

NBP

Money Centre
in memory of Sławomir S. Skrzypek

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Bankoteka

HISTORY • ECONOMY • EDUCATION



Wystawa stała / Exhibition

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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.



Dear Readers

The NBP Money Centre in memory of Sławomir S. Skrzypek was first opened for the public on 14 May 2016 – on the Night of Museums. Visitors eager to see the new facility formed queues on Świętokrzyska Street from 1 pm. A report from the opening night begins this edition of “Bankoteka”.

In the magazine we also present some of the exhibition rooms of the NBP Money Centre, captured on the photographs of Krzysztof Słomka, who was the co-creator of the graphic design of the Centre. These photographs will make it clear to anyone who has not yet visited the Centre that there is a lot that they have missed out on, and will also provide an incentive to visit the Centre’s extraordinary and diverse interiors as soon as possible.

Economic education is the most important objective behind the establishment of the NBP Money Centre. Even during

the summer holidays, the Centre was filled with groups of children for whom special educational workshops combined with fun and games were prepared. The children’s reaction to these workshops is presented in the article “Anything can serve as money”.

In this issue of “Bankoteka” we also take a look at the multimedia which are installed in the Centre’s thematic rooms, and we publish selected texts presented in these rooms, which increase the knowledge about the stock market or bankers. We also draw attention to the unique exhibits presented in the Money Centre, such as the medals from the collection of Narodowy Bank Polski presented in *Numismatist’s Study*.

Enjoy your reading

Stanisław Gorący
Editor of the “Bankoteka” magazine

The grand opening of the NBP Money Centre

Crowds of visitors on the Night of Museums

The NBP Money Centre, the latest educational institution of the central bank, opened its doors to visitors for the first time during the Night of Museums on 14 May 2016. More than one thousand people wanted to visit the Centre on the first night. The first visitors were already waiting in front of the gate at 1 pm. The crowd grew bigger

with every hour and right before 7 pm the queue of people was already reaching the Kubusia Puchatka Street and kept on growing.

The first twenty guests received special gifts, while others were treated to a sweet snack. The visitors included whole families from Warsaw, students, representatives of various professions, people from remote parts of Poland, as well as guests from abroad.

The Centre was visited by Patricia Beatriz Salas, the ambassador of the Republic of Argentina in Poland, and by a delegation of numismatists from the USA.

The reception of the exhibition was extremely positive. The exhibition literally captivated the visitors, arousing their interest in money and matters of the treasury. Not a single person left the Money Centre within the first hour.



Those who wanted to visit the NBP Money Centre on the Night of Museums started forming queues from as early as 1 pm.

The visitors leaving the Centre praised the manner in which the collections were presented and assured that they would certainly come back.

NBP previously informed the media that the last visitors would be admitted to the Centre at 1 am. However, due to the huge interest in the exhibition, a decision was made to extend the opening hours of the Centre until 4 am.

www.cpnbp.pl

Simultaneously with the opening of the exhibition on the Night of Museums, the NBP Money Centre also launched its official website: www.cpnbp.pl.

The graphic design was prepared by the company SQUIZ from Szczecin. The dominant colour on the website is green – referring to the colour scheme of NBP – contrasted with sharp, Cubist lines. The slider presents the beautiful photographs of the Money Centre made by Krzysztof Słomka.

The website is responsive, which means that it was designed in such a way that its appearance and layout automatically adjust to the size of the screen of the device on which it is displayed, e.g. computer browsers, smartphones or tablets.

Visitors to the website will find all the necessary information about the NBP Money Centre: the history of the Money Centre, the mission and the objectives of the facility, the silhouette of its patron, descriptions of the modules, temporary exhibitions, films, the visiting regulations, publications, events and contact information.

Visiting the NBP Money Centre

On the Centre's website it is possible to book free entrance tickets for organized groups



The first 20 visitors received gifts.



Photos taken at the NBP Money Centre can be posted on Facebook.

wishing to visit the exhibition on their own. Individuals may visit the exhibition without prior reservation.

A unique feature of the Money Centre is that a visitor can trace the path of his or her tour of the exhibition. Each visitor to the NBP Money Centre receives a ticket in the form of an RFID card. During the tour of the Centre, by placing the card on special readers located throughout the Centre, the guest may not only save the path of their visit, but also the results of games or their own photo against the background of gold bars, captured by a camera in one of the most interesting rooms in the NBP Money Centre – a replica of a bank vault. At any time the user can view the information gathered on the card by entering the unique number of the card-ticket on a dedicated subpage of the www.cpnbp.pl website.

The creators of the Centre's website have also taken into account the needs of persons with disabilities. According to the WCAG guidelines (Web Content Accessibility Guidelines), which is a set

of recommendations regarding the creation of accessible websites, the www.cpnbp.pl website meets the requirements of accessibility for persons with disabilities at the level of WCAG 2.0.

The Facebook fanpage of the NBP Money Centre in memory of Sławomir S. Skrzypek

The world's most popular social networking site is already used by more than thirteen million Poles. The NBP Money Centre wants to reach them and encourage them to visit the exhibition.

Since 27 June the Money Centre has been using Facebook to inform about exhibitions, present reports from various events, and communicate with visitors, encouraging them to post photos from their visit to the facility.

■ *Magdalena Rakowska*

Photo by Andrzej Barabasz



The Money Centre was visited by over 600 people on the Night of Museums.

The Money Centre in pictures



Money
Production



Antiquity
Middle Ages
Modern Times





Laboratory
of Authenticity





Numismatist's
Study

Anything can serve as money

or what the Money Centre offers to students (also during the summer holidays)

Three days after the opening of the NBP Money Centre the first classes for children were held at the facility. Until the end of June, we were visited by more than 90 groups from primary schools, middle schools and high schools. The school groups were taken care of by the employees of the NBP Money Centre and by educators.



Everyone, and especially the children, wanted a souvenir photo with a gold bar.

Primary school pupils participated in activities entitled *Once there was money...*, during which they learned how people coped before the invention of coins. They also saw, among others, the oldest coin in the collection of the NBP Money Centre (and one of the oldest coins in Europe), that is the tiny Lydian hemihekte. The children were curious about the Platmynt, the Swedish copper coin weighing nearly 20 kg. But the greatest enthusiasm invariably accompanied the exploration of the bank vault! The staircase leading to the vault, with the red “laser” beams of the security system, was a big attraction in itself. However, the culmination of each visit was the opportunity to touch a gold bar carefully protected by the employees of the Bank Guard. The children also liked the gold coins, especially the Chinese coins depicting a panda bear, and the Australian coins with a kangaroo.

The children learned from us and we learned from the children. Do you know what bellyache and inflation have in common? Well, if we eat too many sweets, we don't feel very good. And if the central bank prints too much money, then... the economy of the country doesn't feel very good.

Older students, even those claiming they are not interested in money, were also impressed by the 12 kilogram gold bar.

A photo with a gold bar is the most popular souvenir from the visit to the NBP Money Centre

However, for students of middle schools and high schools, the visit to the NBP Money Centre is, above all, an opportunity to learn the most important information about the history of money and the activity of banks and other financial institutions. We devoted a lot of time to the thorough exploration of the *Central Bank* module and familiarizing the young people with the history of Polish central banking and the Polish currency – the zloty. In the *Laboratory of Authenticity* all children were eagerly checking the authenticity of their banknotes and were relieved to learn about the possibility of exchanging damaged banknotes for new ones.



Classes in the “Antiquity – Middle Ages – Modern times” room.

“Summer in the city” for children – the first one in the history of NBP

The last group of children in the past school year visited us on 23 June. But the summer holidays were not a time of rest in the NBP Money Centre. From 5 July we hosted groups of children participating in the “Summer in the city” campaign! This was the first “Summer in the city” in the history of NBP. Until the end of August, we hosted 95 groups, including mostly primary school children. They could take part in the *Once there was money...* classes or participate in educational workshops from the series *You can bank on it!*

As part of this cycle we offer, among others, workshops entitled *Anything can serve as money*. During these classes children learn what people used to pay for things before the invention of money, and thus they discover what a wonderful and practical “invention” the coin is.



Summer workshops conducted by educator Justyna Dominiak for primary school students.



Workshops in the form of fun and games

Each workshop begins with a conversation. The children – aware of the fact that the exchange of goods functioned first – eagerly analyse the following dilemmas: Is it worth trading one shirt for three loaves of bread? Or maybe a horse for four sheep?

Some children know that long ago salt was used to pay for things, and they very quickly discover the meaning of the term “commodity money”

The subsequent stages of the workshop allow to present, step by step, what the qualities of good commodity money are, and to explain the processes that led to the creation of the money that we know today.



Each of the children wanted to pick up the 20 kilogram platmynt.



Teaching aids for the “Anything can serve as money” workshop.

The children first make the difficult effort to determine what criteria objects should meet in order to function as commodity money. Then they search for appropriate examples. The task is not simple. The children have to justify their choice and explain, for example, why marten hides were better than exotic fish. Even if the children know that some object was used as commodity money, they usually don't realize why it was chosen. They usually bring up the criterion of “preciousness”. Learning about other features, such as divisibility and ease of transport, is a real discovery for them!

The remaining part of the workshop is conducted in the form of games consisting in discovering the commodity money which was used in various regions of the world. The children create a huge map of the world using colourful puzzles. Then they are divided into groups and each group receives a bag with various objects. They have to choose one that meets the largest number of criteria of good commodity money. The variety of the props means that the task is very attractive, but also... quite difficult. The bags contain items that are not known to the children, such as Lapis lazuli stone or cocoa beans, as well as very ordinary

objects, like tree cones and pebbles, and also “confusing” items, for example, coloured plastic lumps similar to precious stones. This forces the children to think analytically, and examine the advantages and disadvantages of each of the objects.

According to the Centre's educators, talking to children about their observations and directing their way of thinking so that they select the most appropriate commodity money on their own is the most interesting part of the workshop.

The next step is to assign the commodity money to the regions of the world. The previously arranged map contains drawings – hints that suggest where the commodity money was used. Children need to find a part of the world suitable for their example of commodity

money. Then, together with the educator, they consider why a certain object, and not some other object, was used in a particular region of the world. After that they once more discuss all the examples of commodity money with regard to the desirable traits.

However, when we talk about the coin, the greatest surprise for younger children is its... divisibility! At first they reply that dividing coins is not possible! But we have a way to explain this to children. The Centre's educator shows a large board with the Polish złoty banknotes and coins, which teaches that money can be changed, that is, divided.

At the end of the workshop, our little experts view the displayed collection of commodity money and Chinese and Greek coins with considerable interest, and are very surprised when they compare a Lydian coin with the huge platmynt.

■ *Marta Dulinicz, M. Katarzyna Rokosz*

* We would like to thank the educators: Justyna Dominiak, Ewelina Jarnutowska and Adrian Uszkiewicz for sharing their observations from the conducted classes.

The “Anything
can serve as money”
workshops conducted
in the Learning Space
of the NBP Money
Centre.





LIŻYTELNE

Przedko
spolykanie

BRYLANTY
SHAKAGDY
ZELAZO

Podzieln

WILNIA
ST. BUCYONAGA
ARDF

10
MONET

MIAN

WILNIA
ST. BUCYONAGA
ARDF

WILNIA
ST. BUCYONAGA
ARDF

What can be read from a medal

Numismatist's Study. Let's call it the room of coins and medals, as that is the purpose of the module, which presents more than 900 numismatic items from a period of time extending between the 10th and 19th century.

Although less numerous in our collection than coins, the 40 medals presented in this collection are a real treat for numismatists and researchers of the history of our country. Produced in order to commemorate important events and distinguished people from various fields, struck as decorative badges or awards for outstanding achievements, they are a true testimony of the past times.

Medals carry information about the changing royal dynasties, the adopted laws, the achieved victories and the concluded treaties.

They bear witness to the “changing national borders”, the names of the cities, the technical developments, the changing costumes and customs. They also carry information about changes in the grammar and spelling.

The only such medal struck in gold

Among the medals collected in the study, we can admire the medal depicting Franciszek Smolka (1810-1899), who was a lawyer, a prominent Galician politician and the president of the Austrian parliament. He worked to expand national rights within the Austrian monarchy. The medal was designed by the Vienna-based medalist Anton Scharff and struck in 1888 to commemorate the 40th anniversary of the presidency of Franciszek Smolka in the Diet of Galicia and Lodomeria (Sejm

Krajowy) and his chairmanship in the Committee for the construction of the mound commemorating the 300th anniversary of the Union of Lublin, which was erected in Lviv. The front side of the medal shows the bust of Smolka, and

the back side carries an image of the mound of the Union of Lublin in Lviv, surrounded by a double oak and laurel wreath. Below, in a decorative shield there is an inscription: *As a token of appreciation – fellow countrymen. 1848–1888.*



Franciszek Smolka – medal struck to commemorate the 40th anniversary of the presidency of the Galician Diet (Sejm Krajowy) and chairmanship of the Committee for the construction of the mound commemorating the 300th anniversary of the Union of Lublin. 1888. NBP Collection.

It has a diameter of 64.2 mm and weighs 174.62 g. It became a part of the numismatic collection of Bank Polski SA in 1928. Medals with the same image were also struck in silver and bronze.

Polish crowned eagle and the eagle from the Prussian coat-of-arms on one medal

In 1454 the uprising against Teutonic rule in Gdańsk led to the incorporation of the city into the Polish Crown by King Casimir IV Jagiellon, and the later incorporation of the whole of

An interesting element is the 17th century version of the Roman numeral system in the date of minting of the medal, where 1000 is written as **CIO**, and the number 500 as **IO**.

Royal Prussia after the end of the Thirteen Years' War. The commemoration of these events is reflected in two medals, struck one hundred years apart. The first one was minted in 1654 during the reign of King John II Casimir. The author of the medal is Jan Höhn the Elder, a Gdańsk-based medallist. The front

side of the medal depicts the Prussian coat-of-arms: an eagle and an arm holding a sword over its right wing. In the background there is a stylized map of Prussia with towns marked on it. In the top part of the image there is a crowned eagle holding a sceptre, which symbolizes the Crown of the Kingdom of



Medal commemorating the 200th anniversary of the liberation of Gdańsk from the reign of the Teutonic Knights and the incorporation of Royal Prussia into Poland. 1654. Obverse and reverse. NBP collection.



Medal commemorating the 300th anniversary of the liberation of Gdańsk from the reign of the Teutonic Knights and the incorporation of Royal Prussia into Poland. 1754. Obverse and reverse. NBP collection.

Poland surrounding Royal Prussia with protection. In the rim, there is a Latin inscription, which reads: *With the bravery of Prussia the German forces were repelled; God is with the King in support of this beautiful work.* The reverse side of the medal carries information in Latin about the liberation of Gdańsk and Prussia from the reign of the Teutonic Knights.

The medal, executed in silver, has a diameter of 54 mm and weighs 47.4 g. It was bought at the numismatic auction of the Warsaw Numismatic Centre in 2002.

Chronogram in the inscription on the medal

The second of the medals dedicated to the abovementioned event was struck by

an unknown author and was commissioned by the Senate of Gdańsk in 1754, during the reign of King Augustus III. The medal's image refers to the medal minted 100 years earlier. Its front side also carries the images of the Polish eagle and the Prussian eagle, this time, however, set against the backdrop of the panorama of Gdańsk. In the rim, there is an inscription in Latin recalling the events that took place 300 years earlier.

The reverse side of the medal describes in Latin the commemoration of the events from three centuries earlier by Augustus III. The date of the creation of the medal, referring to the coin minted in 1645, was written in the same variant of the Roman numeral system. The medal, minted in silver, has a diameter of 79.8 mm and weighs 182.39 g. NBP added it to its numismatic collection in 1952.

The author of the medal placed a chronogram in this text, which means that he included the date of the creation of the medal (1754), expressed in the Roman numeral system, in the form of enlarged letters.

As shown by the examples presented above, medals are a great carrier of knowledge, especially in fields such as history, geography, archaeology, art and grammar.

■ Marcin Madejski

The Warsaw Stock Exchange

The Warsaw Stock Exchange (WSE) was established on the wave of systemic transformations, following an over 52-year break in the functioning of the capital market in Poland. On the first trading session held on 16 April 1991, the first five companies made their debut. Many things have changed since that day. More than 900 companies with a market value of PLN 1 billion are currently listed on the WSE trading floor. The transactions are concluded with the use of an electronic system which can be accessed by thousands of investors from all over the world.

After the first two years of its operation, the stock market experienced its first

boom, which began in 1993. This means that it entered a phase of dynamic growth in the share prices of the listed companies. The WIG index, which measures the economic situation of all the listed companies, grew from 1,000 to 20,000 points between January 1993 and March 1994. The subsequent months of 1994 were in turn described as a bear market, which symbolizes drops in stock prices. From the peak of the boom to the beginning of 1995 the WIG index fell by over 60%. In the following years, the Polish stock exchange became an increasingly strong component of the global financial system. This is corroborated by the fact that the increases and decreases in the companies'

share prices follow analogous changes in the developed markets. This phenomenon was particularly apparent in the years 2008-2009, when the decreases and later increases on the US market caused similar decreases and increases of the WIG index in Warsaw.

The development of the stock exchange would not be possible without the development of technology. From the very beginning, the Warsaw Stock Exchange opted for an electronic trading system. During the initial period of operation of the stock exchange, the transactions in shares were concluded once a week, during the so-called fixing session. Daily sessions were introduced



The development of the stock exchange would not be possible without the development of technology.



In the room “Stock Exchange and Financial Markets” visitors can watch 10 multimedia projections. One of them tells the story of the Warsaw Stock Exchange.

in October 1994. In the subsequent years the investors gained the ability to also conclude transactions in so-called “trading at last” sessions and in continuous trading.

The implementation of the WARSET trading system in November 2000 was an important moment in the development of the Warsaw Stock Exchange. It allowed for the conclusion of transactions with the majority of instruments in continuous trading over the Internet. Since 2013 trading in financial instruments on the WSE has been carried

out via the UTP system, which is also used on the stock exchanges in New York, Paris, Lisbon and Amsterdam.

Since the creation of the Warsaw Stock Exchange, trade in listed shares has been carried out in a regulated market, which restricts access to capital in the case of companies that do not meet the requirements of this market. In August 2007, the WSE launched an alternative NewConnect stock market for small companies seeking capital for development. This was in response

to the growing interest of enterprises in the public market. For many of these companies NewConnect has served as a springboard to the regulated market and a good strategy for raising further funds for development. In 2015 stocks of more than 430 companies of a total value of PLN 9 billion were listed on NewConnect.

At the same time, in order to enable the raising of capital through debt instruments, in September 2009 the WSE launched the Catalyst platform, where trade in bonds



From the very beginning, the Warsaw Stock Exchange opted for an electronic trading system.

and covered bonds issued by the State Treasury, banks, businesses and local governments is carried out. Since the launch of Catalyst, over 500 series of debt instruments worth PLN 600 billion have been traded.

The WSE was initially the main venue for the privatization of state-owned enterprises and raising of capital by the State Treasury. The State Treasury used public offers to introduce to market trading, among others, the largest state-owned enterprises, which had been transformed for that purpose

into joint-stock companies. Currently the attractive offers of the State Treasury draw in many new investors. Despite the large demand for the shares of privatized enterprises, their distribution is often limited to small packages. One spectacular success was the public offer of the shares of the PZU insurance company, which were acquired by more than 250,000 people, each of whom received a package of 30 shares.

The role of the Warsaw Stock Exchange as a tool for raising capital is appreciated by

both domestic and foreign companies, which use the funds acquired on the public market to develop their businesses.

Over the years the product portfolio of the Warsaw Stock Exchange has grown. In subsequent years the offer of equity securities, such as stocks and bonds, was also expanded to include derivatives. As of January 1998 investors gained the ability to conclude transactions in futures contracts on the WIG20 index. The contracts allow the investor to make a profit both in the case



The Stock Exchange Centre at Książęca Street in Warsaw, the headquarters of the Warsaw Stock Exchange since 2000.

of a rise and a fall in the value of the index. In addition to index futures, contracts for exchange rates, stock prices and interest rates have also been introduced on the market. Options on the WIG20 index have been traded since September 2003. After 2000 other instruments popular among investors around the world have also been made available on the Warsaw Stock Exchange. These include ETFs, structured products, or investment certificates, which allow indirect investing in indices and shares of companies from around the world. Other traded items include a broad range of commodities, such as gold, oil or cocoa.

The debut of WSE's shares on its own trading floor was also an important event in the history of the stock exchange. In the public offering WSE's shares were acquired by 320,000 people, and their first listing took place on 9 November 2010. In addition to the Warsaw Stock Exchange, the WSE Capital Group also includes the Bond Spot, which is a company specialized in the trade in debt instruments, and the TGE market, on which commodities and derivatives are traded.

The Warsaw Stock Exchange is the largest stock exchange in Central and Eastern

Europe in terms of market value of the listed companies, their number and the size of the turnover. The Warsaw Stock Exchange is also clearly ahead of the region's trading floors in terms of product offer. This is confirmed by the continued interest of foreign issuers, who decide to raise new capital in Warsaw, and of investors from around the world who are increasingly willing to trade in Poland.

■ *Tomasz K. Wiśniewski PhD*

Leopold Kronenberg

The patron of Bank Street in the NBP Money Centre

My name is Leopold Kronenberg and I'm a banker. I lived and worked in Warsaw in the second half of the 19th century. My life's work is Bank Handlowy w Warszawie SA, which I founded in 1870. It has been continuously operating up to this day, currently under the name Citi Handlowy.



The virtual character of Leopold Kronenberg welcomes the guests of the Bank Street.

This is how the virtual Leopold Kronenberg responds to the first question – “Who are you?” - at the exhibition of the NBP Money Centre. Kronenberg is the patron of Bank Street, the flagship element of the permanent exhibition in the Money Centre. Why was this character chosen?

Ancestry

Leopold Kronenberg was born in Warsaw in 1812 in the family of a wealthy merchant and banker, Samuel Kronenberg (real name: Lejzor Hirszowicz) and Tekla Kronenberg, née Lewi. His father ran a commercial bank S.L. Kronenberg in Warsaw, which was one of the biggest banks in the capital at that time. Therefore taking over from his father was only a matter of time. Before this happened, Leopold studied commerce in Hamburg and Berlin. He returned to Poland after the collapse of the November Uprising in 1832 and started to conduct the first trading operations at his father's bank. His first big success was the acquisition of a snuff tobacco monopoly in 1839, along with a group of partners. It is worth noting that Kronenberg was only 27 years old, and was able to defeat many experienced members of the finance community of that time, including Iwan Skwarcow, Hersz Krasnopolski and the Meyer

brothers. The thorough modernization of the company, the purchase of new machines, and the strict control of costs were only some of the innovations that Kronenberg implemented as a partner, and from 1841 onwards as the president of the company managing the monopoly. The profits from the tobacco monopoly allowed Kronenberg to invest in other industries, and especially the sugar industry. In the years 1843-1853, three sugar factories were created under the management of Kronenberg: Tomczyn, Ostrowiec and Walentynów. During this time Leopold married Rozalia Leo, the daughter of the well-known Warsaw-based physician Leopold Leo. For his bride Kronenberg converted from Judaism to Christianity.

In 1851 he created his own banking house named Leopold Kronenberg, which provided credit for agricultural and industrial activities. Leopold invested in many projects: iron foundries, coal mines, steam navigation, and railways. Over time, he also became visible in the media market – in 1859 he bought the “Gazeta Codzienna” (Daily Newspaper), which after 2 years was renamed as “Gazeta Polska” (Polish Gazette). Kronenberg appointed the well-known writer and columnist Józef Ignacy Kraszewski as the editor-in-chief of the newspaper.



In the “Bank Street” room the visitors are surrounded by the facades of 19th and 20th century banks.

Bank Handlowy w Warszawie (Commercial Bank in Warsaw)

Despite his many business successes, Kronenberg continued to think about the creation of a great joint-stock bank, bringing together the most influential financiers of the Kingdom of Poland. Initially, in 1852, a plan was made to establish Bank Przemysłowy (Industrial Bank), which would provide large scale financing of industrial projects. This plan was abandoned almost immediately, however, because of limited interest on the part of potential partners. Kronenberg returned to this idea over a dozen years later, at the end of 1868, when he attempted to establish Bank Dyskontowy (Discount Bank), with headquarters in Tsarist Russia’s financial capital of Saint Petersburg. The impressive support of the influential banking families of Gunzburg and Ephrussi was not enough, however, to break through the reluctance of Warsaw bankers. It later turned out that two of them – Fraenkl and Laski – took advantage of the favourable time for investments of this type and ... established Międzynarodowy Bank Komercyjny (International Commercial Bank) with headquarters in Saint Petersburg. These failures did not deter Kronenberg from pursuing the idea. He used the backing of the Tsarist elites, including the support of the Russian Minister of Finance, and in 1870 established the Bank Dyskontowy in Saint Petersburg, which, however, was very limited compared to the original project. This prompted Kronenberg to create a large joint-stock bank in Warsaw.

This time the new project obtained the support of a large group of representatives of Warsaw’s financial establishment, which provided funds for the new venture. This led to the creation of Bank Handlowy w Warszawie SA. Shares in the bank were acquired by the representatives of the financial circles and the aristocracy: Stanisław and Władysław Wołowski, Jakub

and Henryk Natanson, Henryk Toeplitz, Juliusz Wertheim, count Józef Zamoyski, Ambroży Zaborowski, Józef Rawicz, Jan Gottlieb Bloch, as well as Stanisław and Henryk Kronenberg. The absence of Leopold in the shareholding structure of the bank is easy to explain. Since his involvement in the organization of the January Uprising, Kronenberg had been, at least officially, blacklisted by the Tsarist authorities. Many of his initiatives were therefore controlled from the proverbial back seat. This was also the case with Bank Handlowy. The activities of the bank became crucial for many investments, not only in the territory of the Kingdom of Poland, but also the Tsarist Empire as a whole. The Bank invested in industry, and above all financed the construction of new rail connections.

Already in 1864 Kronenberg was interested in the construction of the Warsaw-Terespol railway line. His partner in this project was Jan Bloch, another Warsaw-based financier, connected to Kronenberg through family (his wife was Emilia Kronenberg, the daughter of Leopold's brother). The investment failed, and the gentlemen parted ways in anger. Over the subsequent years their conflict turned into the greatest competition in the history of the development of Polish railways. Working on his own, in 1869 Kronenberg entered the management boards of the companies administrating the connections on the Warsaw-Vienna and Warsaw-Bgdoszcz lines. Seeing the huge potential, he engaged his own capital in this fast-growing segment of land transportation. In 1875, he opened the Technical and Railway School in the Praga district in Warsaw. The purpose of the school was to educate future employees. His magnum opus in this field is the construction of the Vistula River Railroad, which was created in 1877. It is worth noting that on the Austrian border this line – running through Warsaw, Grodzisk Mazowiecki, Skierniewice, Koluszki, Piotrków



The multimedia fountain on Bank Street is an essential point on the route of the educational path.



Visitors asking questions to the virtual character of L. Kronenberg during the Night of Museums.



Bank Street, seen from the “Central Bank” room.

Trybunalski, Częstochowa, Zawiercie, Ząbkowice Będzińskie, and Strzemieszyce – was connected with the already existing line to Kraków, Vienna and Wrocław, and... we are still using these lines today!

Meanwhile, Bank Handlowy became the largest joint-stock bank in the Kingdom of Poland and one of the largest banks in Eastern Europe. To this day it is considered to be Kronenberg’s crowning glory.

Leopold Kronenberg was a versatile person. He was not just involved in banking, but was also a recognized collector of art and literature. He had a huge collection of paintings, which served as the decoration of his residence, popularly known as Kronenberg’s Palace (currently the location of Hotel Sofitel Victoria in Warsaw). He very strongly supported writers and columnists. He was also involved in charitable activities, providing funding to nursing homes and foundations supporting the poor. He went down in history as the founder of the Leopold Kronenberg School of Commerce in Warsaw, which was created in 1875 and was entirely financed from the banker’s own resources. The purpose of the school was to educate future traders and financiers. Today the school operates under the name of the Warsaw School of Economics.

Kronenberg was also engaged in politics. He was a supporter of evolutionary change and the positivist doctrine of grassroots work. He tried to obtain as much freedom as possible. He believed that the accumulation of assets combined with education provides the greatest freedom of action and true liberty. He died in 1878, during a stay in Nice. He was buried in the family tomb at the Evangelical Reformed Cemetery in Warsaw.

■ *Jakub Lang*

Bankoteka

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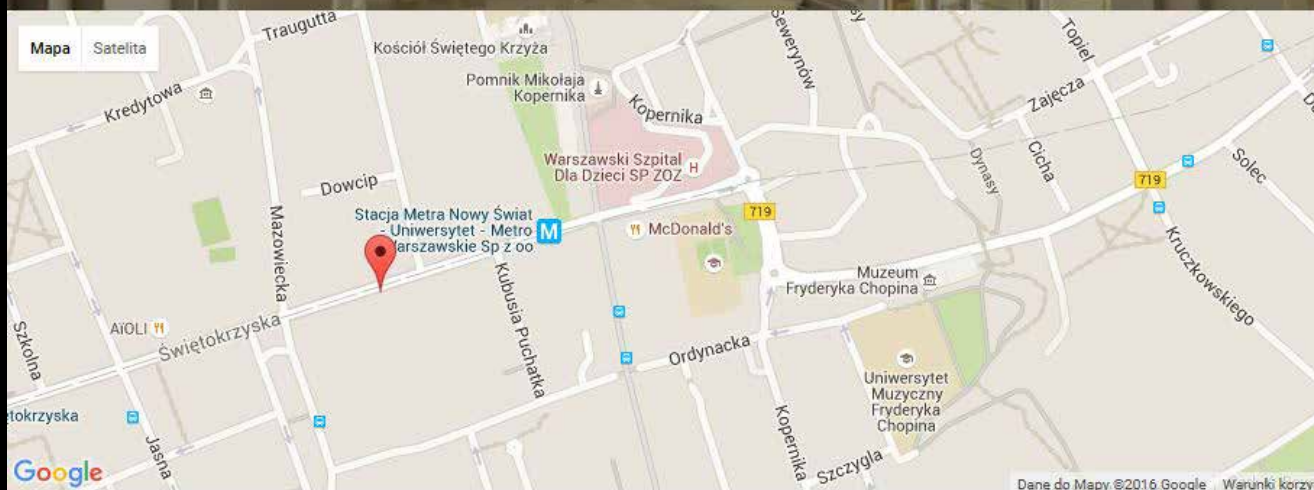
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