

NBP

Money Centre
in memory of Sławomir S. Skrzypek

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Bankoteka

HISTORY • ECONOMY • EDUCATION



Wystawa stała / Permanent exhibition

Jesteś tutaj: [Strona główna](#) / [Wystawa](#) / [Wystawa stała](#)

Pieniądz jest centralnym punktem każdej części ekspozycji. Zwiedzanie Centrum Pieniądza NBP rozpoczyna się od narodzin pieniądza i prezentacji pierwszych form, jakie przyjmował w starożytności. Dalsza podróż to spotkanie z pieniądzem monetarnym, a finalnie z wirtualnym.



Ladies and Gentlemen,

On the front cover of “Bankoteka” we have displayed a copper plate which was legal tender in Sweden in the 17th century. This copper money was so heavy and required using such a quantity of (depleting) metal that, besides other economic conditions of Sweden at that time, it forced the decision to replace money made of bullion with paper money. On the other hand, on the back cover we have placed a certificate which is recognised as the first printed banknote in Europe. Its history can be read in the Education section.

Was a 5-million banknote ever used in Poland? You will find the answer to this question in the same section, in the second article, which is the continuation of the article “*Redenomination of the złoty, or how Poles stopped being ‘millionaires’*”.

In the next section, *Exhibits*, we draw attention to an extremely rare one-sided banknote originating from the November Uprising period. As in the previous issues of the magazine, we show where the most interesting of the exhibits described can be found in the NBP Money Centre.

In the *We discover Multimedia* section, we show what is hidden in multimedia in the Exchanges and financial markets room. We convince how rich and interesting the history of individual commodity exchanges is, e.g. those where diamonds, cereals, sugar and coffee are traded.

The Money Centre rooms come alive thanks to our guests, who visit in large numbers from Tuesday to Sunday. School groups make up the majority of visitors. We show one of the groups from a lower secondary school in the photo reportage. You can read how their visit ended in the material *A Story of Bank Street*.

At the end of the magazine, as usual, there is an invitation to a foreign money museum, this time in Amsterdam. The extended, modern interiors were commissioned in the new building of the central bank of the Netherlands in 2015.

I wish you pleasant reading and discovery of the world of money.

Stanisław Gorący
Editor of the “Bankoteka” magazine

Education

The time of the Platmynt and the first European paper money

Sweden – the homeland of the first banknote in Europe [pp. 5-7](#)

Redenomination of the zloty, or how Poles stopped being “millionaires”

5,000,000 zloty – did such a banknote exist? Part II [pp. 8-11](#)



Sweden – the homeland of the first banknote in Europe

After numerous wars in the 16th century and during the wars in the 17th century, Sweden was plunged into a financial crisis. The country lacked bullion silver and gold.

Due to its properties, bullion has proven to be the best means of trade exchange. It is very durable, has a stable value and its small volume facilitates storage, transport and exchange. However, under the conditions of crisis, when Sweden was approaching bankruptcy, the decision was made to increase the quantity of money using copper, which was relatively inexpensive and available in Sweden in abundance.

The first Swedish money produced from the alloy of silver and copper was introduced in 1534, and it was known as the daler. It replaced the silver guilder (Swedish: gulden) used up to that date. In the years 1592-1599, when Sigismund Vasa was the king of Poland and Sweden, hyperinflation boosted in Poland's northern neighbour. At that time, the decision to increase the amount of copper in coins was taken.

As the price of this metal was considerably lower than that of silver, copper dalers had to be much heavier than silver coins with the same denomination. They had the shape of a large square plate – this is where the name platmynt came from. The first plate coins were manufactured in 1644. The weight of 1 platmynt was 19.7 kg and it was worth 10 conversion units called riksdalers. As



*Sigismund Vasa, the king of Poland, Sweden and Lithuania. A portrait by the Polish painter, Marcin Kober 1550–1598
Photo: Wikimedia Commons*



*The MONETARY SYSTEMS room – Platmynts
Photo: NBP collections*



Charles X Gustav, the King of Sweden
A portrait by Sébastien Bourdon of 1652
National Museum in Stockholm
Photo: Wikimedia Commons

central bank, the Risksbank, it was possible to buy a cow for this money. These big coins were mainly used in foreign trade. Other plates, with a weight of over 3 kg, constituted the equivalent of 2 riksdalers. Platmynts became heavier and heavier and finally it was only possible to transport those enormous coins by a horse and cart. Their dimensions and mass made the owners deposit them at a bank, which issued a deposit certificate in exchange.

The minting of platmynts was suspended in 1645; however, it was resumed as early as 4 years later. From 1649, copper coins with lower denomination were also struck – 1, 2 and 4-daler coins as well as an 8-daler coin (a silvermynt). They were used more commonly, however, only in the country.



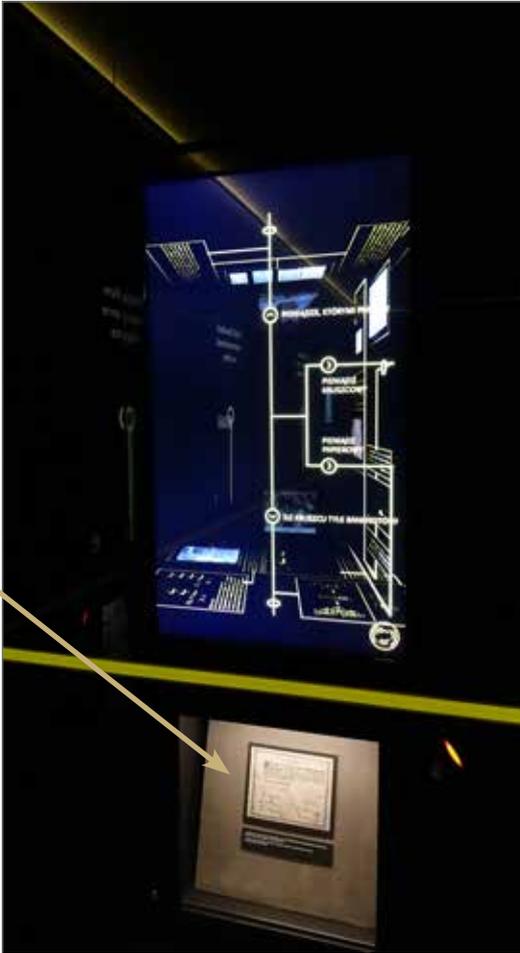
100-daler banknote of 1666 at the exhibition of the NBP Money Centre
Photo: NBP collections

In the meantime, on 30 November 1656, King Charles X Gustav, on request of the Dutch merchant, Johan Palmstruch, established Stockholms Banco by decree. Palmstruch was granted the privilege to operate a private bank in Stockholm. Although Stockholms Banco belonged to the private entrepreneur, the King of Sweden selected its management board.

The Regency Council, which ruled the country from 1661 on behalf of the minor, Charles XI, after the death of King Charles X Gustav, decided to devalue the riksdaler (conversion unit), thus, also the daler functioning in the market. Only one reaction of Stockholms Banco clients could have been expected: they appeared in front of the bank demanding the withdrawal of their money.

Palmstruch had a problem to pay out the money to his clients in the form they demanded; he had to visit people to whom he had granted loans and demand earlier repayment. This made him aware that he would not always have the adequate quantity of bullion available (copper and silver) in order to satisfy all clients' claims. Under such circumstances, he had a revolutionary idea – he decided to issue deposit certificates in order to cover those deficits. Subsequently, he made the decision to issue banknotes.

The first banknote in Europe – called the dalar, like its bullion predecessor – was issued in Sweden in 1661 and the oldest dalars preserved date back to 1666. They offered an alternative to massive copper coins, with the heaviest weighing approximately 20 kg.



*The MONETARY SYSTEMS room
The showcase with the Swedish banknote
Photo: NBP collections*

It was possible to exchange the banknotes to the corresponding quantity of the bullion coin at any time. The preserved 1666 series had the following denominations: 10, 25, 50 and 100 dalers. They were printed on thick paper and contained as many as 8 signatures of officials, including Johan Palmstruch, which guaranteed their authenticity.

Unlike the paper certificates functioning before, the banknotes were not assigned to a single account and it was possible to pass them from hand to hand freely. Moreover, they confirmed the obligation to pay out the adequate quantity of coins, but they did not certify that a given person had deposited a specified amount at the bank. Therefore, they were known as credit notes – kreditivsedlar.

Palmstruch found it unlikely that all banknote holders would simultaneously demand the withdrawal of the equivalent in bullion. Although he ensured the continuity of withdrawals, he ceased to maintain the strict correspondence between the quantity of banknotes issued and the number of coins deposited. This way, he abused his powers.

In the framework of widespread lending, in 1668 Stockholms Banco issued banknotes with the nominal value much higher than the assets it held. Over a certain period of time, it was possible to hand out coins to people bringing banknotes. However, once the bank had started to close its doors to clients more and more frequently, on a certain day a man appeared at the bank, demanding the withdrawal of the equivalent of 10,000 riksdalers.

Meanwhile, the treasury held only 4,000 riksdalers. The news of the bank's problems started to spread rapidly. The concern of clients affected the value of banknotes; their value dropped by several, and later – by several dozen percent below their face value. On the other hand, the earlier growth of the money supply made everything become more expensive.

The excessive issue of banknotes drove Stockholms Banco to bankruptcy.

In response to the alarming events, the Swedish authorities ordered Johan Palmstruch to collect the granted loans and repay the deposit holders. This triggered a decline in the quantity of money in circulation, which affected entrepreneurs already accustomed to cheap loans and operating under conditions of inflation. As a consequence, the artificially propagated good economic conditions collapsed and the Swedish economy entered a period of turmoil.

In 1664, Palmstruch's bank practically ceased to operate. At that moment, the authorities started to act, commencing the bank's liquidation. Its liabilities were taken over by the state.

Palmstruch was accused of bad bookkeeping and mismanagement of the bank. He was given time to replenish deficits of funds which he, however, was unable to do. In 1668, he was deprived of titles and privileges and subsequently imprisoned. Either death or exile awaited him. Ultimately, the Swedish authorities waived the main penalty. Palmstruch spent 2 years in prison. He died in 1671 at the age of 60.

In 1668, the special purpose institution – Riksbens Ständers Bank – took over oversight of Stockholms Banco. Afterwards, a new bank, Riksbens Ständers Wexel-Banco, i.e. Royal Properties Bank, was set up.

In order to prevent the next crisis, Riksdag, the Parliament of the Kingdom of Sweden, managed the new bank. In 1866, the bank was given the name Sveriges Riksbank (Swedish National Bank). From that moment, one can speak of the birth of the oldest issuing bank in the world.

■ Magdalena Rakowska

Redenomination of the złoty, or how Poles stopped being “millionaires” 5,000,000 złoty – did such a banknote exist? Part II

In the first part of the article, published in the previous “Bankoteka” we wrote about the 2,000,000 złoty banknote placed on the market in 1994. Paper money with the value of 5,000,000 złoty and an image of Józef Piłsudski was planned; however, ultimately it was not put into circulation. In 1990, coins were also melted down, since they were designated with Polish People’s Republic markings.



The design of the banknote with the nominal value of 5,000,000 złoty (with an image of Józef Piłsudski), which was never put into circulation. The design was prepared in 1992, and in 2006 the Polish Security Printing Works issued it in the form of a collector reprint with the date of 12 May 1995. NBP collections



Collector banknote with the nominal value of 20 złoty, with the date of issue of 16 January 2014. The design of the 5,000,000 złoty banknote from 1995 was used for its production. It had not been produced due to the ongoing redenomination. It is the first banknote with a polymer substrate in the history of Poland. It received multiple awards, among others, the “Banknote of the Year” award in Budapest in March 2014. A year later, during the Currency Conference in Vancouver in Canada, it was recognised as the best collector banknote in the world. NBP collections



A set of banknotes from the “Polish cities” series, which were not put into circulation. The series consisted of 9 banknote denominations, from 1 zloty to 500 zloty; they were designated with the date of 1 March 1990. NBP collections

The decision on redenomination simultaneously meant the preparation of a new series of banknotes. Not only was the change of denominations necessary, but also the change of images of the banknotes which NBP planned to introduce after the redenomination.

Few people remember today that the redenomination was originally scheduled for 1992. The graphic design of 9 new denominations of banknotes with images of Polish cities was prepared by the graphic artist, Waldemar Andrzejewski. In 1990, the banknotes were printed by the German company from Munich, on NBP's order. The money was brought to the country; however, it was finally not put into circulation. The unstable economic

situation and the continuing high level of inflation did not allow the redenomination to be implemented at that time. In addition, counterfeiting of the banknotes turned out to be easy and the notes contained errors, e.g. the lack of the state's name and the incompatibility of the eagle's image with the description contained in the Basic Law. As a consequence, the whole series was scrapped and, after many years, a limited portion was sold as collector banknotes which were not put into circulation.

As part of money replacement, the return of coins into circulation (to replace banknotes with lower nominal value) and the production of new generation banknotes – more durable in use and better protected – was also planned.

“Cover four zeros with a finger – you will get the zloty of the new era”

The concept of the redenomination was already prepared in 1989; however, the parliament passed the relevant act of law only after 5 years, on 7 July 1994. The delay resulted from the period of waiting for the expected drop of inflation to 10% in annual terms. However, frequent printing of consecutive banknotes and the introduction of increasingly higher denominations confirmed the preceding devaluation of the Polish currency. Although wages continued to grow, it was possible to buy less and less for them. At the end of 1994, the average monthly remuneration amounted to 5,328,000 zloty. Prices of basic goods reached exorbitant levels, e.g. 1 egg cost approx. 2,800 zloty, bread – 7,400 zloty, a kilogram of sugar

– 14,000 zloty, a kilogram of flour – 8,300 zloty, a litre of milk – 5,700 zloty, a kilogram of pork loin approx. 90,000 zloty, and a kilogram of the best festive ham – over 160,000 zloty. The cheapest car, the Fiat 126p, was worth 80 million zloty and the popular Polonez – 144 million zloty. Everybody was paying millions. For entrepreneurs, the basic settlement unit was billion, and the budget was calculated in trillion zloty. Using such high sums in daily transactions was neither easy nor convenient. Money ceased to fulfil one of its basic functions – it was becoming less and less handy and convenient to use.

Ultimately, on 1 January 1995 redenomination was performed with inflation reaching 22%. The redenomination rate was determined according to the ratio 10,000:1. This meant that 10,000 old zloty corresponded to 1 new zloty and 100 old zloty – to 1 grosz. Accordingly, the redenomination reform was known as “cutting off four zeros”. The old and new money operated in circulation in parallel for 2 years. However, it was possible to exchange withdrawn banknotes in bank branches until the end of 2010.

The “Rulers of Poland” series was designed by Andrzej Heidrich, a well-known graphic artist and visual artist, the creator of the designs of earlier banknotes in circulation from the “Great Poles” series (of 1974-1993). Within the framework of the redenomination, 5 nominal values of banknotes were introduced: PLN 10, 20, 50, 100 and 200, on which images of princes and kings of Poland were placed: Mieszko I (10 zloty), Boleslaus the Brave (20 zloty), and Casimir the Great (50 zloty). The new banknotes were put into circulation at the beginning of 1995; at the same time, the old banknotes with the nominal value of 20 and 50 zloty became invalid. The highest denominations of new banknotes: 100 zloty and 200 zloty (with images of Ladislas Jagiello and Sigismund the Elder) were put into circulation with a certain delay, i.e., as late as 1 June 1995. The reason was to prevent a painful mistake – the old 100 zloty corresponded to the new 1 grosz, and the new 100 zloty was the equivalent of 1 million old zlotys... Besides, the old banknotes with the denomination of 1 and 2 million zloty could have been used successfully since they had modernised security features.

The entire series of redenomination banknotes demonstrated a high artistic and technical level. For the first time, a graphical indication of denomination was used for their production, made in relief print, thus enabling recognition by blind people. All banknotes were equipped with modern anti-counterfeiting security features. Some of them were used in Polish banknotes for the first time, e.g. latent image, recto-verso print (i.e. supplementary elements of an image placed on both sides of the banknote), iridescent ink, gold metallic foil and a hologram. While replacing the money, the decision was also made to introduce 9 new coin denominations: from 1 grosz to 5 zloty. The banknotes were printed in the United Kingdom by Thomas De La Rue & Company, whereas the coins were produced by the State Mint.

A short counting lesson, or how to subtract four zeros

In public opinion surveys conducted before the redenomination, a large number of respondents expressed mistrust towards the planned money replacement. Most commonly, there were concerns associated with the conversion of the old currency into the new one, and over 40 per cent shared the opinion that the redenomination would cause cash losses for all citizens. In response to Poles' fears, NBP prepared a widespread information and education campaign which was aimed not only at allaying the fears of society, but also at providing simple instructions facilitating the determination of the value of old banknotes converted into new zloty. The training rhyme said: “Cover four zeros with a finger – you will get the zloty of the new era” Indeed, it was enough to cover four zeros on banknotes in zloty of the previous issues to learn how many new zlotys they were worth. The elimination of the excessive number of zeros facilitated accounting, reporting and statistics. This in turn helped to release memory in the IT systems and calculation devices. The abbreviated

Food	Prices (as at the end of 1994)		
	Old (in zloty)	New (in zloty)	New (in zloty and grosz)
2% fat milk (in plastic bag)	5,700	0.57	57 gr
Hen's egg – 1 pc	2,800	0.28	28 gr
Bread	7,400	0.74	74 gr
Wheat roll	1,100	0.11	11 gr
Butter	14,500	1.45	1 zł 45 gr
Cottage cheese	9,500	0.95	95 gr
Yoghurt	8,000	0.80	80 gr
Kephir	5,000	0.50	50 gr
Sugar (kg)	14,000	1.40	1 zł 40 gr
Plain sausage (kg)	61,200	6.12	6 zł 12 gr
Smoked tenderloin (kg)	165,400	16.54	16 zł 54 gr
Beef with bone (kg)	58,400	5.84	5 zł 84 gr
Pork chop (kg)	86,900	8.69	8 zł 69 gr
Chicken (kg)	43,400	4.34	4 zł 34 gr
Tea (100 g)	10,500	1.05	1 zł 5 gr
Tchibo coffee (100 g)	36,000	3.60	3 zł 60 gr
Milk chocolate (1 bar)	14,000	1.40	1 zł 40 gr
Hot-dog	15,000	1.50	1 zł 50 gr
Light beer, full (0.5 l)	14,000	1.40	1 zł 40 gr
“Klubowe” cigarettes (1 pack 20 pcs)	8,500	0.85	85 gr

record of values also contributed to the improvement of price clarity. In order to facilitate daily shopping, many newspapers published prices of basic foodstuffs converted into the old and new zloty. Consumers were encouraged to memorize new conversion rates. “Prawo i życie” (Law and Life) newspaper, in its last issue of 1994, recommended its readers: “Let’s talk about new prices in the family, let’s invent easy to remember expressions for them, e.g. half a litre for a tenner, a hundred-a grosz, etc.” In order to avoid counting errors while buying simple foodstuffs, it was enough to remember that, for example, milk, bread, cottage cheese, kephir and yoghurt should cost less than a zloty; approximately several zloty per kilogram was paid for meat, cold meat and poultry, and more than 10 zloty for more luxury kinds of meat. Vegetable and fruit also cost around several zloty per kilogram.

Clients in shops were got familiar with the new system of recording prices. Prices of goods were usually provided in old and new zloty, the values in old zloty were rounded up to full grosz (however, only when the ending of a price exceeded 50 old zloty, i.e. the new half a grosz). In shops, banks and offices, posters showing the new design of coins and banknotes which had been put into circulation appeared. In the TV advertising, Kwinto, Kramer and the Dane, i.e. the heroes of the “Vabank” film, convinced people that the new zloty cannot be counterfeit since it is ... so well secured.

Redenomination in the eyes of Polish society

And, how was the replacement of money evaluated by Poles? The survey conducted by OBOP between 3 and 6 February 1995, i.e. only a month after the start of the redenomination, indicated that almost all Poles had already held the new money. The majority of respondents (79%) liked the new banknotes. As many as 87% of respondents answered that they did not have any problems with the conversion and exchangeability of 2 types of money and 72% of respondents recognised that conducting of the redenomination was justified and necessary. Even if the introduction of the new monetary unit was a purely technical issue, the redenomination became a sort of generation-wide experience for millions of Poles. One of the people asked in a street survey how she remembered the beginning of the redenomination after 10 years, openly confessed: “It was a shock. I received my salary – 4 million – in January in 4 one hundred zloty notes. In terms of value, it was neither more nor less than the salary I had received up to then; however, I experienced a shock. If the prices had not been provided in 2 versions, it would have been difficult to figure out how much something cost.” Looking back from the perspective of 22 years which have passed since the redenomination, it should be stated that the reform of the beginning of 1995 facilitated daily financial settlements of Poles and the new legal tender was very quickly accepted by society. As a result of the conducted reforms,

The transitional period – between the Polish People’s Republic and the Third Republic of Poland

After 1990, despite fundamental transformation of the system, consecutive, so-called transitional banknotes, marked with symbols of the previous system, were put into circulation. On the banknote with the nominal value of 100,000 zloty, with the image of Stanisław Moniuszko (issued with the date of 1 February 1990), the name of the state of the former system was visible: “People’s Republic of Poland”, accompanied by a watermark with the image of an eagle without a crown and the emblem of the People’s Republic of Poland (!).

On the other hand, on banknotes of consecutive issues, dating back to 1990-1992, i.e. 500,000 zloty (with the image of Henryk Sienkiewicz), 1,000,000 zloty (with the portrait of Władysław Reymont) and 2,000,000 zloty (with the image of Ignacy Jan Paderewski), the new name of the state, i.e. “The Republic of Poland” and the image of an eagle with a crown were already visible, although the watermark still presented the PRL emblem. It is worth remembering that the name of the state was formally changed by the Act of 29 December 1989. At the same time, the emblem and the coat-of-arms of the Republic of Poland was changed. In accordance with the adopted symbols, a golden royal crown returned to the eagle’s head. However, the Act provided that NBP would replace banknotes with the old markings during a period of five years. Thus, the intention was a gradual but simultaneously transparent farewell to the old system. Only money issued on 16 November 1993 ceased to contain symbols of the past period. In 1994, Narodowy Bank Polski put a series of banknotes from 50,000 zloty to 2,000,000 zloty into circulation, partly changed in terms of colours. Those banknotes have the main graphical elements and images of people identical to those of the 1989-1992 series. However, in this issue, modern security features of banknotes were introduced as well as significant elements distinguishing the series, among others, a watermark with a stylised head of an eagle with a crown and the letters “RP”, a security thread with the inscription “NBP”, offset microprints with “Narodowy Bank Polski” and “Rzeczpospolita Polska” (Republic of Poland) as well as lines in the watermark field. In the highest denomination banknote (2,000,000 zloty), colour-shifting ink was introduced for the first time. Those banknotes differed from the previous issues by UV security features (illuminating in various colours).

the purchasing power of the zloty increased and the new money became a better measure of value.

■ Anna Brzyska

Exhibits

A one-sided banknote from the time of the November Uprising

“Złoty one” in the November Uprising [pp. 13–14](#)



“Złoty One” in the November Uprising

**“Old Lech’s prophecies the Heavens announces to us,
Poles, this is our Eagle, this land is ours”.**

This inscription, drawn up by Ludwik Osiński, including the image of the white eagle, was hung over the gate of the Warsaw City Hall during the November Uprising in 1830.



*Boxes released by Bank Polski containing money issued during the November Uprising.
Photo: Archives of the Warsaw Numismatic Centre*

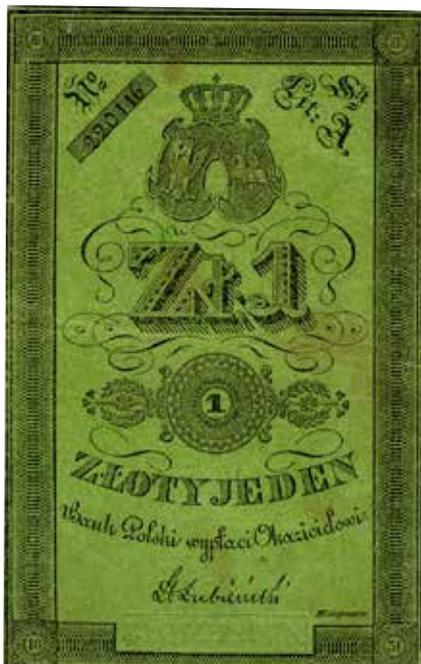
The same text, the image of the eagle and the date 1831, were placed on boxes released by Bank Polski containing money issued during the Uprising. The commemorative boxes contained coins with the nominal value of 3 and 10 Polish grosz, 2 and 5 Polish zloty, a ducat and a banknote with the nominal value of 1 zloty. The banknote with one-sided print is the only representative of paper money printed in that period.

On 1 July 1831 the Uprising Parliament adopted a resolution concerning the printing of banknotes with the nominal value of 1 and 2 zloty, which were to facilitate basic settlements of the population. On 4 July the Minister of Treasury sent the implementing regulation concerning this issue to Bank Polski. Starting from the beginning of August, banknotes with the nominal value of 1 zloty were put into circulation. It remains a mystery why Bank Polski, having been authorised to do so, did not introduce banknotes with the nominal value of 2 zloty into circulation. Unfortunately, no documents concerning this issue have survived. It is only known that they were to be printed on yellow paper. In the balance sheet of the Bank, an unexplained amount of 26,426 Polish zloty remained, which could have indicated that those banknotes had been prepared for issue.

The 1-zloty banknotes put into circulation accounted for the amount of 735,000 Polish zloty. They were made on green dyed paper with the dimensions 64 x 103 mm, originating from the bank’s paper mill in Jeziorna near



The cartouche decorating the 1 zloty banknote
Photo: NBP collections



In August 1831, banknotes with the face value of 1 zloty, with one-sided print were put into circulation
Photo: NBP collections

Warsaw, with a security feature in the form of a watermark showing a centrally located digit "1". The graphic design was designed by Jan Minheymer, then holding the position of engraver at Bank Polski. Centrally on the top, the author placed a cartouche consisting of 2 stylised coats-of-arms with the Polish eagle and the Lithuanian coat-of-arms (the so called "Pogoń Litewska"), topped with a closed royal crown. On both sides of the cartouche, he placed the number of the banknote on the left-hand side and the serial number of the banknote on the right-hand side. Below the coats-of-arms, on the background of the lines, was an inscription "Zł 1", below which was a fancy ornament with an Arabic digit "1", and below that, the inscription "Złoty One" presented the face value of the banknote. At the bottom, a centrally located inscription stated: "Bank Polski shall pay to the Bearer". Below, a facsimile signature of one of the Bank's directors, Paweł Głuszyński or Henryk Łubieński, was visible. In the bottom right-hand corner was placed the signature

of the designer and engraver: "Minheymer sc." The overall image was supplemented by a guilloche frame with the inscription and date placed in the corners – "YE-AR-18-31". The reverse remained blank. It is the first Polish banknote made using the lithographic printing technique. The additional security feature of the banknote is a dry rectangular seal with an inscription "Złoty one" inserted into the bottom guilloche frame. The banknote was in circulation from 1 August 1831 to 1 June 1832. Ultimately, Bank Polski exchanged it into other circulation banknotes or coins until 1 December 1832.

Many of those banknotes were never returned to the bank and they were carefully stored in Polish homes, representing a national memento recalling the period of military efforts aimed at regaining independence. The banknote described can be seen in the Room of the NBP Money Centre devoted to Polish central banking.

■ Marcin Madejski



The CENTRAL BANK room – the showcase with the 1 zloty banknote
Photo: NBP collections

Discovering multimedia

Commodity exchanges – Polish and global

History of commodity markets [pp. 16–19](#)



History of commodity markets

Samples of various commodities in the Stock Exchange and Financial Markets room? Of course! Cereal, coffee, metals and other commodities have been the subject of trade and exchange since the Ancient times.

The commodity market is the oldest market in the world. Trading in goods was carried out long before currencies appeared. Sources report that the first place where transactions were concluded was Ancient Sumer (4000-4500 BC).

In Medieval Europe, organised trading in commodities took place, among others, during annual assemblies of merchants, i.e. markets, trade fairs, or in port taverns. Over time, merchants started to create merchant

The prototype for contemporary commodity exchanges was the way of trading developed in Ancient Rome the legal, financial and institutional regulations effective at that time, related to, among others, the system of weights and measures, served as a benchmark for the contemporary commodity exchanges, which started operating several dozen centuries later.



*The building of the Monetary Exchange in Warsaw, the interwar period
NAC collections*

guilds and markets, which subsequently developed into exchanges.

In 1309, the Huister Beurze inn was opened in Bruges, recognised as the oldest exchange in the world. The Bruges exchange was famous for trading in cereals and widespread trade of financial documents, such as bills of exchange, which was a significant innovation in trade relations at that time. The name of exchange (bourse) itself also originates from Bruges, more precisely, from the name of the merchant family, Van Der Buerse, which had been operating in this city since at least 1285.

On the other hand, the first building created for the purpose of trade exchange was the Antwerp exchange, launched in 1531. Above the entrance was the inscription *In usum negotiatorum cujusunque nationis ac linguae*, which means “For trade people of all nations and languages”.

The 16th century was a period of development of both monetary (stock) and commodity exchanges. Subsequent exchanges were established in Amsterdam, Hamburg, London, and Frankfurt. The following centuries were marked by

THE BIGGEST COMMODITY EXCHANGES

Exchange	Location	Specialisation	Trade
CME Group (Chicago Mercantile Exchange, Chicago Board of Trade, New York Mercantile Exchange, Commodity Exchange)	Chicago, New York, USA	Agricultural products, oil, gas, biofuel, precious metals, commodities	Futures contracts, options, currencies, weather derivatives, real estate, ETFs
Tokyo Commodity Exchange (TOCOM)	Tokyo, Japan	Precious metals, industrial metals, commodities, oil, agricultural products	Futures, options
NYSE Euronext (Euronext Paris Monep, Euronext Paris Matif, London Liffe, Mercado De Futuros E Opções, Euronext Brussels, Euronext IRF)	Paris, Lisbon, London, (Brussels), Amsterdam	Agricultural products, foodstuffs, commodities, oil, gas	Futures, options, currencies, derivatives, ETFs
London Metal Exchange	London, United Kingdom	Precious metals, industrial metals	Futures, options
Dalian Commodity Exchange	Dalian, China	Agricultural products, commodities, metals	Futures, options
Multi Commodity Exchange (MCX)	Mumbai, India	Agricultural products, commodities, industrial metals, precious metals, oil, gas	Futures, options, derivatives, weather derivatives
Shanghai Metals Exchange	Shanghai, China	Commodities, industrial metals	Futures, options
Intercontinental Exchange	Atlanta, USA	Precious metals, industrial metals, oil, gas, commodities, electricity, agricultural products and foodstuffs, CO2 emissions	Futures, options, derivatives, ETFs

the dynamic establishment and development of new European and global exchanges (Paris, Berlin, Vienna, New York, Chicago, Shanghai, and Tokyo) and the improvement of exchange transactions.

The Polish name “gielda” originates from the German word “die Gilde”, which in turn derives from the old Scandinavian gildi – meaning a meeting, association, and later, a craft guild.

Historic sources mention that Polish exchanges existed as early as in the 14th century. They probably referred to

private assemblies of so-called merchant brotherhoods.

In 1757, the first monetary exchange (trading bills of exchange) was established in Warsaw; however, the beginnings of exchanges as legal institutions were associated with the provisions of Napoleon’s Commercial Code of 1809. On its basis and pursuant to the “Decision of the Royal Duke-Governor”, the first official exchange, the Warsaw Merchant Exchange, was founded. Its opening took place on 12 May 1817. At the beginning, it was a commodity and monetary exchange;

however, it concentrated on monetary trade. As late as in 1878, the regulations of the commodity exchange were approved and starting from that moment, it was formally separated.

In the 19th century, subsequent commodity and monetary exchanges were established in Kraków (1819), Wrocław (1822), Poznań (1857) and Lviv (1868).

On the outbreak of World War I, the official Warsaw exchange was closed down and its activity was reactivated on 1 January 1921, already in independent Poland. After



*Meat Exchange in Warsaw, 1931
Second from the left: Director, A. Bułhak. NAC collections*



A building of the Vilnius Exchange, the interwar period, NAC Collections

regaining independence, a general recovery of commodity exchanges took place. In 1921, the Act on the organisation of exchanges was introduced, which standardised their performance.

In interwar Poland more than 10 commodity exchanges located in individual regions operated in Poland. The cereal commodity exchanges were in Warsaw, Poznań, Kraków, Łódź, Lublin, Bydgoszcz, Vilnius, Lviv, Katowice and Rovno. Several special exchanges existed, including 3 meat exchanges in Warsaw, Lublin and Łódź, 2 timber exchanges in Bydgoszcz and Warsaw, as well as the linen exchange in Vilnius and the textile exchange in Łódź. On the outbreak of World War II, the exchange in Warsaw, similar to other Polish exchanges, was closed down and subsequently liquidated.

Following the end of the war, attempts aimed at reactivating the exchanges were undertaken. Thus, in 1946, the activity of the cereal commodity exchange in Bydgoszcz was resumed.

However, ultimately commodity exchanges were liquidated (21 September 1950). They were replaced by Polish foreign trade enterprises.

The reactivation of exchanges became possible in the wake of the transformation of the economic system after a more than 52-year break in the functioning of the capital market in Poland.

The Warsaw Commodities Exchange (Warszawska Giełda Towarowa SA – WTG) was established in 1995. Initially, it dealt with trading in agricultural products. In the first years of existence, the commodity exchange

operated by it enabled the conclusion of cash transactions only.

The first forward contracts were introduced in 1999.

In the subsequent years, the derivatives offer was extended by options for bonds.

In 2001, WTG introduced a platform enabling online trading in agricultural products.

The Polish Power Exchange (Towarowa Giełda Energii SA – TGE) was launched in 2000 in order to improve trading in the electricity market. Over time, the operations of the exchange were extended by trading in liquid and gas fuel as well as limits for CO₂ emissions.

TGE was officially recognised as a commodity exchange in 2003, after obtaining a license from the Polish Securities and Exchange



Cereal Commodity Exchange in Katowice, 1932
 In the photo, among others, the Governor of Silesia,
 and T. Soloni, Director of the Exchange Office,
 Kulczycki, surrounded by members of the Exchange
 Board. NAC collections

Commission (currently: the Polish Financial
 Supervision Authority).

Dozens of commodities are traded on commodity
 exchanges, some are traded by both individual and
 institutional investors; in practice, trade takes place
 only in the environment of the specific industry.
 However, this is the material for subsequent
 articles...

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■ Joanna Sienkiewicz



The STOCK EXCHANGE AND FINANCIAL MARKETS Room
 The showcase with samples of exchange-traded commodities. Photo: NBP collections

Visitors of the NBP Money Centre

A Story of Bank Street

Pupils from a lower secondary school from Warsaw – Stara Miłosna pp. 21–22



A Story of Bank Street

Each week the NBP Money Centre is visited on average by 50 groups of students. The guides – animators of the tours (24 persons) guide the groups on a daily basis and help individual visitors to get acquainted with the world of money.

The groups include pupils of all types of schools and students, also from abroad. In April, we hosted students from Belarus and Ukraine.

A visit to the Centre is also a part of the finals of the economic competitions announced by Narodowy Bank Polski.

This happened, for example, in the case of the “Lower secondary school contests”, organised by the NBP Education and Publishing Department under the “Everyday economics” project. In March this year, pupils from the 16 best teams from all over Poland





*Photo reportage of the visit of pupils from the lower secondary school in Warsaw – Stara Miłosna
Photos: Jacek Wownysz – NBP collections*

who arrived at the NBP Head Office had the opportunity to expand their knowledge about money during guided tours of the Centre.

A surprise awaited pupils from the Private Lower Secondary School – Family School in Warsaw – Stara Miłosna who visited the

Centre on 7 April this year. From Bank Street they headed to a special room where they listened to a chat about Leopold Kronenberg, the 19th century banker from Warsaw. Earlier, they were able to ask him questions virtually and during the short lecture, they heard many curiosities related to the life

and activity of this entrepreneur, banker and philanthropist.

The Money Centre plans to continue such chats to supplement tours of the exhibition.

■ *Stanisław Gorący*

Money museums of the world

The Dutch National Bank DNB Visitors Centre

Amsterdam pp. 24–26



The new building of the DNB Visitors Centre since 2015

The Money Museum of the Central Bank of the Netherlands

The Dutch National Bank DNB Visitors Centre

Visitors to the money museum of the central bank of the Netherlands have the opportunity to step into the shoes of its employees. Group visitors are entrusted the tasks of the central bank and are invited to make decisions as if they were the bank's President. Visitors are invited to play the role of financial policy decision-makers, e.g. they are given tasks such as setting interest rates.

Since 2015, the money museum of the Dutch National Bank has been housed in a modern building opposite the head office of the Dutch National Bank in the centre of Amsterdam. Earlier, it was a static museum, but now it is an interactive centre of financial and economic knowledge. The main focus in the museum's richly equipped multimedia is on the visitors performing various remote tasks, which allows them to understand the DNB's role.

The main goal of the centre is to explain what conditions must be fulfilled to prevent threats to financial stability. The educational paths, prepared according to a formula of simple questions on economics on a state-wide scale, are intended to explain step-by-step the economic processes, functioning of the Eurosystem, and the role of the DNB.

The programme is aimed at visitors aged 16 and older, and so far the most frequent visitors are secondary school students and university students. The centre offers both group visits and individual visits. All descriptions and presentations are prepared

in two languages: Dutch and English and the guides are also bilingual.

Individual visitors may learn about the world of finance without a guide, and such visits do not require an earlier reservation. At the front desk visitors receive a clipboard and pen and a so-called codebreaker, which

allows visitors to use the multimedia. At the end of the visit it is possible to check at the front desk if the right answers have been given.

Group visits require a reservation and are prepared for a specific group. Depending on the level of knowledge of the participants



A bar of gold – information about gold is written on the glass (in English and Dutch)



Room where visitors can obtain information on insurance and terms of pensions



In this room, groups make decisions on market behaviour defined in the task to be solved



In this room, students make decisions concerning interest rates as if they were presidents of the Eurosystem's central banks. Photos – pages 23–26: DNB collections

the programme is offered at advanced or beginner level. Additionally, the guides are free within these two levels to adjust the level of difficulty of the information provided and select the tasks to be solved. The programme of the visit covers the following:

- the world of money, including the role of gold,
- financial institutions,
- economic issues.

Address:

Sarphatistraat 1
1017 WS Amsterdam

<https://www.dnb.nl/en/about-dnb/dnb-visitors-centre>

**Opening hours: work days,
9:00 a.m. – 5:00 p.m.**

Admission free

Financial education in the Netherlands was covered by the government programme Money Wise, formulated in 2008. Currently its continuation is through the National Financial Education Strategy for the years 2014-2018. The Dutch National Bank (DNB) is one of the partners of the Money Wise platform. All its partners strive to raise the level of financial responsibility of the Dutch, and the goal of the programme is to achieve a lasting improvement in the behaviour of consumers in relation to managing their personal budget. The central bank performs its tasks in this scope, among others, through the Visitor Centre.

The visit starts and ends in the film auditorium, in which the exhibition presents various aspects of the functioning of the central bank. At the beginning the group watches a film on the history of the DNB and its role in the national economy.

The guides here are ambassadors of knowledge about central banking and financial stability. They provide the necessary information, data, and clarify the rules of decision-making by the central bank and financial institutions in the Netherlands and the Eurosystem countries.

Since it was opened, this modern money museum has attracted on average twice as many people as it did before 2015 (an increase from on average 17,000 visitors to approx. 34,000).

■ *Stanisław Gorący*

Bankoteka

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Discover the fascinating world of money!

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