reopened followed by a second in Vaduz on March 1, 1845. During this period, Liechtenstein's fledgling postal system was unofficially administered by the Austrian government due to its legacy ties to Austria.

In 1852, Liechtenstein executed a customs treaty with Austria.[9] Among other things, the 1852 treaty officially integrated Liechtenstein's postal system under Austrian administration. The Principality's postal system began to flourish**,** and additional post offices were opened: Nendeln, October 1, 1864, closed

February 29, 1912 and reopened February 1, 1960; Schaan, October 15, 1872; Triesen, July 1, 1890; and Eschen, March 1, 1912.[3]

Postage Stamps. In 1850, Austria issued its first postage stamps which were distributed for sale in Liechtenstein post offices. In philatelic parlance, the Austrian stamps used in Liechtenstein post offices during this period are referred to as "Vorlaufers" or "Forerunners" to Liechtenstein's own stamps to follow.

In October 1911, the customs treaty was amended, and an important milestone was achieved for the Principality; it was now allowed to have its own stamps.[12, 22]   On February 1, 1912, the first set of stamps specifically for sale in Liechtenstein was issued, MI 1-3. This set depicted the image of Prince Johann II with the annotation "K.K. OESTERR POST IM FÜRSTENTUM LIECHTENSTEIN" indicating the set was printed by the Austrian State Printing Office, *Österreichische Staatdruckerei* in Vienna under the auspices of the Austrian Department of Commerce.   Additionally, the Principality recognized the resulting net income (or loss) from the sale of MI 1-3. During this agreement, Austrian stamps continued to be used concurrently with MI 1-3. These Austrian stamps are referred to as "Mitlaufers" or, as I like to call them, "Transition" stamps.

Currency. As per the 1852 Treaty, Liechtenstein formally adopted Austria's currency (Gulden = 60 Kreuzer) which underwent two subsequent changes during the period prior to WWI: decimalization circa 1857 (Gulden = 100 Kreuzer) and then adoption of a new Krone (Crown) currency (Krone = 100 Heller) January 1, 1900.[3]

Everything went well until the assassinations of the Archduke of Austria and his wife on the 28th of June 1914.[13] The "thunderheads" began to build on the horizon…..World War I.

The Perfect Storm
Post WWI, 1917 thru 1922

At this point, you probably think the "Storm" was World War I. The war's aftermath certainly took its toll on the citizens of Liechtenstein: political and economic isolation due to its association with the Austro-Hungarian empire (formed 1867), and; the devaluation of Austrian currency. However, from a philatelic perspective, the majority of the "storm" about to unfold was self-inflicted.

Postal Administration continued under the 1852 Treaty …. for a while. As the war came to a close and the Austro-Hungarian coalition began to unravel, Liechtenstein looked to the West, across the Rhine River to Switzerland for assistance.   On April 22, 1919, Liechtenstein commenced treaty discussions with Switzerland to replace the 1852 treaty with Austria. The Principality was anxious to terminate the customs treaty with Austria as the customs revenue had fallen dramatically. And the Austrian government no longer wanted the responsibility of administering Liechtenstein's postal system.[9] On August 2nd, Liechtenstein moved to terminate the 1852 treaty with Austria, to which Austria agreed on August 30th.[9] On May 1, 1920, the existing (October, 1911) postal agreement was terminated and Liechtenstein was now free to issue its own stamps.[9]

Currency and Postal Rates. Since the Austrian currency had been severely devalued as a result of the war, Liechtensteiners unofficially began using Swiss currency (Franc = 100 Centime or Rappen) for daily transactions circa 1917.[20] The Liechtenstein government followed suit in 1920 for its national accounts,[20] for

example, taxes. The postal rates established September 1, 1918, were 20 and 25 Heller for domestic and international mail, respectively.[1]

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Censorship

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Liechtenstein remained neutral during WWI, albeit tenuously. The Allies were suspicious believing Liechtenstein was indeed aiding and abetting the Austro-Hungarian cause and restricted commerce crossing the Swiss border into Liechtenstein.[9] The Austro-Hungarian coalition was cautious too. Internationally bound mail originating in Liechtenstein was subject to censorship which, in turn, greatly delayed delivery to its intended destination as well as the subsequent responses.

In mid 1918, a group of Liechtenstein business men and Vaduz authorities convened to address the issue. A mechanism to identify internationally bound mail, and a process to circumvent censorship were required and established.

First, the mechanism to identify international mail was to overprint an existing label sold in village stores and used by housewives to label their "jam jars" among other things. The label assumed its clandestine role when it was overprinted with "Schweizer Post/Vaduz."

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Label   MI 1   MI 1A

Error – "Pest" not Post

Certified: Marxer 95B082

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Next, the process:
- the sender affixed the necessary Swiss postage to any letter bound for an international destination;
- the sender purchased the "stamp", MI 1 above, for 10 Heller and affixed it to the letter, and deposited the letter in a mailbox installed in Vaduz specifically for this purpose;
- a member of the Vaduz village government collected the mail once or twice a week and passed the mail along to a "community messenger" ("Botenpost" in German) who had the proper identification to pass Swiss authorities without risk;
- the mail was transported across the Rhine River by the messenger and deposited at the Sevelen post office.

This solution was not endorsed by either the Swiss or Liechtenstein governments. Indeed, the Principality had to "look the other way" as it was a violation of the 1852 customs treaty with Austria.

Even this little "stamp" was not without controversy. First, was the "stamp" truly necessary at the time to facilitate uninterrupted mail service and thus a postal necessity, or unnecessary and thus just a philatelic curiosity? In favor of the former, it is included in the Liechtenstein Briefmarken Katalog (LBK) - all 6 perforation varieties and the error shown above. Additionally, letters with the Botenpost stamp affixed and postmarked in late 1918 are very rare, and the "stamp" has sufficient collector cachet to attract counterfeiters due to its simple design - caveat emptor.

Secondly, was the assigned cost of 10 Heller a fee for the messenger service, or a revenue tax for the village of Vaduz? The larger question that I did not see in the literature, why just Vaduz? There were 5 other post offices open at that time, and the mail did not seem to be impeded crossing the Swiss border, just the Austrian border to Feldkirch. Were the village elders being opportunistic?

Rise of the Consortium

Postage Stamps. In October 1919,[1,4,6] a group of Liechtenstein and Austrian men, collectively called the "Consortium," petitioned the Liechtenstein government to assume responsibility for the design, production and worldwide marketing and distribution of Liechtenstein stamps. The political objective was the provision of stamps "*for Liechtenstein by Liechtenstein*." The more important, practical objective was to generate badly needed revenue for the Principality… and, of course, for the Consortium. After more than 3 months of negotiations, the terms and conditions of the contract were established including: the duration of the contract; revenue guaranteed to the Principality; the percentage of the revenue due the Consortium; and the amount of funds to be held in escrow in the event of a shortfall in expected revenue for the Principality. In addition, the contract specified certain quality control requirements.[5] The contract between the Principality and the Consortium was finally executed January 31, 1920.[6,7]

Murphy's Law ("anything that can go wrong will go wrong") prevailed. It took longer than expected to design, develop, print and distribute the first set of stamps, MI 11-16, to be issued by the Consortium. As a result, Liechtenstein had to strike an informal agreement with Austria extending the use of Austrian stamps, Mitlaufers, to fulfill the need for postage stamps in its post offices.[1,7,12]

Postal Rates. To compensate for inflation during this period, the postal rates were raised to 40 Heller for domestic mail and 100 Heller for international mail effective January 15, 1920, and a second time to 80 and 200 Heller for domestic and international mail, respectively, on April 15, 1920.[1]

Finally, on March 3, 1920, the Consortium issued MI 11-16. The selected approach was to overprint an earlier set of 6 stamps depicting Prince Johann II, issued in 1917, MI 4-9. Overprinting was probably selected to minimize the "time to market" as well as the design and development (pre-production) cost. Other possible reasons for selecting overprinting: they could re-tool more quickly and cheaply if further increases in postal rates demanded changes in stamp values, or they simply needed, or wanted, to increase revenue/profit. *Paulussen & Co.*[3,16] in Vienna was contracted for the development of the letterpress plates and production of this set of 6 stamps. The 5, 10 and 25 Heller values were preserved, and the new issue was simply denoted by an arabesque overprint. The remaining 3 values from 1917, the 3, 15 and 20 Heller, were repurposed by overprinting them with the values of 40 Heller, 1 Krone and 2½ Kronen, respectively. To avoid possible confusion, the overprints of the top 3 values were designed to obscure the original values of the 1917 set. The "mapping" from the original set (MI 4-9) to the new overprinted set (MI 11-16) is summarized in the following chart and shown in the subsequent figures:

First Set Issued for the Principality, March 3, 1920

MI No. 1917	Scott No 1917.	Original Value	Overprint	New Value	MI No. 1920	Scott No. 1920
5	5	5	Arabesque	5	11	11
6	6	10	Arabesque	10	12	12
9	9	25	Arabesque	25	13	13
4	4	3	"40"	40	14	14
7	7	15	"1 KRONE"	1 K	15	15
8	8	20	"2½ KRONEN"	2½ K	16	16

MI 11   MI 12   MI 13   MI 14   MI 15   MI 16

MI 11-16 Errors

A number of errors were produced, much to the dismay of many in the Liechtenstein government and the general public. Some error types were noted as early as Sieger's 1943 catalog,[8] but did not receive recognition in other catalogs until much later. The errors include:

- inverted overprints;
- double overprints;
- interchanged overprints;
- inverted overprint at the bottom;
- overprinted twice with top one inverted;
- "severely" offset overprints; (The description, "severe," is subjective and may be a translation issue. For my collecting purposes, I consider the overprint severely offset when it impinges upon the vertical perforations, i.e. horizontal offset. A severe vertical offset would reveal the original values of MI 4, 7 and 8, or impinge upon the bottom horizontal perforations.)
- broken/damaged (letterpress plates) overprints.

Inverted Overprints

MI 11 KI   MI 12 KI   MI 13 KI   MI 14 KI   MI 15 KI   MI 16 KI

Double Overprints

MI 11 DD   MI 12 DD   MI 13 DD

Interchanged Overprints

MI 12 I   MI 15 I

Inverted Overprint at bottom

See Cover Below

MI K II

Double Overprint w/ Top Inverted

MI 11 DK

"Severely" Offset Overprints

MI 11 II   MI 12 II   MI 13 II   MI 14 II   MI 15 II   MI 16 II

Damaged Overprints

MI 14 III   MI 15 III   MI 16 III

Production (Drying) Error
Mirror Image on Gum Side

Printer's Waste

MI 11--   MI 13--

MI 11--

MI 11-16 Error Identification Quiz. Examine this letter dated April 21, 1920, how many of the stamps have errors, and how many unique errors are there?

Answer: 7 and 3, respectively:
2 each MI 12 DD; 4 each MI 11 KII; MI 14 II

On the back of the envelope there are 5 more stamps for a total postage of 200 Heller. On the front you can see the sender's post office was Schaan, and the recipient's was Mauren, a distance of approximately 5 miles as the crow flies. The postal rate for domestic mail at the time was 40 Heller, so I assume the additional 160 Heller (revenue for the Principality) was for the registered delivery service.

Oddities - Chads

This is probably one of the most unique oddities in the philatelic realm. The definition of a chad is a small paper disk or rectangle formed when a hole is punched in paper tape or punch card,[18] respectively. Therefore, the by-product of the perforation process is a chad. I worked with both punch cards and paper tape early in my career as a computer engineer and I can attest to the mess they can make. The following figures show examples of the random patterns that can be found for each of the 6 stamps in the 1920 set. The air at *Paulussen & Co.* must have been occasionally thick with perforation chads as many stamps can be found with multiple chad "patterns." Or, maybe, was it deliberate? Curiously, by examining photographs on

eBay and auction websites, I have noticed some patterns re-occur, i.e., the chad remained in place (glue from the stamp adhesive?) for more than one printing.

| MI 11 | MI 12 | MI 13 | MI 14 | MI 15 | MI 16 |

| MI 13 KI | MI 11DD | MI 12 DD |

The chads were noted in Sieger's 1943 catalog: "due to perforations falling on the printing plate, black dots have formed at all possible places during printing…"[8] I do not know if Sieger actually visited *Paulussen* to witness the chad issue during production, but it certainly makes sense. The diameter of the chad print closely matches that of the perforation, ~0.98 mm measured with a Dino-Lite model AM4515ZT USB microscope.

Note to collectors. Given the number of stamps with chad imprints and their randomness which defies cataloging, stamps with chad imprints have no incremental market value. However, they are relevant to this discussion as they represent a symptom of the Consortium's performance vis-à-vis quality control….

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Quality Control
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At this time it may be appropriate to take a moment to review the impact of quality control, or the lack thereof, on this unfolding drama. Prior to the existence of the Consortium, *Österreichische Staatsdruckerei* had been printing stamps for Austria since 1850. By contrast, the only reference I have found pertaining to *Paulussen & Co.*, other than *LBK*, is in the list of (Austrian) printers[16] with the notation that *Paulussen* was in existence for only one year, 1920. So why the selection of *Paulussen & Co.* over *Österreichische Staatsdruckerei*? My thoughts:

1. Whereas, the Consortium had a "great deal of latitude"[5,7] concerning the design, production, and distribution of stamps during the term of their contract with the Principality; and,
2. Whereas, it appears that Quality Control was indeed one of the Terms and Conditions of the contract between the Consortium and the Principality, and ignored as Hassler writes the Consortium "produced in violation of the contract numerous misprints and varieties in large quantities;"[5] and,

3. Whereas, the Consortium passed over the State printing house, *Österreichische Staatdruckerei,* and selected the private company of *Paulussen & Co.* using the argument that the State printing house did not offer "precise control;" [6] and,

4. Whereas, it was also stated that many of the variations went directly into the hands of collectors.[7]

Therefore, I conclude that *Paulussen* was selected because the Consortium could manipulate the release of stamp errors and varieties while *Österreichische Staatdruckerei* would not be willing to compromise its reputation. Who knows, maybe *Paulussen* was not actually selected but established specifically to print the Consortium's stamps, and the owners of *Paulussen* were either members of the Consortium, or were related to members.

Postage Stamps. Besides MI 11-16, Austrian "Mitlaufers" continued to be used until mid-1920 at which time Swiss "Mitlaufers" became available in some Liechtenstein post offices to augment the supply of stamps available for postage.

Concerning Liechtenstein stamps, how does one describe what followed MI 11-16? Continuing the stormy weather metaphor, I think it would be the *squall that hit* when the following sets were released in rapid succession:

- May 5, 1920 MI 17 – 24   National Coat of Arms & Castle Vaduz (Imperforate);
- June 1920 MI 25 – 39   National Coat of Arms, Castles and Prince;
- June 1920 MI 1 – 12   Postage Due;
- Oct. 5, 1920 MI 40 – 42   Madonna, Birthday of Prince Johann II;
- Feb. 1, 1921 MI 43   National Coat of Arms;
- Feb. 27, 1921 MI 44   National Coat of Arms;
- Feb. - April, 1921 MI 45 – 52   National Coat of Arms & Cherubs;
- Feb. – Nov. 1921 MI 53 – 60   Castles & Princes;

All but MI 43-44 were printed by *Paulussen & Co*. MI 43-44 were printed, at the direction of the Consortium, by *Fa. Capri*, a printing house for which I have not found any references other than *LBK*.

MI 17- 60 are a bonanza for EFO collectors as there are numerous examples that can be found including, but not limited to depending upon the set:

- "Primary" plate errors - my term for those listed in *LBK*;
- "Secondary" plate errors – my term for those identified in Hughes[14] (or in RLS) but not in *LBK*;
- Color proofs;
- Black & white proofs;
- Perforation variations;
- Perforation varieties - I have a couple examples with rouletted perforations;
- Perforation errors including;
  - missing horizontal or vertical;
  - double horizontal or vertical;
  - mis-registered perforations;
  - "crazy" perforations due to paper folds;
- Overprint errors (MI 43-4);

- Other production errors, e.g. paper creases and folds;
- Paper varieties;
- Gum varieties…..

LBK covers MI 17- 60 in 9 pages including the "primary" plate errors. In the quarterly publication by the *Ring der Liechtenstein Sammler* (*RLS* - Liechtenstein Collectors Club), it was reported that coverage of these sets and all the errors, varieties, etcetera, required 103 pages.[1] In my collection, I have allocated 169 pages, 2 Lighthouse binders, which allows ample spacing for presentation. To date, I have found approximately 50% of the "secondary" plate errors.

Postal Administration. As mentioned earlier, in April of 1919, Liechtenstein and Switzerland began discussions to replace the Treaty with Austria. The Swiss Treaty commenced February 1, 1921,[9] amidst this deluge of Consortium stamps that were released.

Demise of the Consortium

On February 16, 1921,[1] the Liechtenstein government commenced an investigation of the Consortium and a response was requested within 3 days. The underlying issues of the complaint against the Consortium may have included:

- failing to meet its contractual revenue goals;
- the deliberate distribution of stamps to collectors and, possibly speculators (in Salzburg) resulting in an inadequate supply of stamps at the Post Offices which, in turn, required the use of Austrian and Swiss "Mitlaufers" which diminished the revenue recognized by the Principality;
- inadequate supply of high value stamps to satisfy the increasing postal rates;
- the number of errors, freaks and oddities (EFO) released, that is, poor quality control;
- the release of varieties including proofs, etcetera;
- the continued production and distribution of stamps, MI 43-60, after the Swiss Treaty was in effect February 1, 1921 to the dismay of the Principality;
- and the "bottom line, damage to the reputation of Liechtenstein stamps.

To add further fuel to the fire, on February 26, 1921, 800 citizens demonstrated in the capital. The 2 political parties of that time were involved: the in-power Citizens' party and the opposing Peoples' party.[4] The People's party was represented by approximately 200 citizens protesting the Consortium's performance. The Citizen's party was concerned about the possibility of more nefarious objectives of the demonstrators for the People's party, and rallied 600 citizens in their support.[20] Regardless, this is probably the first and only time philatelic activities sparked civil unrest. After a 6-month long investigation, the Consortium's contract was finally terminated April 25, 1922, and the remaining Consortium stamps were *supposedly* destroyed.[1]

Calm Seas and Fair Winds
After 1922

Postal Administration. The Treaty with Switzerland went into effect February 1, 1921. Switzerland assumed the responsibilities of their predecessor, Austria, including Administration of Liechtenstein's postal system which continued to grow adding 6 additional post offices: Triesenberg, February 1, 1921; Mauren, July 1, 1925; Ruggell, January 1, 1926; Schellenberg, August 10, 1946; Gamprin-Bendern, February 1, 1960; and Schaanwald, April 30, 1970.[3]

Currency. On May 26, 1924, Liechtenstein officially adopted Swiss currency.

Epilog. The political climate remained tense during period between World Wars I and II. After World War II, the Microstate of Liechtenstein has enjoyed a period of stability, growth and tranquility. From my perspective, Liechtenstein has avoided much of the turmoil in Europe due possibly to its relatively isolated location, but more likely due to the excellent stewardship of its Princes: Prince Johann II until February 11, 1929; Prince Franz I until July 25, 1938; Prince Joseph II until November 13, 1989; and currently, Prince Hans Adam.

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