

Writing money

Pat Naughtin

Even the most apparently modern institutions can be remarkably conservative. It wasn't until 2001 that the New York Stock Exchange changed from using 'pieces of eight' to dollars and cents, in quoting stock prices. This anachronism lasted 208 years after the first introduction of decimal currency, into the USA, in 1793.

Another, more familiar, financial convention dates from the same period. The current English practice of placing the pound sign (£) before the number, in writing cheques and contracts, grew from the fear that a crook might add a digit or two at the left-hand end of the number. The end result is that we write one thing and say another. We don't say \$50 as 'dollars fifty'; we say 'fifty dollars' and we don't say £50 as 'pounds fifty'; we say fifty pounds. Putting the dollar sign before the number is clearly inconsistent with how we say the amount. And, just as clearly, we have not yet recovered from the use of the pound sign placed before the number.

Despite the international nature of modern financial markets, the convention is not consistent across different countries.

Australia, Brazil, Denmark, Italy, Netherlands, Switzerland, the UK, and the USA place their currency symbols before the number, and

Finland, France, Germany, Norway, Spain, and Sweden place their currency symbols after the number.

I am not aware of any official policy with the introduction of the Euro and people may well stick with their current practices and write 1000€ in Spain, €1000 in Italy.

Even within an individual country such as Australia, we are not consistent. We put the dollar symbol first, as in \$12.34, but when we are using cents, we put the number first, as in 34¢. Some other nations do the same as us, and others are more rational.

The Australian practice of placing the currency symbol before the number leads to some odd results when we choose to combine the dollar sign with other symbols (which are all conventionally placed after the amount they refer to). For example, at the greengrocers we might see a sign that says \$2 kg and we would read this as 'two dollars per kilogram'. It would be more logical to write it as 2 \$/kg, so that the reading and the speaking could be the same.

We might therefore also write two thousand dollars per annum as 2000 \$/a rather than the conventional \$2000/a. This system produces odd examples for large amounts, as in '\$1000m/a' and '\$2000bi/y', which I collected from Australian newspapers.

With inflation, over many years, the large numbers needed for such things as market capitalisation of major companies or any number as part of a set of national accounts is now largely meaningless to all but a specialist few.

We cannot come to terms with these numbers because inflation has gradually made our numerical language insufficient. Fortunately we have available a set of strictly defined and well-established prefixes that can solve this linguistic problem for us. These are the prefixes from the International System of Units (SI). The SI prefixes are not only readily available but they have already been used successfully in many places.

Australians have used the idea of kilodollars for years in the form of 'Salary package – 100 k\$', sometimes loosely written as '100k', without the space between the number and the unit and without the \$ symbol.

In French economic circles, they routinely use k€ (kiloeuros) for thousands of Francs and M€ (megaeuros) for millions of Francs. There are also precedents in the USA. Marc Champion, a staff reporter of the Wall Street Journal referred to gigadollars (G\$) to avoid the use of 'billions of dollars', 'thousands of millions of dollars', or some other clumsy construction such as \$87.63B or \$2.19bi. In a piece called 'Decline and Fall', Champion wrote these sentences in describing the UK economy:

The government also has promised to find 87.63 G\$ in public and private financing to upgrade the train network over the next 10 years in an attempt to make up for decades of low investment.

As Mr. Blair launched a 2.19 G\$ adult literacy program last week, he said, 'in the future, there will be nothing more Important'.

I suspect it is only a matter of time before these ideas are used routinely in forms such as: k\$ (kilodollars), M\$ (megadollars), G\$ (gigadollars), T\$ (teradollars) and, with inflation, P\$ (petadollars).

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