

NBP

Narodowy Bank Polski

September 2014

Bankoteka

Special Issue

The wartime fate of the Polish gold



Dear Readers

Seventy-five years ago in the days following the outbreak of World War II, the evacuation of Bank Polski SA's resources was organised, along with those of all its branches in the country. The bank vaults were emptied on the night of 4 and 5 September 1939. All the gold bullion – weighing approximately 80 tonnes – along with the assets, banknotes and banknote plates set off on a dramatic, years-long odyssey around Europe and the world. The first country where the gold received a friendly welcome was Romania. From there, the resources of the central bank travelled to Turkey, then French North Africa, France, and French West Africa, to finally reach New York, London and Ottawa.

It is precisely “The wartime fate of the Polish gold” that is the subject of the exhibition prepared by the Education and Publishing Department of NBP. The exhibition has been prepared in cooperation with Professor Wojciech Rojek, historian from the Jagiellonian University. It is a collection of unique documents and photographs embedded in unusual scenery, and is an attempt to capture this dynamic action with the help of a comic book style.

The latest issue of the magazine “Bankoteka” is a special issue accompanying the exhibition. In its pages you will find eyewitness accounts of the evacuation of the Polish central bank’s reserves. Among these accounts are colourful stories – full of challenges and danger – seen through the eyes of the children of bank officials who participated in the operation, as well as memoirs written down by the grandchild of one of the bank’s employees. Readers will also learn that the driver of one of the vehicles transporting the gold was the pre-war Olympic champion, Halina Konopacka.

This issue of “Bankoteka” also contains information about the importance of gold in contemporary monetary systems. Donald Malicki, Director of the NBP Foreign Exchange Department, gives an interesting explanation of this.

It is our pleasure to invite you to the exhibition and to read the latest issue of “Bankoteka”.

Dariusz Jadowski
Director
Education and Publishing Department



Exhibition

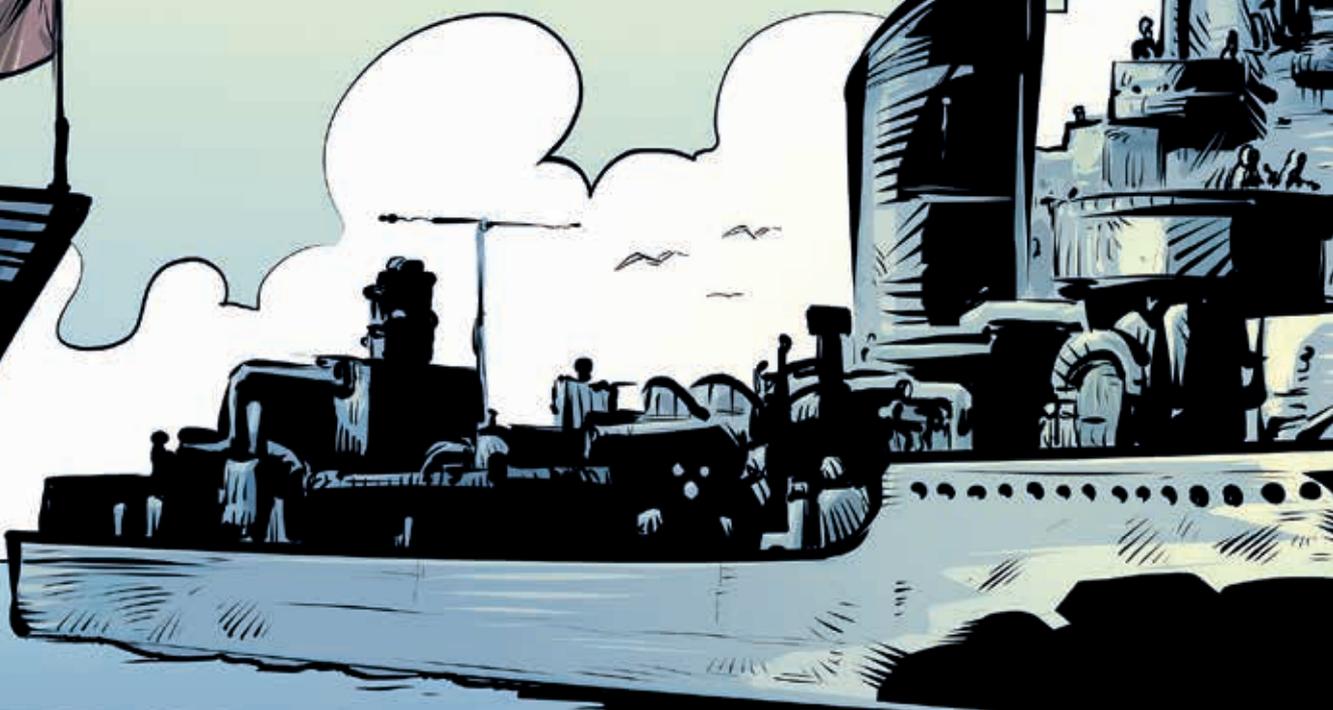
The wartime fate of the Polish gold



BEJRUT



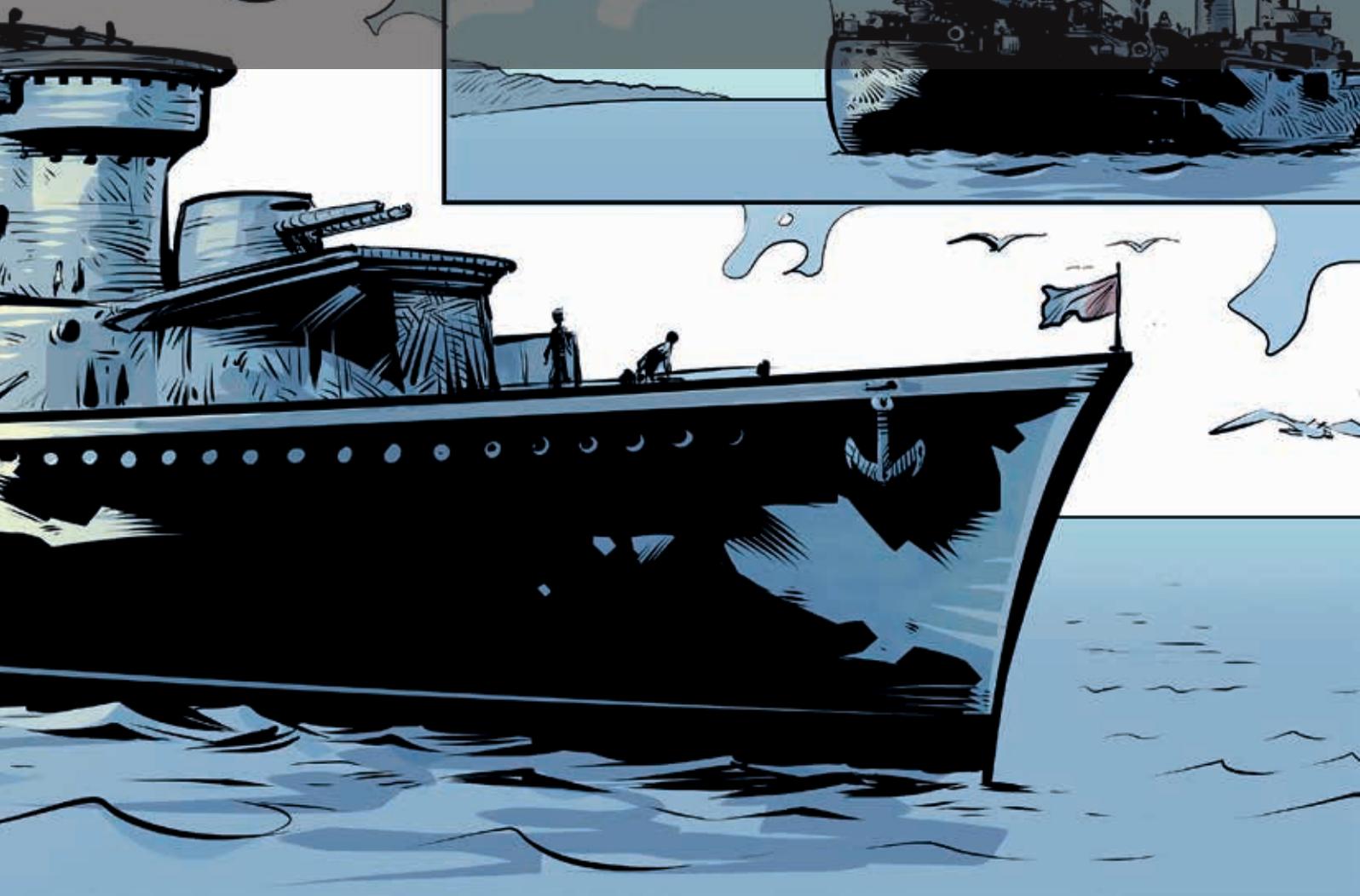
STAMBUK





The wartime fate of the Polish gold

Professor Wojciech Rojek



The wartime fate of the Polish gold

The authorities of the Polish Republic reborn in 1918 treated the gold held by Bank Polski SA as a sort of national treasure, which was to be used at a critical time for the country. In August 1939 the Polish central bank had gold resources with a value of 463.6 million zlotys, that is approximately 87 million USD, with a total weight of 79.5 tonnes. On the eve of the war the gold was stored in the vaults of Bank Polski SA in Warsaw (193.0 million zlotys) and its branches (170.4 million zlotys) and a part was located as deposits abroad (100.2 million zlotys).



*The portal in the operations hall of Bank Polski SA's head office, Bielańska Street 10, Warsaw, 1939.
Photo: National Digital Archive.*



*The treasury in the head office of Bank Polski SA, Warsaw, 1939.
Photo: National Digital Archive.*

In light of Germany's aggression against Poland, it was necessary to evacuate the gold. At first, the reserves were transported to the east of the country, but on 10 September a decision was made to move the whole gold reserves abroad – to France. On the evening of 13 September the gold was brought to an assembly point located at the railway station in Śniatyń, near the border with Romania.



*The branch of Bank Polski SA in Brest-on-the-Bug, where part of the gold was stored.
Photo: National Digital Archive.*

12

BANK POLSKI
DYREKCJA
Sekretariat
Nr 6

Warszawa, 1 września 1939 r.

Do
Panów Naczelników Wydziałów
w miejscach

Podajemy do wiadomości i wykonania treść uchwały Dyrekcji powziętej na posiedzeniu w dniu 1 września 1939 r.

" Wydawane lub planowane przez poszczególne Wydziały i Oddziały Główny zarządzenia, które wymagają koordynacji z usagii na ogólną sytuację, należy uzgodnić z Sekretariatem Dyrekcji. W szczególności: -

Wydziałe Wydziały będą uzgadniały z Sekretariatem zamierzenia co do ewentualnej translokacji mienia bankowego; przeprowadzenia translokacji będzie mogło być dokonane tylko na podstawie dyspozycji Sekretarjatu.

Wydziałe Kasy i Oddział Główny przed wydaniem dyspozycji na Oddziały powinny się poinformować w Sekretariacie, czy dany Oddział pracuje normalnie. W razie otrzymania z któregośkolwiek Oddziału ważnej wiadomości należy natychmiast zakomunikować ją Sekretariatowi Dyrekcji.

Wydział Kredytowy będzie podawał oddzielnie Sekretariatowi do wiadomości globalną sumę wszelkiego rodzaju kredytów przyznanych danego dnia dla każdego Oddziału oddzielnie o ile suma ta przekroczy 500,000 zł.

Wydział Personalny będzie komunikował się z Sekretariatem w sprawie przemieszczenia pracowników z wyodrębnionych Oddziałów.

Wydział Administracyjny będzie komunikował Sekretariatowi o planowanych ważniejszych adaptacjach w budynkach Oddziału, a wykonanie tych adaptacji będzie przeprowadzał po uzgodnieniu z Sekretariatem.

Centralna Kasa będzie wysyłała Oddziałom druki pozostające pod ścisłą kontrolą dopiero po uzyskaniu zgody Sekretarjatu.

- 2 -

Skarbieca Państwa będzie komunikował Sekretariatowi o zamierzonych wydatkach gotówki jak również wydawał dyspozycje przeznaczenia gotówki z jednego Oddziału do drugiego dopiero po uzyskaniu zgody Sekretarjatu.

Oddział Główny będzie uzgadniał z Sekretariatem oddzielnie: rano - jakich zleceń i do których Oddziałów nie należy przyjmować, popołudniu - czy do wszystkich Oddziałów może być dokonana ekspedycja poczty.

Sekretariat będzie zawiadniał oddelnie Wydziały i Oddział Główny o ważnych wiadomościach ich dotyczących.

Po szczególne Wydziały i Oddział Główny wyznaczą w charakterze Złomników z Sekretariatem urzędników, których w razie potrzeby Sekretariat będzie zapraszał na międzywydziałowe posiedzenia porozumiewawcze."

BANK POLSKI
Am
Wroni

Letter to the heads of departments of Bank Polski SA
on the possible evacuation of the resources, 1 September 1939.
The Central Archives of Modern Records.

At night the gold was transported to the Black Sea port of Constanta. The situation of the Romanian government was complicated, as it was facing strong pressure from the Third Reich. In these circumstances, on 6 September the Crown Council of Romania proclaimed the formal neutrality of the country, which was reflected in a decree on sealing the borders issued on 15 September. Luckily, the tanker *Eocene* carrying the gold of Bank Polski SA had already left the territorial waters of Romania. It should be added that 4 tonnes of gold were left in Romania. This batch was separated from the main transport still on Polish territory by order of the supreme military authorities. This batch arrived to Bucharest and following the sale of about one tonne, the remainder was deposited in the National Bank of Romania.



Visit of the Governor of the National Bank of Romania, Mitiță Constantinescu (second from the left) to President Ignacy Mościcki (third from the left) in Warsaw, February 1937.

Photo: National Digital Archive.

On 15 September, thanks to the considerable help of the British Consul, Anthony Kendall, the Polish gold left for Turkey. In Istanbul on 20 September the gold was transferred to freight wagons and then transported to Syria and afterwards to Lebanon. On the evening of 23 September, the gold arrived in Beirut, which was then controlled by the French. The authorities in Paris agreed to accept the gold and offered to deposit it in one of the branches of the Banque de France. The Poles chose the Nevers branch. A decision was also made to transport the precious metal from French-controlled Beirut to Nevers by sea. The situation was facilitated by a declaration made by Italy, which was a formal ally of Germany, that the Italian fleet would not conduct combat operations in the Mediterranean Sea. As a result, the first batch of gold chests sailed to France on 23 September. The remaining part left for France on 2 October. The first transport arrived at the port in Toulon and later at Nevers on 29 September, while the second one arrived on 7 October. The chests with gold were deposited in the vault of Banque de France's branch and remained under the direct supervision of the employees of Bank Polski SA the entire time.



Panorama of Beirut, the capital of Lebanon, which the Polish gold reached at the end of September 1939.

Photo: National Digital Archive.

ODPIS. 1
9

AMBASADA RZECZYPOSPOLITEJ POLSKIEJ,
Ankara 14 października 1939.

WYKAZ WYDATKÓW
poniesionych w związku z transportem zapasu złota B.P.
przez terytorium Turcji.

	£ tureckich
Koszty transportu kolejowego od Hajdar-Pasza do granicy turecko-syryjskiej.....	59.056,25
Opłata dodatkowa za wagony od granicy syryjskiej do Hajaku.....	700,43
Podróż powrotna eskorty transportu.....	132,--
Koszty przewozowej w Stambule za wyładunek, załadowanie, plombę etc.....	472,85
Dodatkowe koszty prowizje bankowe, porto telegramów i podróże Stambuł-Ankara w związku z transportem...	247,09
Suma ogólna wydatków	60.608,62 F.T.
Co w przeliczeniu po kursie 1£=1,99 F.T. wynosi \$ U.S.A. 30.456,60	
Otrzymałem telegraficznie z New-Yorku	39.996,25
" czekiem z Bejrutu	10.000,--
Suma otrzymana \$	39.996,25
Pozostałość w \$ U.S.A.	9.539,65

(-) Michał Sokolnicki.

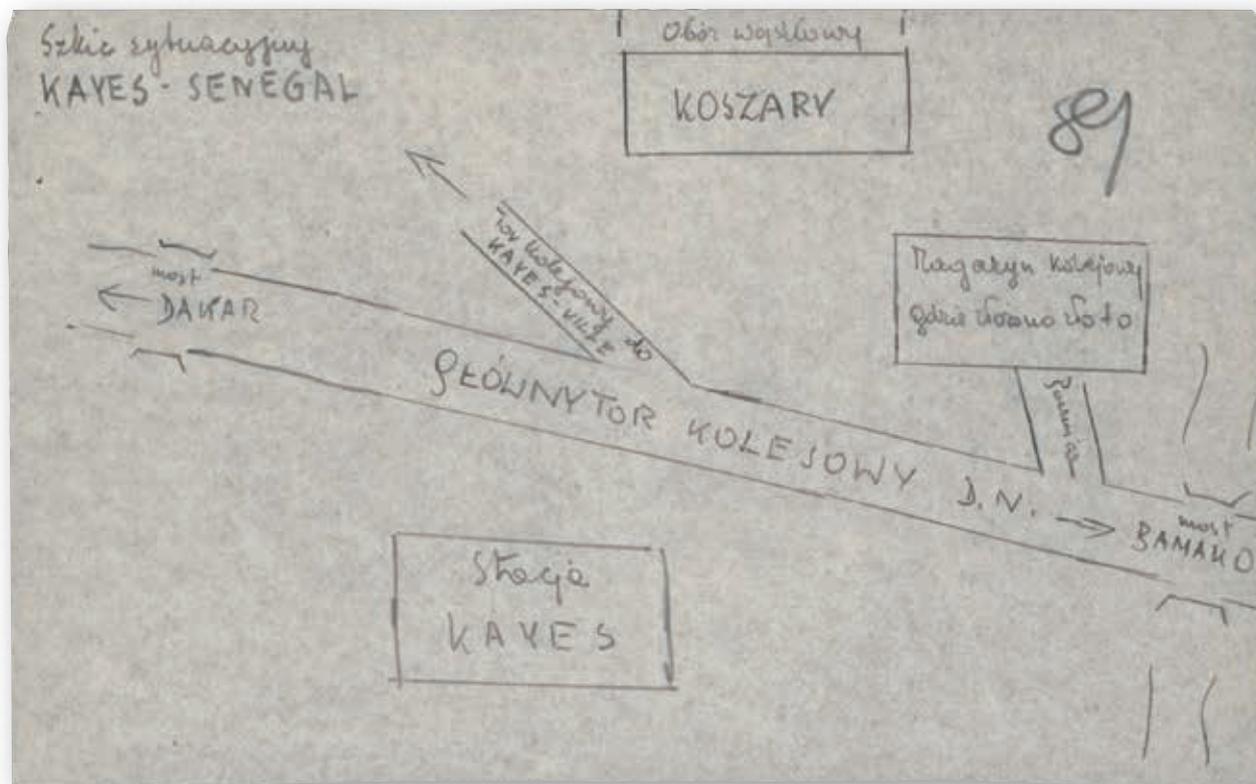
List of expenditure on the transport of the gold via the territory of Turkey, September 1939.
The Central Archives of Modern Records.

The period of relative stabilization ended in the spring of 1940, when Germany invaded Belgium and the Netherlands and then France. In the opinion of the authorities of the Bank Polski SA as well as the Polish government, France could no longer guarantee the security of the Polish gold. Due to the increasingly worrying developments on the war front, on 30 May 1940, the Minister of the Treasury, Henryk Strasburger, started demanding that the French transport the gold to the United States. The French were clearly playing for time, but finally they agreed to transport the precious metal to Angoulême in the Poitou-Charentes region. This happened only on 17 June. Contrary to the hopes of the Polish side, the gold was not sent to the United States or to the French Antilles, but to Dakar in Africa. From there it was quickly transported further to Fort Kayes, located deep in the French Sahara.



The Minister of the Treasury, Henryk Strasburger (first from the left) demanded the transfer of the gold from France to the USA. In the middle – Prime Minister Władysław Sikorski, on the right – Deputy Prime Minister Stanisław Mikołajczyk.

Photo: National Digital Archive.



Sketch of the location of Fort Kayes in the Sahara in West Africa, where the Polish gold was stored.
The Central Archives of Modern Records.

On 22 June, France signed a truce with Germany, which signified its de facto surrender. The local French authorities in Dakar recognized this act. In this situation, the Poles had to undertake diplomatic and then legal efforts to regain control over their own gold resources. At first, the government demanded that the British, and in the longer term also the Americans, exert pressure on the authorities of the French State (based in Vichy) and force them to transfer the gold to British and American banks. Attempts were also made to persuade the Vichy government to make a part of the French gold deposited in Canada or the United States – of the same value as the gold stored in Fort Kayes – available to the Poles. These efforts failed. The attempt to occupy Dakar made by General Charles de Gaulle's Free French movement, undertaken in September 1940, also failed. De Gaulle, who was cooperating with the British, had declared that he would return the gold to the Poles.



*Head of the Vichy government, Marshal Philippe Pétain in Toulon, 1940.
Photo: National Digital Archive.*

It was obvious that regaining control of the gold through diplomatic efforts was extremely uncertain so the Poles decided to seek the help of the United States through the courts. On 3 September 1941, the New York law firm “Sullivan and Cromwell” filed a lawsuit against Banque de France. The court promptly seized a part of the French gold (with a value of 64 million USD) deposited in the Federal Reserve Bank in New York. In May 1942 the trial was suspended because due to the war Banque de France’s attorneys were not able to represent it and that was the court’s condition for setting a date for the hearing. The Polish side was not in a hurry anyway. The main objective of the lawsuit – the seizure of the gold – had already been achieved and the court’s decisions under such circumstances would not necessarily be beneficial for us.



*Headquarters of the Federal Reserve Bank of New York at 33 Liberty Street.
Photo: Wikipedia Commons/Beyond My Ken.*

105

CLAIMS OF THE BANK POLSKI AGAINST THE
RAYON IN FRANCE.

Slote.

a) Gold deposited in 1200 cases at Dakar			
net weight	20,919,979 kg
			337,218,976.-
b) Gold bars deposited with the Banque de France			
in Paris			
net weight	633,200 kg
			4,106,819.-
c) Balance in account with Banque de France			
fr. fr.	1,776,429,93
			224,569.-
d) Fallen due French Armement Bonds			
(fr. fr.)	3,000,000.-
			625,000.-
			342,178,356.-
			342,178,356.-

at the rate of 28 sl. = £1 = \$15,363,425

Statement of the bars of gold and coins of Bank Polski SA
in the possession of Banque de France, 1941.
The Central Archives of Modern Records.

<u>B A R S.</u>	<u>GROSS WEIGHT.</u> <small>Grammes.</small>	<u>NET WEIGHT.</u> <small>Grammes.</small>	<u>SLOTS.</u>
1.447 bars assaying 994 - 1000			
361 " " 914 - 917			
794 " " 897 - 905			
136 " of Various assaying			
2.728 "	25,169,368.-	23,606,883.-	199,113,012.-
<u>C O I N S.</u>			
\$ USA 6.060.000.-	10,126,469.-	8,113,623.-	53,994,892.-
£ 22.11.263.000.-	3,917,032.-	3,525,329.-	20,885,599.-
£ 10.170.000.-	8,819,667.-	7,937,700.-	47,026,429.-
Various petty bars, objects and coins	2,970,036.-	2,724,241.-	14,196,644.-
	28,833,204.-	23,311,092.-	135,105,164.-
TOTAL ...	61,002,592.-	56,919,979.-	337,218,976.-

106

The Poles simultaneously attempted to establish communication with the representatives of the Free French (the Gaullists). These attempts resulted in the signing of a confidential memorandum on 27 October 1941 in London. The memorandum provided for the return of the gold to Bank Polski SA. However, the issue was set aside for more than a year. It was resumed in the fall of 1942 in connection with operation “Torch”, that is, the invasion of North-West Africa by the Allied Forces. It was decided that one of the directors of Bank Polski SA, Major Stefan Michalski, would go on a mission to Africa. However, the French argued that there was no Polish gold there. The Americans did not believe these claims and with their help Director Michalski arrived in Algiers on 13 February 1943. Above all, it was crucial to determine whether the gold was still in Africa. If so, he had to negotiate its release with the French. If not, he should find out about its fate.



*The Sahara in Algeria.
Photo: National Digital Archive.*

Mons. Kaye Dakar
22 AOÛT 1941
Dakar, le 28 Février 1941

ST

GOUVERNEMENT GÉNÉRAL
de
l'AFRIQUE OCCIDENTALE
FRANÇAISE

Le Gouverneur Général
Haut-Commissaire

Monsieur,

Par lettre du 25 Novembre dernier, je vous ai fait savoir que j'avais transmis à mon Département, en lui demandant des instructions, votre correspondance du 21 Octobre relative à l'or de la Banque de Pologne au dépôt auprès de la Banque de France.

J'ai l'honneur de porter à votre connaissance que le Secrétariat d'Etat aux Colonies vient de m'informer que votre demande n'est susceptible d'aucune suite utile, les mesures de blocage du dépôt dont il s'agit ayant été prises en exécution de décisions du Gouvernement Français et le Gouvernement Général de l'A.O.F. n'ayant pas à en connaître.

Veuillez agréer, Monsieur, l'assurance de ma considération distinguée.

Signé: (-) Coisson

M. Stefan MICHALSKI
Hotel Atlantic
DAKAR

Copie conf. par:
(-) St. Michalski

COPIE
86

TAFER

THOMAS DEPOSEY a dn. 22.IV.41r. Otrzymanej przez Foreign Office od p. Hierasa-Kowalskiego z Bathurst.

My agent coming back today from Kayes reports:

- (a) All gold still at Kayes
- (b) Since the day of removal from Goba to Kayes no further moves have been made either by plane or rail
- (c) Rumours about sending by planes seemed to originate the employment in October French bombers loaded with boxes of grenades taking off from Kayes for operations in Froyer (sic) en route.
- (d) Store containing gold under the protection of European and native armed men and six machine guns.

Ends.

Za zgodność:
T.D.F.

84

Odpis depeszy szyfrowej z Lizbony z dnia 18.IV.1941 N°206

Informacje od MOHLA z Vichy:

1. Z prywatnego źródła dowiaduję się, że srebro polskie jest nadal koło Dakaru, w Kayes. Niemcy nie sądzą wrzucenia go, zastawiając się srebrem belgijskim. O ile by tego rodzaju sądzanie miało miejsce, Francuzi mają zamiar wysunąć ewentualnie prawo do partycypacji również Związkowi Sowieckiemu, dla uregulowania sprawy. Sugerują sprawę tę nie poruszać publicznie, aby nie spowodować ewentualnych sążeń niemieckich.

Correspondence on the gold placed in Fort Kayes in connection with the visit to Dakar of the director of Bank Polski SA, Stefan Michalski, 1941. The Central Archives of Modern Records.

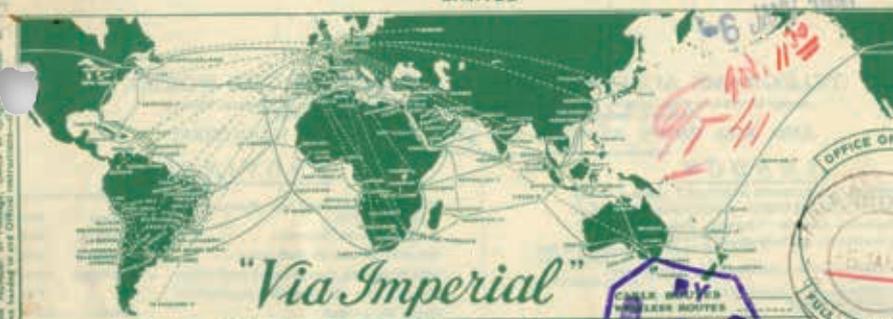
Eventually the French admitted that Bank Polski SA's gold was located in the territory of French West Africa. However they conditioned the release of the gold on the prior regulation of mutual relations on a national level, that is, the recognition of the French Committee of National Liberation by the Polish authorities. After long negotiations, a Polish-French agreement on the return of the gold to Bank Polski SA was concluded in Algiers on 17 December 1943. On 28 December, the Polish ambassador in Washington, Jan Ciechanowski, informed the Secretary of State Cordell Hull of that fact and that both parties had agreed to terminate the lawsuit. In January 1944 in New York, the representatives of the central banks of Poland and France concluded a settlement agreement based on the Algiers agreement. As a result, on 22 March the court in New York closed the trial and lifted the seizure of Banque de France's gold.



*Visit of Prime Minister Stanisław Mikołajczyk in the USA – first from the left.
On the right – the ambassador of the Republic of Poland in Washington, Jan Ciechanowski, 1943.
Photo: National Digital Archive.*

England, Aug. 1940
 Rate 1,000 units.

CABLE AND WIRELESS LIMITED



27-28
27-28A

66 JUL 20 1941
 401.1132
 41

OFFICE OF ISSUE
 FULL ADDRESS ON BACK

Circuit WEM AL	Clerk's Name	Time Received A.	
--------------------------	--------------	----------------------------	--

398

#1180 NEWYORK 78 3 1732
 LT = BANK POLSKI BANK OF ENGLAND LONDON
 DOKUMENTY ODNYOSNIE KRUSZCU RUMUNSKIEGO OTRZYMALEM DWIE
 OPINJE PRAWNE WRECZYLEM ADWOKATOM COMPORELU KTOREMI SA ADWOKACI
 NASZEJ AMBASADY PRACUJACY DLA COMPORELU HONOROWO STOP
 OPINJE PRZYDADZASIE NIE WPROCESIE AGLOWNIE ADWOKATM CELEM
 WYGOTOWANIA AKTU OSKARZENIA STOP PROSILBYM ZADEPESZOWAC
 MI PRIMO CZY BEPE REZYDUJAC WEFRANCJI PODLEGAL PRAWU
 FRANCUSKIEMU

I. A. P. R. NO ENQUIRY RESPECTING THIS TELEGRAM CAN BE ATTENDED TO WITHOUT PRODUCTION OF THIS COPY. REPLY SHOULD BE HANDLED IN AT ONE OF THE COMPANY'S OFFICES.

Telegram to Bank Polski in London from the lawyers of Comporel – Commission for Polish Relief, an American organisation offering humanitarian aid to Poland, established in 1939, which was helping recover the Polish gold stored in Kayes.

The Central Archives of Modern Records.

In December 1943, the Polish Council of Ministers decided on the distribution of Bank Polski SA's gold following its physical recovery. The main parts of the gold were to be respectively located in: the Bank of England (with a value of 154.7 million zlotys), the Bank of Canada in Ottawa (39.5 million zlotys) and the Federal Reserve Bank in New York (143 million zlotys).

At the end of January 1944, two envoys of Bank Polski SA, Director Wiktor Styburski and General Treasurer Stanisław Orczykowski arrived in Kayes. Following an inspection, the gold was transported to Dakar, where it was protected by the French military authorities. Meanwhile, the French Committee of National Liberation concluded that if the Polish government-in-exile were not able to return to the country and a Russian-backed government were established there, then this government would undoubtedly ask for the return of Bank Polski SA's gold. In this situation, the French debated suspending the release of the gold until the political situation was clarified. Fortunately, they decided to fulfill their obligations towards the Poles. Eventually the gold was taken over by a special committee led by Director Michalski in February – March 1944.



*Chief Treasurer of Bank Polski SA, Stanisław Orczykowski.
Photo: National Digital Archive.*

4

ZAPAS ZŁOTA BANKU POLSKIEGO
(w milionach złotych)

<u>Stany</u>	<u>obecny</u>	<u>projektowane</u> <u>przesunięcia</u>	<u>projektowany</u> <u>stan</u>
<u>w Szwajcarii</u>			
sztaby	200	90 do Ameryki 40 do Anglii 37 do B-lm. Franc.	33
korony i rable	60	po przeliczeniu na sztaby - do Banku Francuskiego	-
inne monety	77	-	77
w Banku Francuskim	4	+ 37 + 60	101
w Banku Angielskim	60	+ 40	100
w Ameryce	12	+ 90	102
inne depozyty	20		20
	<u>433</u>		<u>433</u>

3

Wykaz depozytów i § na rachunkach Banku Polskiego
w/g stanu z dnia 12. września 1946 r.

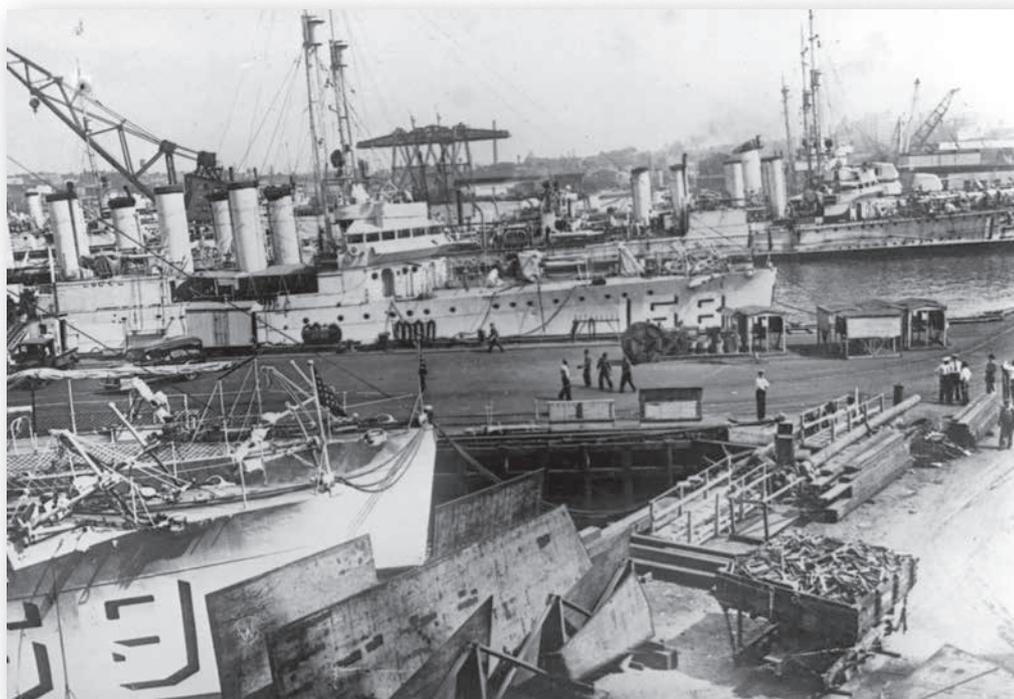
/załącznik do listu do His. Charty/

<u>Nazwa Banku</u>	<u>Suma /troy/</u>	<u>§ Wsk</u> <u>/1 000-§ 25</u>	<u>Suma</u> <u>§ Wsk</u>
Bank of England	829.981.650	20.754.200.00	
Federal Reserve Bank of New York	797.027.881	27.545.270.14	
Bank of Canada	222.524.851	12.222.729.79	
Banque de France	22.226.864	700.040.21	
Bank of International Settlements	2.222.429.5	79.217.42	
	<u>razem złoto</u>	<u>2.015.111.722.5</u>	<u>79.222.222.25</u>
<u>Dolary USA</u>			
Federal Reserve Bank of New York		945.229.44	
Irving Trust Company, New York		82.765.00	
W innych korespondencjach i kantorach z zagranicą		<u>18.229.22</u>	
	<u>razem § Wsk</u>		<u>1.042.222.22</u>
Wszystkie depozyty, suma w złoto		<u>razem</u>	<u>71.572.227.22</u>
Bank of International Settlements			<u>222.222.22</u>
		<u>pozostawione</u>	<u>71.219.229.22</u>

The gold reserves and the planned transfer of the bullion and foreign exchange, 1946.

The Central Archives of Modern Records.

The necessity of transporting the gold to the United States, Britain and Canada raised legitimate concerns. It was concluded that the route leading from Dakar directly to New York was the safest, while the routes to London and from there to Ottawa were threatened by hostile submarines and airplanes. Ultimately the batch of gold which was supposed to get to the United States, arrived in the port of New York on 4 April 1944. The shipment of the gold to London and Ottawa was substantially delayed. It was delivered to London on board destroyers which escorted convoys and supplied armaments to the Allies. The gold was dispatched – in small batches – from 5 May to 25 August 1944. Afterwards, the gold intended for deposit at the Bank of Canada was divided into three shipments which arrived in Ottawa in September and October 1944.



*British destroyers in the port in Brooklyn, New York.
Photo: National Digital Archive.*

1.kwietnia 50 1
Taina

9 HK

NARODOWY BANK POLSKI
Lubomir Smajajny
w miejscach

Sprawa przelew złota kanadyjskiego
na rachunek Ministerstwa Finansów.

Powołujemy się na nasz list z dn.29.3.50r., w którym
prosimy o postawienie do dyspozycji Skarbu Państwa złota
w ilości
oro.12.371.41o.

Przełożyliśmy z załączeniem zestawienie sztab, jakie otrzymał
Bank Polski z Bank of Canada.

BANK POLSKI
Sekretariat

R *SK*

do kolumny 43

Zestawienie sztab przekazywanych Bankowi Polskiemu
przez Bank of Canada, Ottawa, na rzecz Skarbu Państwa.

No. sztabu	waga brutto wgr.	proba	wzrostko zawierające oro netto
12301	441.175	999.6	376.877
12302	440.700	999.6	376.637
U12367	452.500	999.1	407.279
U12375	370.325	999.9	376.998
U12376	405.125	9.3	407.202
U12377	405.325	9.3	407.917
U12378	405.700	9.3	405.982
U12379	400.375	6.4	399.531
U12380	403.025	6.4	401.674
U12381	405.475	6.4	404.015
U12382	407.025	997.7	406.088
U12384	403.500	6.6	401.720
U12385	405.350	6.6	403.871
U12386	401.475	9.8	401.794
U12387	404.425	6.3	403.829
U12388	391.550	6.4	379.140
U12389	403.775	6.2	401.842
U12390	400.125	998.0	407.308
U12391	401.600	6.1	400.053
U12392	405.500	7.1	404.124
U12393	404.825	6.8	403.529
U12394	402.950	6.8	401.660
U12395	404.350	6.8	403.056
U12396	403.400	6.1	401.675
12397	436.750	916.7	400.368
12398	420.350	6.7	395.243
12399	434.850	6.7	399.561
12400	424.900	6.7	399.505
12401	424.150	6.7	399.810
12402	419.850	6.7	394.976
U12364	440.925	6.7	411.529
			<u>12.371.41o</u>

/a/ sztabom tym towarzyszy certyfikat stwierdzający probę.
/b/ na sztabach tych brak próby; proba zgodna z zestawieniem
Bank of Canada.
/c/ na sztabach tych nie podano daty próby; proba zgodna
z zestawieniem Bank of Canada.

BANK POLSKI
Sekretariat

Gold sent from Ottawa from the Bank of Canada to Poland, 1950.
The Central Archives of Modern Records.

After the completion of all operations at the end of 1944, Bank Polski SA possessed gold with a value of 398,445,000 zlotys. These resources were located in the following places: the Bank of England (155.245 million zlotys), the Federal Reserve Bank in New York (154.8 million zlotys), the Bank of Canada (67.3 million zlotys), the National Bank of Romania (370,000 zlotys) and a branch of Bank Polski SA in London (430,000 zlotys). Additional amounts were located on blocked accounts in, respectively, Banque de France (4.1 million zlotys) and the National Bank of Romania (16.2 million zlotys).

In order to get the whole picture, we should also mention the gold resources which Bank Polski SA sold to the Polish government during the war – mainly for the financing of war expenditure. The Bank allocated gold with a value of 41.9 million zlotys for this purpose. In December 1943 the sum of resources used by various government agencies amounted to 38.5 million zlotys. The Polish authorities returned the unused funds to Bank Polski SA.

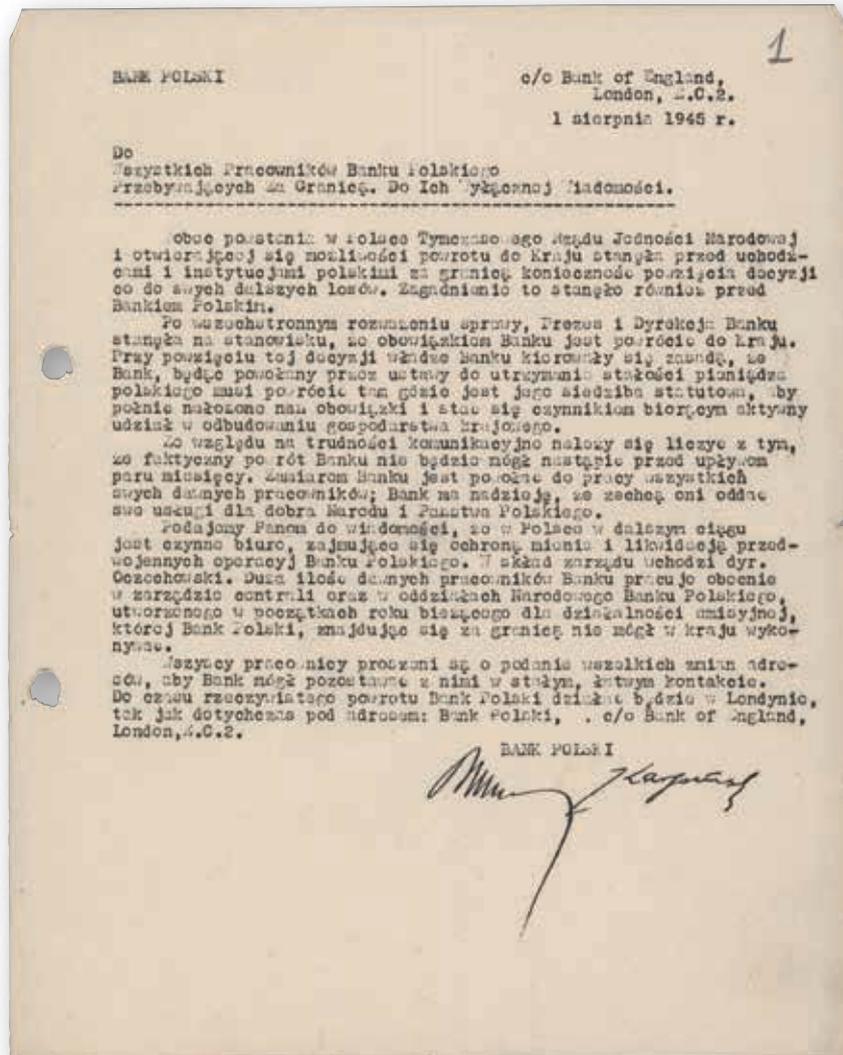


*The passenger ship "Batory" in New York.
Part of Bank Polski SA's deposit returned to Poland on board this ship in 1949.
Photo: National Digital Archive.*

During the six years of war, despite the extremely colourful and at times dramatic fate of the Polish gold, no part of these resources was lost. This was possible due to the energy and sacrifice of Bank Polski SA's employees as well as Polish officials, but also thanks to the honesty and good will of the representatives of foreign states involved in the matter who showed kindness, as well as concrete material and logistical support to the Polish side.



*Bucharest – view from the royal palace of the statue of Charles and the Roman Athenaeum, 1944.
Photo: National Digital Archive.*



The appeal of the Management Board of Bank Polski SA in England for the return to Poland of employees of that institution, 1 August 1945. The Central Archives of Modern Records.

The Communists who ruled Poland had no knowledge of the batch of gold which remained in Romania. The first news on this matter reached Warsaw in October 1945. Only in late September 1946 did Henryk Różański, the director of the Bureau of Economics of the Council of Ministers, arrive in Bucharest and launch negotiations on the return of the gold. However, a major legal obstacle emerged. It turned out that in 1940 the Polish side, unable to withdraw the gold located in Romania, filed another lawsuit in the United States. Formally its parties included the Commission for Polish Relief, Inc. (Comporel), on behalf of which the authorities of Bank Polski SA and the Polish government assigned the gold located in Bucharest, and the National Bank of Romania. Therefore it was necessary to first end this legal dispute. Finally, after arduous negotiations the Romanian side agreed to release the gold in the summer of 1947. The delegates of Bank Polski SA suggested transporting the gold to Switzerland, but eventually the gold went to Warsaw. Because the Polish Airlines “LOT” estimated the cost of the operation at 2.6 million zlotys, the government decided to use military aircrafts as the army demanded less than 650,000 zlotys. The gold arrived in Warsaw on 18 September 1947 and was stored in the vault of Bank Polski SA. In this way, the last part of the gold returned under Polish control.



*Tismana Monastery on Starmina Mountain in Romania, where the National Bank of Romania hid three tonnes of Polish gold being in its deposit.
Photo: National Archives of Romania.*

Warszawa 7 października 1949

Do
Pana Piotra Szaryńskiego
Ambasadora Nr. 7.
w Bukareszcie

Panie Ambasadro,

Ze sprawozdania delegacji Banku Polskiego, którzy przebywali ostatnio w Rumunii w związku z rewindykacją naszego złota, z zachowaniem dowodów na się o przyjęciu, jakieś donosi ze strony kierowniczej przez Pana Ambasadora i Biura Rady Handlowej oraz o współpracy i pomocy, z jakiej w całej pełni korzystali. Ponieważ ta w dużym stopniu ułatwiła im pracę i przyczyniła się do pozytywnego zakończenia tak skomplikowanej i uciążliwej sprawy rewindykacji i przewidzenia skrajnych ze złota's Bukareszta do Warszawy.

Wzajemnie na swój miły obowiązek złota w interesie Banku Polskiego serdecznie pozdrawiam Pana Ambasadora, jak i wszystkie pracowników podległej Panu placówki. Łączę wyrazy wysokiego pozdrowienia.

Chk

Warszawa 20.10. 49

Do
Pana Ministra
Stanisława WOSZCZAKA
Kancelaria Generalnego S.N.

w Warszawie/20 października.

Szanowny Panie Ministrze!

Wobec powyższego zachowaniem reżimu w Banku Rumuńskim co do wrotu złota Banku Polskiego zatrzymanego w Rumunii w roku 1939, zwracam Pana Ministerowi serdecznie podziękowanie za Jego osobną dotychczasową w tej sprawie. Dzięki interwencji Pana Ministra oraz Jego wybitnym osobistym staraniom i trudnym negocjacjom doprowadzono do wręczenia rezultatu i Bank Polski otrzymał w całości ostatnią część swego złota wywiezionego z kraju po wyjeździe wojny.

Przez jednoczesne decyzji Pana Ministerstwa, że - uwzględniając wyjątkowo, przez Słonek samostij - Bank Polski przesłany był kwota 2 miliona złotych jako dotacja dla Instytutu Ekonomii i Projektów Rolniczych, które to suma nie stanowiłoby wyjątku na pokrycie kosztów utrzymania grupy dzieci rumuńskich, skierowanych przy udziale Instytutu S.N. w Bukareszcie, w 1946 r. b. pod opieką Ekonomii.

Przez przyjęcie wyraży przewidziane załącznika i pozostania

Chk
[Franciszek Szymański]

Letters of Bank Polski SA to Polish diplomats in Romania.
The Central Archives of Modern Records.

After the end of the Second World War, two national banks coexisted in Poland: Bank Polski SA, founded in 1924, and Narodowy Bank Polski SA, established by a decree of the State National Council from January 1945. The communist authorities retained the former institution only in order to get access to its gold resources. All the agreements and settlements which Bank Polski SA had concluded during the war with the governments of Western countries and their central banks provided the authorities in Warsaw with the ability to borrow money on the international markets against the gold resources of Bank Polski SA. Already in August 1946, the government received the first loan which enabled the payment of Polish shares in the International Monetary Fund and the International Bank for Reconstruction and Development (World Bank) and the fulfillment of obligations arising from the post-war settlements of Poland with allied countries. In December 1946, the president of Narodowy Bank Polski, Edward Drożniak, who was also the president of Bank Polski SA, requested the use of the gold resources for the needs arising from the reconstruction of the country. The management of Bank Polski SA agreed to this without reservations. The gold was sold in the world's financial centres or loans were taken against it.

B E T W O W I E S T I O

Sprawozdanie z działalności - rok 1950

Kwartał	Data	Zobowiązania	Wypłaty			Saldo	Uwagi
			na zł	na zł	na zł		
I - 18	31.12.50	16,314,875	977,999,00	16,314,875	31,996,14	60,100,91	0,-
I - 20	31.12.50	18,978,175	684,100,00	3,142,704	31,770,84	31,156,18	
	1.1.51			10,614,175	31,666,67	794,971,97	0,01
	1.1.51						
I - 21	3.1.51	18,979,879	312,300,00	3,159,883	31,778,76	34,106,11	
	10.1.51			3,159,883			
	10.1.51			312,300,00			
I - 22	11.1.51	27,668,361	665,641,97	3,621,775	18,100,00		
	15.1.51			3,159,883	31,156,18		
	1.2.51			3,159,883	31,156,18		
	11.2.51			30,000,00	37,106,20	1,000,000,00	
I - 23	20.2.51	12,860,076	480,221,77	11,660,076	41,346,13	48,606,34	0,07
	27.2.51						
	27.2.51						
I - 24	10.3.51	12,100,760	311,321,97	16,201,760	18,140,87	69,606,34	04,19
	10.3.51						
	10.3.51						
I - 25	27.3.51	12,128,648	301,306,90	15,128,648	18,171,97	68,606,34	04,19
	12.4.51						
	1.4.51						
			112,124,680	4,212,704,00	100,000,17	4,700,000,00	

2

The sale of gold bars to meet the needs of rebuilding the country. Decision of the President of Narodowy Bank Polski, Edmund Drożniak, 1949. The Central Archives of Modern Records.

The Communist authorities very skillfully resolved the issue of settlements with Bank Polski SA on account of the used gold. The gold or the foreign currencies acquired from its sale were “given” to the State Treasury to an account at NBP. In return, Bank Polski SA received treasury notes denominated in US dollars (according to the weight and grade of the dollar from July 1944, that is de facto according to the pre-war exchange rate of 5.26 zlotys per 1 USD). The notes were issued following the decree of 11 April 1947, exclusively for the purpose of the settlement, to the amount of 70 million USD. Therefore the sum of performed operations amounted to 70 million USD, that is the equivalent of 368.5 million zlotys. In 1950 Bank Polski SA handed over the remaining gold and foreign currencies in its possession. In this way, the precious metal saved from the ravages of war by the dedicated employees of the bank with the help of governments and banking institutions of the Western countries was fully utilized by the authorities of the Polish People’s Republic.

Following these events, the formal and actual liquidation of Bank Polski SA began. On the basis of a decree of 27 July 1949 on incurring new obligations and determining the amount of unredeemed cash obligations, the receivables of Bank Polski SA on account of the transferred gold were estimated according to the pre-war parity at 394.6 million zlotys (approximately 75 million USD). Then, in connection with the act on the reform of the monetary system of 28 October 1950, this amount was converted to the new zloty currency at the ratio of 100:3. As a result, the value of Bank Polski SA’s gold fell to 11.8 million zlotys. On 1 November 1951, the authorities in Warsaw put Bank Polski SA into liquidation. Ultimately on 7 January 1952, the Minister of Finance, Konstanty Dąbrowski, declared Bank Polski SA as liquidated.



Nowogrodzka Street 50 in Warsaw. In the first years after the war, this building housed the headquarters of NBP.

Contemporary photograph.

Photo: NBP collection.



They were there

Halina Konopacka
Andrzej Mikołajczyk

Jan Dreżewski
Edmund Spychałowicz



Olympic champion driving a gold-laden bus

Some of the organizers of the Polish gold evacuation in September 1939 were accompanied by their whole families. Nevertheless, the contribution of Halina Konopacka was of a unique character. Whereas her husband, Colonel Ignacy Matuszewski (the former Treasury Minister), took over the supervision of gold transport in Lutsk, from 9 September she was driving one of 40 buses in which the gold bullion was transported from Lutsk to Śniatyń, on the Romanian border. Next, the Matuszewskis accompanied the gold transported by sea from Constanța, via Turkey to France.

Halina Konopacka was the most famous Polish athlete of the 20-year interwar period. The Olympic champion in discus throw at the Olympic games in Amsterdam in 1928, she was also a universal athlete. She successfully competed in a wide range of sports: jumping, cross country, tennis, shot put and javelin, but her first discipline was skiing. A red beret was her characteristic attire during competitions. At the Olympic Games in Amsterdam she was announced Miss Olympic Games.

Halina Konopacka was also a painter and poet. She published poems in “Wiadomości literackie” and “Skamander”. Antoni Słonimski used to joke that Ignacy Matuszewski was a “husband with a “strong hand”.

After the fall of France in 1940, Halina Konopacka and Ignacy Matuszewski made their way to the USA. He died in 1946 and Halina Konopacka lived in Florida until her death in 1989. Halina Konopacka was buried at the Bródno cemetery in Warsaw.

sg



Halina Konopacka always appeared in sporting competitions in a beret.
Photo: Wikipedia.

2

3 P 13

osob uczestniczących w transporcie
szkole z Konstancy do Francji.

Z Buszu Polskiego:		Z pasa Francji:	
✓ 1. Groszkowski - Główny Szarżnik		✓ 1. Młn, Matuszewski	10-
<u>Pracownicy</u>		✓ 2. Matuszewska - żona	10-
✓ 2. Dejarwski	urz. Miara Ema. Dew.	✓ 3. Ostrowski - Przesła Rady N.S.D.	10-
✓ 3. Godlewski	" Szarżca Sz.	✓ 4. Ostrowska - żona	10-
✓ 4. Górka	" Wydz. Adm.	✓ 5. Ostrowska - córka	10-
✓ 5. Kalliank	" " Kred.	✓ 6. Tosićowa p. Ostrowskiego	10-
✓ 6. Kukulowski	" " Farm.	✓ 7. Reichsmannowa Mirows	10-
✓ 7. Buziak	" Oddz. Główn.	8. Reichsmannowa	10-
Matuszewska	" " "	✓ 9. Matka p. Reichsm.	10-
Risznak	" Wydz. Adm.	10. Groszkowska - żona Szarżnika B.P.	
Midorowicz	" " Zagr.		
Spychałowicz	" Oddz. Główn.		
Wysocki	" Wydz. Kred.		
Żubrzycki	" Oddz. Główn.		
<u>Wodni</u>			
Jankowski			10-
Jasicki			10-
Kozłowski			10-
Kurzypek			10-



Mr and Mrs Matuszewski among the participants of the transport from Constanta to France.
The Central Archives of Modern Records.

Halina Konopacka with her husband on the streets of Warsaw – the 1930s.
Photo: National Digital Archives.

Andrzej Mikołajczyk

The evacuation of gold in the memories of an eight-year-old

My father, Henryk Mikołajczyk, was the son of a foreman in the salt mine in Bochnia. As a 17-year-old boy he was orphaned. The mine gave him an allowance, which allowed him to complete 3 years of studies at the Jagiellonian University. At a certain point he was forced to give up his studies in Kraków and he completed a year-long course in commercial accounting in Vienna. It was in Vienna where he also started work. From a very poor man – thanks to his dedication to his work in banking (first he worked in the Austro-Hungarian Bank, later in Bank Polski) – he climbed to a high position. He was one of the heads of administration of Bank Polski in Warsaw.

The bank paid well and valued its employees. My father, while working as an inspector (and travelling around the whole of Poland), already earned about 1700 zł, when the salary of a minister was 500 zł. Thanks to this, in a relatively short time he was able to build a house in Zalesie in which we lived. And it was there that my childhood was spent very happily... until the outbreak of the war.

My father received the instruction to organise the evacuation of the head office of the bank. At that time he was responsible for the administrative department, so he was responsible for the organisation of the whole operation. From my father's stories I know that in the course of three days the whole of the transport was packed, organised and prepared. This was regardless of the fact that the resources of Polish gold were scattered in various branches of the bank (for strategic reasons, which were apparently established with the army). More or less 1/3 of the bullion was in branches in Siedlce, in Brest, and probably also in Lviv. And in the space of three days the evacuation of valuables and gold was organised. The whole of the deposit was quite a substantial volume. Just the archives, banknotes which were in the possession of the bank and other deposits occupied more space than the gold itself.

So-called requisitioned lorries, including *czzerwoniaki*, in other words the red city buses, were organised for the evacuation. Since my father owned a car before the war, he took his family – my mother, me and my two sisters. The transport was at night.

My older sister, Barbara – as I later found out – was instructed by my father to write down each hour of departure. Many years later her daughters found a sheet of paper with an exact record of what time everything happened.

As far as I know, the biggest problem for the organisers of the evacuation was collecting in one place the gold that had been deposited in the various branches. And this was done in those eight days when the evacuation took place. I don't remember much of those journeys because as a rule they took place at night due to the safety of the transport. I was probably sleeping in the car then. In September 1939 the roads were cluttered with refugees. The journeys were one big unknown. I remember that my father once sounded the alarm. He was driving at the head of the column and suddenly there was a streak of light. The air force attacked such columns, so the use of normal headlights was forbidden, instead we drove with dimmed lights. It turned out that one of the cars threw a shaft of light on us that gave the impression that it was an air attack. Everyone dived into the ditches to try to take shelter. Fortunately it was a false alarm. But the threat of attack existed all the time.

Just before the Romanian border some general forbade the bank employees from taking their families. There weren't many such families, but those who had cars generally tried to evacuate their loved ones. The idea was rather unjustified, but these people were very disciplined and the families were left near the border in some village. We were quartered at a Ukrainian woman's home, as I remember, on the Dniester river. That was around 12–13 September. On 17 September our landlady warned us that the mood among the local Ukrainian population was very bad and she advised us to flee, because we might not get out alive. What stays in my memory is one of the few images of how we were walking through a ploughed field and Mrs Styburska was pregnant and with a two or three-year-old child, who everyone in turn tried to carry for a while. Sometimes the little one walked with its mother along the furrows, crying loudly, of course. We reached the border crossing and the whole of the group of bankers' families crossed the border. From there we were probably taken to some military barracks, where we found my father, who had already managed to cross the border.

From September to November we were in Bucharest. In a hotel my father and his colleagues put in order the things that were transported. Later he told us that at the behest of the military commander, who so wished, about four tonnes of gold was separated from the whole of the gold reserves, with a value

rok 1939 - 194

<u>Warszawa - Bukareszt</u>		<u>Wydź</u>	<u>Przyjazd</u>
<u>Wydź</u>	<u>Przyjazd</u>	<u>Wydź</u>	<u>Przyjazd</u>
Warszawa 5/II g. 22.	Lublin 6/II g. 18.	Wice 3/II g. 9.	Lyon 3/II g. 20.
Lublin 6/II g. 19.	Kamoić 6/II g. 23.	Lyon 4/II g. 10.	Aix-de-Provence 4/II g. 20.
Kamoić 10/II g. 19.	Lwów 11/II g. 8.	Aix-de-Provence 5/II g. 10.	Montargis 5/II g. 20.
Lwów 12/II g. 22.	Tarnopol 12/II g. 9.	Montargis 6/II g. 3.	Pariz 6/II g. 2 pp.
Tarnopol 13/II g. 10.	Horoduka 13/II g. 7.	<u>Pariz -</u>	<u>Angers</u>
Horoduka 14/II g. 8.	Horoduka 14/II g. 9.	Pariz 10/II g. 9.	Angers 10/II g. 3 pp.
Horoduka 14/II g. 7.	Stefanówka 14/II g. 2.	<u>Angers 1940</u>	<u>Lourdes</u>
Stefanówka 14/II g. 8.	Brennax 14/II g. 4.	Angers 16/II g. 4.	Las Castras 16/II g. 9.
Brennax 22/II g. 7.	Fallicani 22/II g. 7.	Las Castras 17/II g. 8.	St Michel 17/II g. 10.
Fallicani 23/II g. 6.	Bakan 23/II g. 8.	St Michel 17/II g. 5.	Las Castras 20/II g. 11.
Bakan 24/II g. 7.	Buzau 24/II g. 2.	Las Castras 20/II g. 7.	Lourdes 20/II g. 6.
Buzau 25/II g. 1.	Bukareszt 25/II g. 10.	<u>Lourdes -</u>	<u>Wice</u>
Bukareszt 10/II g. 7.	S. Severin 10/II g. 22.	Lourdes 6/II g. 6.	St Simon 6/II g. 9.
S. Severin 10/II g. 8.	Buda Orkisz 10/II g. 20.	St Simon 7/II g. 10.	Carboune 7/II g. 2.
Buda Orkisz 20/II g. 9.	Belgrad 20/II g. 3.	Carboune 8/II g. 7.	St Margarete 8/II g. 8.
Belgrad 21/II g. 9.	Staniński Brd 21/II g. 12.	St Margarete 9/II g. 8.	St Maxime 9/II g. 7.
Staniński Brd 24/II g. 6.	Zagreb 25/II g. 8.	St Maxime 10/II g. 10.	Wice 10/II g. 3 pp.
Zagreb 26/II g. 6.	Postuma 26/II g. 11.	<u>Wice - Cannes -</u>	<u>Wice</u>
Postuma 27/II g. 8.	Venecja 27/II g. 4.	Wice 29/II g. 3 pp.	Cannes 29/II g. 4 pp.
Venecja 29/II g. 8.	Medjolan 29/II g. 1 pp.	Cannes 31/II g. 5 pp.	Wice 31/II g. 4 pp.
Medjolan 30/II g. 13.	S. Neno 30/II g. 7.	<u>PS. Podjęcie decyzji w Villeneuve-Loubet.</u>	
S. Neno 11/III g. 9.	Montau 11/III g. 9.		
Montau 21/III g. 10.	Wice 21/III g. 21.		

The author's sister, Barbara, wrote down the dates and hours of the departures and arrivals of the transports. Family archives of the author.

of probably 22 million pre-war zlotys. This gold was separated from the main transport, which was transported by train to Constanta, a port on the Black Sea. This part of the gold was deposited in the vaults of the National Bank of Romania, where it survived the whole of the war.

In October or November my father received the instruction to leave for France, since those valuables – the boxes with deposits – had been sent there by rail. The gold, which was transferred through Romania, was to be transferred to France or to England by the French or English navy. It turned out that there was no ship in Constanta. However, the Germans had begun to get interested in our gold and put pressure on Romania. Romania asked us to immediately remove the gold from the country. A ship was found, a small tanker – four thousand tonnes, it was a mere husk – and a decision was made to use it. Bank clerks loaded it, people who were not used to such work, and the cases weighed 70 kilogrammes. When the crew found out about the cargo, the hired sailors who were to transport the gold got so frightened that they all ran away. The captain of the tanker remained, an Englishman, who managed to recruit several sailors, and they sailed to Turkey. The gold sailed by ship to Istanbul, while the accidental sailors who had been mobilised knew what they were transporting, and it was windfall out of this world. The ship sailed without any papers so that even when the ship sailed to the Bosphorus the people couldn't go ashore. Director Karpiński, I think, describes in his work such a moment when the consul of Poland in Turkey couldn't go aboard the ship, but conversations were held in such a way that one official stood above and the consul was below in a boat that sailed to the ship. However, despite these problems, the transport of gold made its way to Beirut and from Beirut by ships to Toulon in France. In the meantime, we ended up in Paris, all the time travelling by car. According to my sister's records, we went to Menton, later to Nice, and finally to Lyon. After two or three weeks in Paris my father received the instruction to establish a branch of Bank Polski in Angers. It was probably May when these efforts were begun. The management of the bank realised that the course of the war in France also did not look too rosy and they began efforts to evacuate the gold and the valuables to England.

In turn, my father received the instruction to place the deposits – above all, the banknotes – in a small branch of the Banque de France in Pamiers. I know that my father delivered them there. And that is when my father's banking activities ended.

The whole of our family travelled to Nice, though I do not know why. All my family lived there for three years. The first years spent in France were very "hungry". The French conducted a departmental policy



From left: Henryk Mikołajczyk, father, Andrzej – author of the memoirs, mother Maria Mikołajczyk, sister Marysia, Zdzisław Piątkiewicz, sister Barbara. Beach in Normandy, 1940.

Photo: Family archives of the author.

as far as food supply was concerned. And we ended up in this department where there was nothing but flowers and rose oil – and so there was trouble obtaining food.

Meanwhile, one of the bank's employees turned up, Mr Zdzisław Piątkiewicz, a legionnaire with the rank of major, and together with other Poles in France he began to organise aid for his countrymen who wanted to fight. France at that time was divided in two, the south was under the government of General Pétain. Piątkiewicz organised the evacuation of people from France through Spain.

These people undertook to pass on information in England about what was happening in France, e.g. about the German troop movements. This prompted the formation of an intelligence organisation named Réseau F2, in other words Network F2, the embryo of which was created by Poles. As has been written in French material, the French didn't have a clue about underground activity, because they had never had a need for it earlier. The Poles were experienced from decades of various occupations of their country. This movement formed in 1942. Piątkiewicz, who was the head of the organisation at the beginning, was looking among his colleagues from the bank for co-workers to be active. The majority of the people who found themselves in France at that time participated in this activity. From 1942 my father also took part in the resistance movement. He dealt with encryption. In the meantime there was a serious setback in the organisation. A number of people were arrested, perhaps even killed. My father decided that we should move to Chambéry, in Savoy. And it was there that we survived till the end of the war.

In 1944 my father made contact with the management of Bank Polski and was delegated to Pamiers, where the bank deposits were placed. He was instructed to put them in order and prepare them for transport to Poland. The negotiations with the French ended in success and it was possible to transport the gold to Poland. The management of Bank Polski believed it was its duty to return the gold to Poland.

My father considered whether to return to Poland or not. By then it was already more or less clear what the situation there was. Most Poles stayed in France or the United States. Their lives followed various paths. Recently I was contacted by a thirty-something-year-old man who is trying to piece together the history of his grandfather, Edmund Spychalowicz, one of the bank employees. He is a French journalist, and is looking for various sources which could tell him more about those times. Among other things, he got from Banque de France all the correspondence with my father on the negotiations for the return to Poland of the deposit



From left: Jeanne Baffourd, the author's mother Maria Mikołajczyk, behind her Marysia, the author's sister, Halina Gąsiorowska, the author's father Henryk Mikołajczyk, behind him Zdzisław Piątkiewicz and Bolesław Kaliszuk – employees of Bank Polski SA, the author's sister Barbara, behind her the author of the memoirs. Chambéry, 1945.

Photo: Family archives of the author.

that was made in the branch of the bank in Pamiers. It wasn't the case that it was quickly arranged. The negotiations lasted almost two years, from the middle of 1944 to autumn 1946.

Finally the green light was given and we returned to Poland by rail transport in goods wagons. There were two wagons filled with various valuables. I know that my father was still wavering whether to stay or return, but he was responsible for that cargo. He said: *I took it out of Poland, I have to take it back* – and we returned. I don't remember whether other families returned. In Warsaw I was enrolled to "Maria Konopnicka" School, which was housed in the building of the post office on Nowogrodzka Street, on the last floor. The building was guarded like crazy at that time because it was the centre of communications and a few times I didn't manage to enter the school. I had quite a "lousy" surname, Mikołajczyk (the same as Stanisław Mikołajczyk, Prime Minister in 1943-44 who opposed Stalin's plan to set up a Communist government in postwar Poland). Once the sentry with a rifle who was guarding the building said: *Mikołajczyk? I'm not letting Mikołajczyk in*. Meanwhile, my elder sister, who had got engaged in France before our return, got married and settled there. Now her daughters are beginning to search for their Polish roots.

After our return to Poland my father went back to work in the bank. Probably in 1947, he was delegated to bring back the gold from Bucharest which had been deposited there. Happily it succeeded. My father told us about his return journey. He flew by plane, in a "Dakota", in which there was one large space, with the pilot's cockpit not separated from the hold. And there was the gold, too. I don't know exactly, whether there were three or four tonnes of gold. Then at one moment as they were flying over the Carpathian Mountains, one of the engines began to sputter. My father didn't worry about it too much, but after a while he looked at the pilot and saw how the sweat was running down his face. He imagined how the highlanders would gather the bars of gold from the bushes if they crashed. But they made it back safely.



From left: the author's siter Barbara, the author's father Henryk Mikołajczyk, Jeanne Baffour-Krauze and her husband Jerzy, the author's mother Maria Mikołajczyk, Halina Gąsiorowska, the author's sister Marysia, Bolesław Kaliszuk. Chambéry, 1945.

Photo: Family archives of the author.

I have a few souvenirs from those times, especially from France. I also have a few photos of my parents, sisters, my French teacher, Jeanne Baffourd (she married a Pole, Mr Krauze, a radio technical engineer who built transmitters for the resistance movement), besides that, my father's co-workers who came to France, Mr Piątkiewicz, the founder of the resistance movement in France.

It has to be admitted that Bank Polski's gold was very lucky. It was thanks to the Polish bankers, who showed great loyalty, decency and commitment to the institution in which they worked. After the war – when attempts were made to recover all of the gold – it also required great knowledge in international legal regulations. But they felt such a need, they treated it as their duty to ensure the return of the gold, to bring everything back, despite many of them losing their positions and being persecuted by the communists.

Jan Dreżewski

My wanderings with gold Lviv-Bucharest

It's the year 1939; the last holidays before the war. The place is Jamna on the Prut river, three train stops past Jaremca and three before Worochta. Me and my mother were staying at our friends' guest house. It rained relentlessly all through the month. We, the kids, did not mind it that much; the only problem was you couldn't take a trip to the riverside. The Prut had swollen, threatening to tear down the bridge at the village. But on the rare sunny days one could take cycling trips. Down the road, along the river valley, to Worochta or its surroundings.

The conversations, especially at the table, revolved around the imminent war. In fact, war had loomed large in people's conversations ever since the spring. The war seemed unavoidable. I didn't like what I was hearing. War. The word filled me with anxiety, dread even. Those bombs which could destroy whole houses, those air raids, those other terrifying things the teacher at school sometimes talked about. The papers wrote about them, too. In the heart of the little boy that I was it inspired fear. I saw those crumbling houses in my mind.

The papers used to come on the morning train from Lviv and were presently delivered to the guest house. On the 26 of August the arrival of the papers caused uproar. The Ribbentrop-Molotov Pact. Germany had signed a pact with the Soviet Union. People knew almost instantly what it meant. My mother decided we should go back to Lviv on the afternoon train. The word "war" was buzzing around everywhere. I did not quite grasp the gravity of the moment. One way or another, the holiday was coming to an end. I was kind of looking forward to going back home. I would meet my friends, school would start, there would be stuff to tell the others.

We packed on the fly and got to the station early in the afternoon. The bike was checked in. We reached Lviv before the evening. The true war was still a faraway thing for us.



*Jan Dreżewski on holiday before the war.
Photo: Family archives of the author.*

On 1 September I went to the station early in the morning to pick up the bike that had been sent as baggage. On my way back I ran across a friend who declared calmly: “The war is a fact”, which did not make a particular impression on me as the word “war” had been tossed around for days. I was more worried that the pump had been stolen off my bike. It wasn’t until around eleven o’clock, when I got home, that my mother told me already at the door what had happened. Germany had invaded Poland. The war had started for real.

The first days of war: nothing much actually happened in Lviv. Information was scarce. The bulletins on the radio did not give enough detail and were accompanied by some mysterious coded messages. On 3 September Britain and France joined the war, raising hopes that it would possibly end soon. A relative arrived from Katowice carrying one small suitcase. He had left the rest behind, an entire flat full of belongings. From him we found out that Katowice had been bombed on the first day of the war and then promptly seized by the Germans. Later people talked about Westerplatte having surrendered but Hel still resisting, about German troops advancing rapidly eastwards.

My father, Marian Dreżewski, had “always” worked for Bank Polski; earlier he had been with the Polish National Loan Office. At that point, in 1939, he had served two years in Warsaw, holding a high-ranking position in the four-member audit office.

The Bank’s branches had been evacuated to Lviv to escape the German troops, with a view to a possible further evacuation towards the Romanian border. All the Polish bullion, cash, securities and other documents had ended up in Lviv. There was a massive convoy ready for a further trip to Romania, which was a neutral country, should the situation require it.

The war, as it was unfolding, was completely beyond our comprehension. After Britain joined the war and then shortly after, France too, people talked about an offensive starting soon from the French border, which would force the Germans to withdraw. Everybody was anxious to see this happen, but the Western front remained quiet.

The truth of the matter is that nobody was really prepared for the war. And after the rainy August, September was exceptionally dry, which helped armoured troops advance rapidly into the country.

My father arrived in Lviv with the Bank. Later I was to find out that he was in charge of the bullion convoy.



Jan with his father.
Photo: Family archives of the author.



Jamna on Prut – guest house. The last holiday before the war, August 1939.
Photo: Family archives of the author.

German troops closed in on Lviv on 12 September. From the morning my mother, my sister and I sat in the shelter on the premises of the Bank, equipped with gas masks. The hours dragged on. We were completely in the dark about the situation. Late in the afternoon, the German attack on Lviv started; shots and explosions could be heard in the distance.

The Bank's convoy consisted of dozens of lorries, cars and buses. The gold, the securities, the Polish and foreign banknotes, various documents – there was everything, from all the branches, from all over Poland, except for Vilnius, Gdańsk, Gdynia, and – I think – Poznań.

I wasn't particularly worried. I was expecting adventure, wasn't I, something I loved just as much as traveling. An adventure that would last a few days or weeks, great fun, an extension of the holidays. There was shooting and explosions, German troops were already in the suburbs, had captured the main railway station, and were close to the Technical University and St. Elisabeth's church. After that everything went quiet. Sosnkowski's army had thrown back the Germans almost as far back as Przemyśl, as I later found out. The Bank was ordered to leave Lviv and make for the Romanian border. Destination: Śniatyń.

It was decided that I would follow my father; mother saw me off to the bus in the night. I was 12 years old, so I was put in the care of two brothers, a 16- and an 18-year-old, sons of my father's colleague. Saying goodbye to my mother... My sister had stayed in the shelter. Father was not present, I didn't see him at all, he was busy with his bank matters. Who would have thought that I wasn't going to see my mother again for six years? That I would see my sister only twice in my life again? And that I would never again see Lviv, the town of my childhood?

The bank convoy set off on the Tarnopol road, the one running by Lychakiv – late in the night. Our bus followed the same route. At the Lychakiv hill, where the road starts to descend, I looked back as the city receded into the distance, lit with the glow of a few burning buildings. After a while, everything disappeared. I didn't have the faintest idea that it was the last time I would see my town.

A dark road crammed with horse-drawn wagons, cars and people carrying bundles, all fleeing eastwards, and our bus squeezing through the throngs. I slept a little. In the morning the bus stopped in Tarnopol, parking in one of the town's avenues under huge trees which protected us from being seen from above – from the planes. The convoy had broken up along the way, everybody made their own way in the mass



*Jan Dreżewski on the balcony
of his apartment in "Dom bankowy"
at 25 Krasieńskiego Street in Liv.
Photo: Family archives of the author.*

of refugees. I searched for my father. He was supposed to travel in one of the lorries, the one with the gold. It turned out though that due to poor communication, part of the convoy had gone on without stopping in Tarnopol. Our driver knew nothing, he had only been given our destination, which was Horodenka – and after that Horodnica – on the Dniester river. The ultimate destination for the Bank was Śniatyń on the Romanian border, where the convoy was to wait for further decisions depending on the situation on the front. We had been told to wait in Horodnica, not far from Zaleszczyki.

The next night our bus reached Horodenka, then went on to the village of Horodnica on the Dniester, where we were to wait to possibly go back should everything calm down. Zaleszczyki was in plain view from that place. We were put up for the night in the houses of peasants'. The three of us were accommodated together; the farmer's wife made the room ready for us and fed us. It was kind of fun: the sunshine, the river, the friendly village, "the holidays". The day was 14 September. For the time being, we felt safe, far from the war, waiting for it to end so we could go back home.

The Dniester could be crossed by ferry, which was a flat-bottomed, rectangular boat moving along a steel rope stretched across the river. The fare was 10 grosz. Once we made the trip to the village on the other side to get some watermelons which also cost a few grosz. I got two. On the way back we were caught up in a terrible storm, a downpour, it was getting dark, we barely managed to get to the ferry. Along the way I abandoned one melon, then made a sack out of my shirt and carried the other in it. We called out long before somebody came to pick us up so we could get back to our cottage. The landlady served us some hot food, which made us feel happy. Who would make a big thing out of our little troubles at such a time?

On the third day we heard a horrendous noise, a terrible din, something like chains screeching. My companions ran down to the Dniester to see what was happening. The "elders" of the convoy waited for them to return, full of anxiety. It was the evening of 17 September. The boys came back running: tanks had passed through the village. A column of tanks had passed. What tanks? Nobody knew. Then everything went calm and quiet. We went to bed. In the morning, at dawn – I think it was 5 o'clock – our landlady rushed in, terror in her voice: "Get up, get up, the world is coming to the end, what will happen now? What will happen? Something terrible is happening!"



*The village of Jamna and the river Prut.
Photo: Family archives of the author.*

We jumped out of our beds. The whole group had already gathered in counsel. On the wide, stony beach on the Dniester there were Soviet tanks. Those of us who had more courage – out of the people who had lived under Russian rule before independence and thus spoke Russian – went to do some reconnaissance. The urgent question was whether the Russians had come to help us with the war or fight us. They invariably responded: “We have come here to free the brotherly Ukraine”. It was the morning of 18 September.

This declaration was not received with confidence by our group’s elders; neither did it help our morale. They called a meeting and decided; our time was measured, we were heading for the Romanian border, at once, to reach the border crossing barely a few kilometres away; every minute seemed precious now. We set off. I only took my knapsack and gas mask with me; I left the watermelon behind, as it would be too much of a burden. The next thing I knew was that we were moving along the border, led by a soldier from the Border Protection Corps. I talked to him, feeding him stories from school; talked about this and that. I whistled a tune then very popular and he recognised it as “Donkey Serenade”. We burst out in laughter. The mood was relaxed, even though only two or three kilometres away we could see Russian tanks. It was hard to know what would happen next. Deportation to Siberia was on everybody’s mind, suddenly it was remarkably close.

Finally, the border crossing. The Romanian officials said that it was open until ten and told us to wait for it to open again on the next day. Our elders entered into a process of bargaining, negotiations, probably supported with a more substantial argument of some sort. In the end, we were let through and found ourselves in Romania at some small railway station; from there, the “luxtorpeda” train was to take us to Chernivtsi. Everybody knew that in case of emergency, our next assembly point was Chernivtsi. The Bank was to originally await further decisions in Śniatyń. However, nobody had anticipated the Soviet threat. Long-drawn discussions with the authorities were resumed, they wanted to send us to a transit camp for refugees. On hearing this, the leaders of our group decided to set off at once, on our own account, before we were picked up and taken away to God knows where. Chernivtsi was some forty kilometres away. So the men went to the village and got the local farmers to take us to Chernivtsi in their wagons.



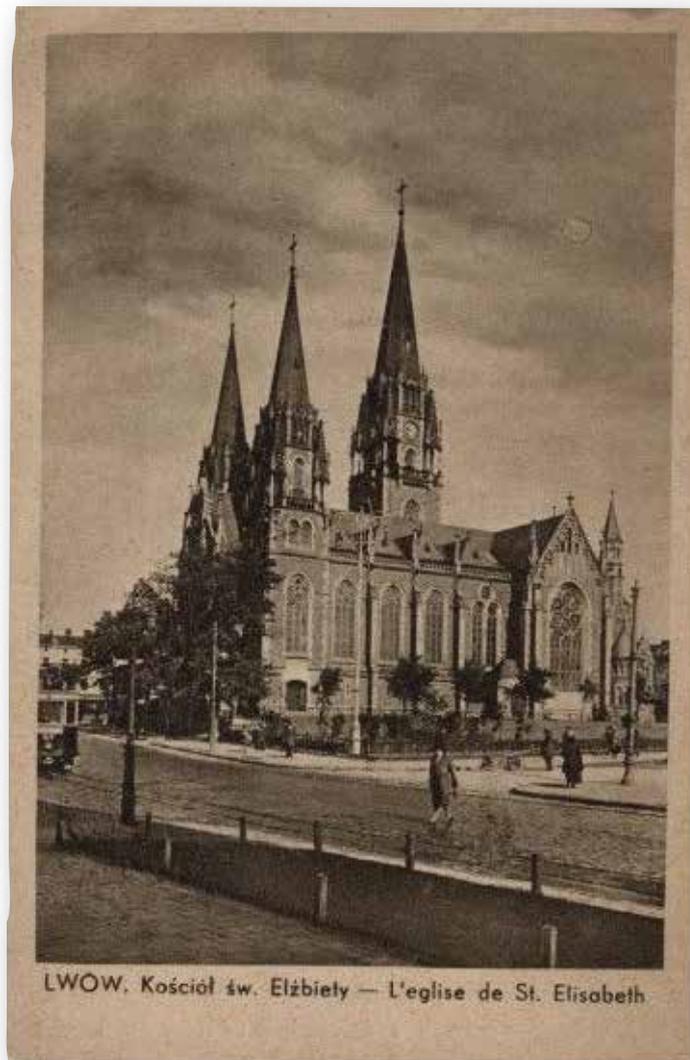
*Bank Polski SA, Branch in Lviv.
Photo: NBP collection.*

The road was muddy, the boys kept running from wagon to wagon, played tricks, occasionally falling in the mud. The adventure continued. We spent the night in a farmer's cottage by the road. There I abandoned my gas mask, left it behind a chest of drawers. I didn't know why I was carrying it or what it was for. However, I began to get anxious. I was far away from home. Father was not around. This was a foreign country. The only consolation was that I was given decent care and got moral support. Especially from the two brothers. Alright. So I had escaped the war – but what now?

Late in the afternoon of the next day, as we were passing through a little town, I picked up some disquieting news. The Romanian police had taken an interest in us. There was again talk of internment and a refugee camp. Some negotiations were being held. And then, out of the blue, the bank bus arrived. It was on a search for us, trawling the villages and towns in the area and the roads leading from the border. Somebody had rightly reasoned that we had probably crossed the border and if this was the case, we had better be found as soon as possible. So the buses had been sent to look for us. The town was small and I came across one right away. The driver said only this: "Sit behind my seat, don't let yourself be seen, we'll make it somehow". The intervention at the government level, the negotiations, the phone calls to higher authorities had finally worked and the whole group ended up in the bus. We headed for Chernivtsi. It was getting dark. Night had already fallen when we drove into the vast courtyard of the barracks which the local authorities had put at the Bank's disposal. The entire convoy had already gathered there.

The bus stopped, the doors opened and before anybody managed to stir, I heard my father's tense voice: "Is Jaś Dreżewski on this bus, by any chance?". It was seven days since we had left Lviv. I was happy. I had found my father.

On the morning of 21 September the bank convoy set off for Bucharest, which was some 500 kilometres away. This time I travelled together with my father, in the lorry carrying the gold. There were four or five of us. The weather was glorious. People told each other stories about the events of the past few days. How on 17 September at 5 o'clock in the morning, while stationed in Śniatyń, the Bank received the order to cross the border immediately. About the war that was going on but perhaps would end soon after all; about France and Britain, we were completely in the dark. The news coming from the regions conquered by the Bolsheviks was not good. People also talked about the two million zlotys in 500-zloty notes that had been stolen from one of the lorries on the last night in Chernivtsi. Under present circumstances the act was futile,



*Lviv remained but a memory, as in the song "Defenders of Lviv":
On a rainy and dreary day / they go up from the citadel
Rows of Lviv children / to roam around the world
Alas from the distance you can see / the spire of St. Elisabeth*

.....

*Maybe I'll manage to return safe and well
and I'll see the town of Lviv.*

Photo: Postcard from the author's collection.

of course, unless the war should end soon, which didn't seem likely. At some point of our journey we saw 500 zloty notes scattered on the road. They had probably been stashed in the undercarriage of a car and some of them had fallen out. I was sent to pick them up; I found several dozen, I think. A new adventure for me; now that I was with my father, I had no worries, there wasn't even time to worry. Bank Polski had managed to flee the Germans and the Bolsheviks. All of the gold had been successfully evacuated.

In Bucharest we were lodged in one of the hotels in the centre of the city. The gold was deposited in the vaults of the National Bank of Romania and so was the cash, the foreign exchange and the securities. The hotel reserved one restaurant room for our use; that is where we had our meals. The Directors of the Bank were allocated separate offices and a conference room at the Romanian Bank. The clerks and the directors resumed their duties. So Dad disappeared after breakfast and returned only in the evening, in time for dinner – just like many other Bank workers.

The Bank bought a typewriter from my father – a modern, portable one – to use for its activities. They paid him 23 dollars in gold. It was the only time I saw gold coins still in circulation. A twenty-, a two-, and a one-dollar coin.

The young people were completely free to do what they wanted. The hotel had become our territory, we were found everywhere and were tolerated without objection; after all, the Bank was no ordinary client. The German language was banned from our contacts with the staff. Even though I was able to communicate in that language, I learned my first few words of French – “cinquante trois”, which meant 53. When I asked for the key at the reception, I had to be able to say the number of the room. The hotel was like a home to us. We bribed lift boys with silver 2-zloty coins to give us rides in their old-fashioned lifts. We walked around the city, to its vast parks, where one could go boating on the ponds, under the bridges. The city was truly beautiful; it wasn't dubbed the Paris of Eastern Europe for nothing.

Father also told me about various events at the Bank and in the world. Poland had surrendered. Warsaw had been taken over, there were no movements on the part of the allies. He told me that the Germans had had detailed information about the Bank's evacuation, about the gold and all the rest. They were leaning heavily on the Romanians about the gold. Romania was a neutral country and for the time being we were not threatened. But how long could they resist?



Bucharest – centre.

Photo: Postcard from the author's collection.

At one stage it was decided to sneak the gold out of the vaults bar by bar, but the attempt was thwarted at the third bar. The idea had been insane – how could the gold be stored and taken out of the country? There were no consequences, though.

Two months on, the situation had deteriorated. The war continued, but nothing had changed. Decisions had to be made. The Bank discharged from duty all those who wished to leave Romania. Those who left got a severance payment of nine monthly salaries, in different currencies. My Dad was paid in dollars, which allowed us to make it through the war somehow. Those who had been paid in guilders or francs lost everything in the spring of 1940. Where were we to go, though? My Dad and one of his colleagues from the Bank decided to go Yugoslavia to explore the possibility of settling down there – on behalf of those who might choose to do so. Romania had started yielding more and more to German pressure and it was high time to get out of there. Yugoslavia was in a better position. And so we went to Yugoslavia, to Belgrade, then to Ljubljana. From there we were to go to Angers in France in spring 1940, where the bank had organised the head office of Bank Polski for the duration of the war. My father had been offered a chance to return to the bank. Nobody could have guessed that France would fall shortly.

And so we stayed in Yugoslavia, then in Serbia when the Germans invaded Yugoslavia in April 1941, until the end of the war. In July 1945 we returned to Poland. My father to the bank, to the branch in Łódź, to his former pre-war post. I to my mother, who had managed to escape from Lviv just in time. But this is a completely different story.

*Fragment of a story by Jan Dreżewski:
“The year 1939. Memoirs from my childhood and the evacuation of Bank Polski”*



Bucharest – university.

Photo: Postcard from the author's collection.

Bruno Livertoux

With Polish gold to France – my grandfather's journey

My grandfather Edmund Spychałowicz was born on 22 September 1902 in Keula, a small industrial town in the German Reich, some one hundred kilometers north-east of Dresden. At this time, Poland had been erased from the political map of Europe for over a 100 years. His parents came from Ostrów Wielkopolski and Poznań. In the town of Keul my grandfather's father worked as a foreman in the Keulahütte iron foundry.

My grandfather had a happy childhood, but when he was a teenager, he lost his parents. In 1918, together with his three sisters he was taken in by an aunt who lived in Wronki.

At the end of the war, the Germans offered him a scholarship provided he adopted German citizenship. My grandfather refused and chose Polish citizenship.

In the summer of 1920, when he was just 18 years old, Poland began to recover from the ruins of war. As a volunteer, he joined the 215 Volunteer Cavalry Regiment to fight on the Russian front. Two months later, he got wounded and was sent back to Poznań.

In the autumn he enrolled at the Karol Marcinkowski Senior High School in Poznań, from which he graduated in June 1921. Then, he enrolled at the faculty of law and began to look for odd jobs to finance his studies. In this way, he joined Bank Polski SA in Poznań, where on 10 April 1923 he was officially employed as a bank employee.

From 1928, after work, my grandfather used to attend evening classes at the School of Commerce. He graduated and was awarded a business studies diploma with honors. He continued to work at Bank Polski SA in Poznań until September 1936, coming up through the ranks of the Bank's hierarchy. In September 1936, he was appointed director of the Giro and Intermediary Services Division at the Bank's head office. Thanks to his knowledge of German and French, he travelled to many European countries. These were the best years of his professional career but Hitler's coming to power raised the spectre of war. On 30 August 1939, when the country called for a general mobilization, Bank Polski SA assigned him the function of Proxy.



*Edmund Spychalowicz during the 1930s.
Copyright: B. Livertoux.*

In the morning of 1 September 1939 the German troops invaded Poland, heading for Warsaw. At the head office of Bank Polski, in great agitation, my grandfather with all other employees packed gold bullion bars and bank records. Everything was loaded onto requisitioned trucks and buses.

In the morning of 5 September, he called his wife from the office to tell her to quickly pack her suitcase and come to the bank with their two children, 5-year-old Maria and 3-year-old Krystyna. It was originally arranged that employees who were leaving with the convoy were allowed to take their families. But later in the day the whole plan fell apart: only those who owned a car could take their families along with them. Having never owned a car, my grandfather was forced to leave his wife and two children in Warsaw, thinking that it might be the last time he would see them.

My grandfather left with the convoy of buses and trucks a few hours later, on the night of 5 to 6 September. He left the convoy only after having arrived to France, a month later. At that time, my grandfather did not know that it was to be the last time he would see his homeland.

On 13 September, in the small town of Śniatyń, on the border with Romania, the Warsaw convoy was regrouped with the convoys from Brześć Litewski and Zamość. A total of 1 091 boxes of gold bars and 95 bags of coins were reloaded. All valuables and documents of Bank Polski SA were finally brought together. The Romanian authorities gave their permission for the convoy to go through the territory of Romania provided it did not stop. The boxes were immediately loaded onto requisitioned train wagons and the convoy left immediately for Constanta, on the Black Sea.

My grandfather and the convoy went across Romania and the Black Sea coast, Turkey, Syria, Lebanon and the Mediterranean coast.

On 23 September, at 7 p.m. the convoy arrived at the port of Beirut. Boxes and bags were loaded onto three French cruisers: *Emile Bertin*, *Vauban* and *Épervier*.

The cruiser *Emile Bertin* left the port of Beirut on 23 September 1939.

The cruisers *Vauban* and *Épervier* left a little later, on 2 October 1939. They reached the port of Toulon in France on 6 October. The gold and documents were immediately loaded onto the train wagons escorted by



*Bolesław Kaliszuk – employee of Bank Polski SA with the daughters of Edmund Spychalowicz: Krystyna and Maria. Nice, 1942.
Copyright: B. Livertoux.*

the French soldiers. Then my grandfather went to Nevers in central France, where he participated in the unloading of the cruiser *Emile Bertin*, which arrived a few days later.

Warsaw surrendered to the Germans on 28 September 1939. On the following day, at the Polish embassy in Paris, Władysław Raczkiewicz was sworn in as the new president of Poland. General Sikorski was appointed Head of the Government.

In Nevers, my grandfather and his colleague met with some employees and the management of Bank Polski SA. The gold, documents and records were then safely stored in the vaults of Banque de France, in Nevers and Angers.

Stanisław Orczykowski and Władysław Bojarski were appointed managers of the vault in Nevers and Henryk Mikołajczyk and Zdzisław Piątkiewicz were appointed managers of the vault in Angers.

On 22 November 1939, Prime Minister Sikorski and President Raczkiewicz left Paris for Angers. A few days later, Tomasz Kuźniarz, Waclaw Zubrzycki and Edmund Spychałowicz were officially appointed first-grade officials at the Ministry of Finance.

Once in France, my grandfather moved heaven and earth to get news of his wife and two daughters, who remained in Warsaw. He finally managed to get in touch with them in January 1940 and bring them to France via Germany, Austria and Italy. The reunion took place at the end of February, in Paris, on a platform of la Gare du Nord. Reunited, they settled in Angers in the early summer only to soon get caught up in the war.

In May 1940, after having invaded Belgium, the Nazi troops swept into France. The Polish government and the management of Bank Polski SA left Angers on 16 June 1940, withdrawing to the south, near Bordeaux, waiting for departure to Britain.

In Nevers, a week later, Stefan Michalski and Stanisław Orczykowski supervised the transfer of the Polish gold to the military port of Lorient on the Atlantic coast. On 17 June 1940, in Lorient, the Polish gold together with the Belgian gold was loaded aboard the cruiser Victor Schoelcher. Stefan Michalski and his son boarded the ship to supervise the journey. Initially, the cruiser *Victor Schoelcher* was to transport the Polish gold to America but the ship was diverted at the last moment to Dakar after a short stopover in Casablanca. The gold was stored in the Dakar region until March 1944.



*The warship Épervier, on which the gold was transported from Beirut to Toulon, October 1939.
Copyright: B. Livertoux.*

On 4 June 1940, my grandfather and the team of Henryk Mikołajczyk arranged the transfer between Angers and Lourdes of 10 tonnes of valuables and materials belonging to Bank Polski SA and the Ministry of Finance: banknotes, contracts, accounting records, vouchers and 55 gold bars. Two weeks later, in Lourdes, everything was loaded again onto two train wagons going to the vaults of Banque de France, in Pamiers, a town south of Toulouse.

The armistice between France and Germany was signed on 22 June 1940. The day before, Prime Minister Sikorski and President Raczkiewicz fled to England. The management of Bank Polski SA joined them a few days later aboard a British ship which sailed out of Pointe du Grave.

My grandfather was also supposed to leave for England but, just like Henryk Mikołajczyk, Zdzisław Piątkiewicz and Bolesław Kaliszuk, he failed to get aboard the British ships. They got stuck in France, hoping to reach England one day via evacuation routes going through Spain and North Africa.

In August 1940, my grandfather and his family (settled in Lourdes since June) moved once again, this time to Nice, near the Italian border. In Nice, my grandfather got reunited with his colleagues from Bank Polski, Henryk Mikołajczyk, Zdzisław Piątkiewicz, Franciszek Machowicz and Bolesław Kaliszuk. A few months later, they all joined the resistance movement, engaging in the F network that would later become the F2 network.

The network brought together the French and the Poles who failed to reach England. This was an apolitical network uniting civilians and soldiers. This resistance network was active until the end of the war and managed to forward to London an impressive amount of information about the positions and movements of the enemy troops in France.

In January 1943, Zdzisław Piątkiewicz became leader of F2 resistance network until the network got dismantled on 30 September 1944.

Henryk Mikołajczyk, Bolesław Kaliszuk and my grandfather worked with him during that time. Henryk Mikołajczyk headed the encryption office (sending messages to London), Bolesław Kaliszuk used to hide and install radio transmitters and my grandfather was a liaison officer of Zdzisław Piątkiewicz. On several occasions, the Gestapo almost unmasked them but each time they managed to slip away.



*Lourdes. Edmund Spychałowicz (second from the right) with colleagues from Bank Polski and the Minister of Finance, December 1939.
Copyright: B. Livertoux.*

In March 1945, the management of Bank Polski SA asked Henryk Mikołajczyk, Bolesław Kaliszuk and my grandfather to go to work in a branch of Banque de France in Pamiers. They were supposed to do the stock-taking of the 10 tonnes of materials that had been stored in a rush at the end of June 1940. For several months, they would open the bags and boxes, take out and sort each archive. Tadeusz Sołowij joined them in August 1945. Once sorted and catalogued, the materials were back in Poland in October 1946. Henryk Mikołajczyk and Bolesław Kaliszuk then decided to return to Poland.

Zdzisław Piątkiewicz settled down in London. My grandfather decided to stay in Pamiers with his wife and four children.

In France, my grandfather remained unemployed and without income until 1947. His situation was difficult. Although he was out of work in France, his family and relatives in Poland strongly advised him against coming back to his homeland as the communists in power would treat him as a supporter of the English and the Americans.

Due to financial difficulties, my grandparents eventually decided to return to Poland in May 1947. Train tickets were already purchased and their luggage ready when a few days before departure, my grandfather was finally offered a job as a bookkeeper for the steel plant in Pamiers. He worked there until his death on 7 October, 1964.

Former employees of the plant remember my grandfather. They say he was a straight man, they greatly appreciated him.

My grandfather knew that after his death his wife would get no survivor's pension for the 16 years he worked at Bank Polski SA (1923-1939). In order to supplement his modest income, he used to do translations for the plant.

My grandfather died without having a chance to see his country, despite all he had done for it.

The memory of my grandfather, like that of many of his colleagues – former employees of Bank Polski SA, faded amidst general indifference and at the absence of any gratitude on the part of his homeland.



Henryk Mikołajczyk (on the left) and Zdzisław Piątkiewicz – employees of Bank Polski SA sent to work in Pamiers in France, March 1945.

Copyright: B. Livertoux.

In 1953, my grandparents and their six children (two of whom were born in Pamiers) were granted French citizenship. My grandmother died in 1982 in Pamiers. She visited Poland on two occasions. Today, their children live in France, Algeria and Egypt.

Bruno Livertoux – born in 1974, France. Journalist and producer of documentary films. Domiciled in Brussels. For four years he has been doing research into the Polish evacuation of gold to France and the activity of F2 network of French-Polish resistance movement. He plans to make a film on both these topics.

Photos: Copyrights B. Livertoux. All rights reserved.

4

1949

PRACOWNICY BANKU POLSKIEGO
którzy uczestniczyli w transporcie złota
z Konstancy do Francji.

1.	Bojarski	Władysław
2.	Godlewski	Wincenty
3.	Górka	Jan
4.	Jankowski	Jan
5.	Jasiński	Stanisław
6.	Kaliszuk	Bolesław
7.	Kakolewski	Marian
8.	Kuźniarz	Tomasz
9.	Matukiewicz	Władysław
10.	Orezykowski	Stanisław
11.	Rdzanek	Władysław
12.	Romański	Józef
13.	Sidorowicz	Witold
14.	Skrzypek	Wojciech
15.	Spychałowicz	Edmund
16.	Wysocki	Teoduz
17.	Zubrzycki	Wacław

List of employees of Bank Polski SA
participating in the transport of the gold
from Constanta to France.
The Central Archives
of Modern Records in Warsaw.





Gold without secrets

Magdalena Ogórek interviews

Donald Malicki, Director of the Foreign Exchange Department

Gold without secrets

Magdalena Ogórek interviews

Donald Malicki, Director of the NBP's Foreign Exchange Department

What is it about gold that makes it such an attractive bullion investment?

Gold is a very interesting metal, it is virtually indestructible. Its melting point is about 1060 degrees Celsius, while the temperature at which it turns into a gaseous state is about 2850 degrees. In normal conditions these are values that are practically unobtainable.

Gold is the most malleable and ductile of all known metals. From one ounce of the metal, in other words a very small piece, one can roll a wire almost 80 kilometres long or beat a sheet with an area of over 9 square metres!

Depending on the degree of contamination, gold can have various shades. This metal is described by means of two measures: carats and ounces. Carat signifies the purity of the gold. The purest gold has a value of 24 carats, in other words 1000 “units” of gold per 1000 – in practice it is rarely achievable, because it is always accompanied by a dopant, e.g. palladium, platinum or silver.

However, the weight of gold is measured in ounces. This convention originates from the ancient world, from the Middle East, and was adopted by the British Isles during the Roman Empire. The very name, *troy ounce*, originates from the city of Troyes in France, where fairs were held in the Middle Ages.

It is assumed that from the beginning of history approximately 180 thousand tonnes of gold have been mined, which is more or less the equivalent of a ten-storey building.

How much gold do the central banks now possess?

In total, their stock accounts for approximately 30 thousand tonnes of gold. Before the period of universal demonetization of gold (1990–2000) central banks had in their possession approximately 32 thousand tonnes.



*Gold vault of the Federal Reserve Bank of New York.
Photo: Wikipedia Commons/Federal Reserve NY.*

The United States, Germany and the International Monetary Fund had the most. Italy, France and Switzerland had only slightly less. Narodowy Bank Polski possesses a total of approximately 3 309 thousand ounces, in other words, approximately 102.9 tonnes, which constitutes around 4% of our foreign exchange reserves.

In the middle of the 1990s central banks began to sell their gold – fears began to grow on the market that this phenomenon would get out of control. One should take into account that the annual gold production is on average between 2400–2600 tonnes, therefore if someone suddenly sold, for example 500 tonnes, this would be a huge supply shock to the market.

What happens in such a situation?

The price of gold bullion falls dramatically. That is also why in the 1990s we observed a fall in the price of gold. From an average price of 380–420 dollars per ounce in the 1980s, in August 1999 – as a result of sell signals – the price fell to almost 252 dollars per ounce.

In order to prevent the negative price tendencies related with, what was for the market, the unclear intentions of the central banks, 15 central banks signed the *Central Bank Gold Agreement* in September 1999.

What did this agreement bring?

The central banks still signalled that they would sell gold, but that they would limit the sale to a certain pool – 2 thousand tonnes in the space of 5 years, in other words, 400 tonnes per year. In the next agreement, between the years 2004–2009, this pool was increased to 5 thousand tonnes, in other words, to 500 tonnes per year. In the years of the first agreement, the total sale of gold reached its maximum level; however, during the second agreement it reached about 75 percent of the permissible limit.

The result of the falling price of gold was the slow increase in its interest rate. This is a particularly interesting phenomenon since gold is also treated as a raw material, and raw materials as such do not have an interest rate. Meanwhile, gold has one, since it can be used as collateral in various transactions, or to hedge against falling prices, which is usually the main reason for the increase in its interest rate. We call this process *hedging* – producers sell their future production in expectation of a fall in the price of gold or in defence against such a fall. This causes the sale of gold on the actual market and the necessity to borrow gold in order to physically cover these sales. This is a self-perpetuating mechanism – the greater the danger



*Round Mountain Gold Mine in Big Smokey Valley, Nevada, USA.
Photo: Wikipedia Commons/Patric Huber.*

of a fall in the price of gold, the greater the hedging of gold producers, and in turn the greater the need for the bullion, and the greater probability that its interest rate will increase.

When the first agreement was signed by the central banks in 1999 and the producers adopted the *dehedging* strategy (the abandonment of the sale of future production), a period of decline in the interest rate of gold deposits began – since 2005, positive rates have been quoted in principle only for periods of over 12 months. Currently we are dealing with a gradual increase in the interest rate of gold deposits, although still at a very low level, of the order of several basis points, which could be a signal of increased hedging of the producers.

How much gold did Poland possess before 1998?

Approximately 746,463 ounces, of which almost 721 thousand was invested in deposits in commercial banks. In turn, the gold kept in the country was mainly coins, gold bars and various types of gold “scrap” bought by NBP.

The gold kept on the account can have the form *allocated* or *unallocated*. Allocated gold is physical bars of the *good delivery* standard, which are stamped with the factory number, the producer’s stamp, the weight, and the purity stamp. Unallocated gold is a record on an account, which is of course backed by gold, which is stored somewhere else.

Were those 721 thousand ounces of gold that the Foreign Exchange Department deposited between 1990–1998 allocated or unallocated gold?

In the 1980s it was unallocated gold. At the beginning of the 1990s part of NBP’s gold which at that time was used as collateral on the loan from the Bank for International Settlements was released and at that time a *location swap* was probably carried out, in other words the gold reserves were transferred from the BIS account to the NBP account in the Bank of England.

When did NBP decide to buy gold?

In 1998, after the annual meeting of the Management Board of NBP dedicated to management of the reserves, it was decided to set up a commission for the management of gold in NBP. The commission worked for several weeks and had the task of determining what position Narodowy Bank Polski should take on gold: sell,



*Smelting of gold in Sadiola Gold Mine, Mali.
Photo: Wikipedia Commons/IAMGOLD.*

like other central banks, increase its share, keep it abroad, or bring it to Poland. As a result of the work of the commission it was recommended to increase NBP's gold reserves to a total value of 1 billion dollars.

Were there heated discussions?

Various aspects were considered. For example, the price at which gold should possibly be bought was discussed – should it be 300 dollars per ounce or a maximum of 320 dollars. You have to remember that in the case of such a high task, the purchase might not have been completed because the price could have “shot off”. We bought 2 396 000 ounces of gold at an average price of 296.29 dollars and I think that it is something we can be proud of. We bought the gold through one of the international institutions. At the same time, it wasn't that we were afraid to purchase independently, but that we didn't have experience, and such a big transaction – over 70 tonnes – could have influenced the market. Therefore, we used the services of a bank which constantly carries out similar transactions. Next, we made a location swap and the whole of NBP's foreign gold reserves were deposited onto our account in the Bank of England.

Why the Bank of England?

There are a few markets in the world where gold is traded. Sydney and Melbourne are the traditional market of gold producers, Singapore and Hong Kong, like the Middle East, are jewellery-retail markets, say up to 1 kilogram. The Tokyo market serves mainly Japanese institutions, the US market is mainly the stock market. The European market is above all London, as well as Zurich and Geneva. I think at a certain point the Swiss banks, jealously restricting the access of other institutions to the Swiss gold market, themselves reduced its significance. However, the Bank of England participated in creating the infrastructure of the London gold market. The good delivery standard, adopted by the London Bullion Market Association, also contributed to this. Anyhow, just as Warsaw is the place of the final settlement of transactions in zlotys, New York in dollars, and Japan in yen, so London is the main place for bulk settlements, physical transactions in gold.

So London is the best solution as far as depositing gold is concerned?

If I want to deposit gold in allocated form on a liquid market and take advantage of its possibilities, it is good to hold an account in the Bank of England. This bank, according to official data, stores in its vaults approximately 6 thousand tonnes of gold which is the property of dozens of central banks. Central banks



*Gold bars produced by Agnico-Eagle Mines Limited in Canada.
Photo: Wikipedia Commons/Agnico-Eagle.*

store only a little more, 7.5 thousand tonnes, in the Federal Reserve Bank in New York (of which, according to some sources, approximately 4 thousand tonnes is deposited out of over 8 thousand tonnes in the possession of the USA), but the gold stored in this bank is not traded. It is no coincidence, that during the period when the interest rate remained positive for gold deposits, an estimated 5 thousand tonnes was deposited by central banks. It can be assumed that the gold that has been placed on the market at any time is precisely the gold that is held by the central banks in London.

Are there any other reasons why our gold is stored in the Bank of England?

One of the aims of purchasing gold in the 1990s was to obtain an income from storing it – although it was a small income, approximately 40 basis points. As I mentioned, the right place for this is the London market. Since we chose that market, the Bank of England, the central bank, is undoubtedly the most appropriate place to store the gold. We could have also kept the gold in Poland. However, if we had transferred it to Poland, we couldn't have done anything with it. To put it simply – gold in Poland, ignoring its sentimental value, loses value. It has value when it is on a market on which it can be traded.

It is often forgotten why some central banks have a large share of gold in their reserves.

Apart from aspects related to the nature of gold as a traditional component of reserves or diversification, we are also dealing directly with an echo from the epoch of the gold standard. It is not surprising that the central banks of the countries that created this and derivative systems have the largest share of gold in their reserves. By the way, Bank Polski SA was probably one of the last to still support a kind of hybrid form of this system.

Is it a myth that the price of gold rises when there is a crisis?

This depends, of course, on what kind of situation we are talking about. When the USSR invaded Afghanistan, the price of gold almost doubled to over 830 dollars per ounce. However, when we are dealing with an economic or financial crisis, the price of gold falls. In a period of expansion there is excess liquidity, because investors are buying assets and in this way are pushing up prices. During a recession the liquidity disappears, investors are first forced to reduce their purchases and then sell their assets in order to maintain liquidity. Gold has a different correlation and variability than other “investment vehicles”, which explains why



*Super Pit gold mine in Kalgoorlie, Australia.
Photo: Wikipedia Commons/Brian Voon Yee Yap.*

its share in reserves improves the parameters of risk. However, the significantly lower variability of gold compared to other commodities is simply due to the fact that in its case we constantly have a source of supply, stocks are constantly appearing that can be thrown onto the market in case of an increase in demand, and due to the relatively even distribution of producers, there is also no risk of a sudden interruption of supply.

Source: "Jak w Banku"

We wish to thank the following institutions for allowing the use of archive materials in “Bankoteka” and in the exhibition “The wartime fate of the Polish gold”:

**Central Archives of Modern Records in Warsaw
National Digital Archives in Warsaw
National Archives of Romania
Romanian Cultural Institute**



Bankoteka

Magazine of the NBP Money Centre
in memory of Sławomir S. Skrzypek

Publisher:

Education and Publishing Department of NBP

Address:

11/21 ul. Świętokrzyska,
00-919 Warszawa, Poland
Telephone (48) 22 185 91 01
centrumpieniadza@nbp.pl

Editorial Staff:

Stanisław Gorący – Editor

In co-operation with: Marta Dulnicz,
J. Robert Kudelski, Magdalena Ogórek,
Martyna Wojciechowska-Tsobekhia

Graphic design:

Piotr Kotela, Michał Pilecki,
Sławomir Kielbus

DTP and printing:

Drukarnia NBP



Exhibition

The wartime fate of the Polish gold

The main hall of the NBP Regional Branch
Warsaw, Pl. Powstańców Warszawy 4

Exhibition open
from 24 September 2014 to 27 February 2015

Opening hours
Monday-Friday
8.00 a.m. – 7.00 p.m.

Admission free