

Coins

– HISTORY OF THE POLISH ZLOTY – 5 zł coin of 1928 (Nike)



face value	10 zł
metal	925/1000 Ag
finish	proof
diameter	32.00 mm
weight	14.14 g
mintage (volume)	52,000 pcs

Obverse: On the right-hand side, an image of the obverse of the 5 zł coin of 1928, on the left-hand side, a stylised image of the bust of Nike, with grain ears. Below, an image of the Eagle established as the state emblem of the Republic of Poland. On the right-hand side of the Eagle, an inscription, 10 ZŁ. Above the Eagle, the notation of the year of issue, 2007. At the bottom, a semicircular inscription, RZECZPOSPOLITA POLSKA. Under the Eagle's left leg, the mint's mark: $\frac{m}{w}$.

Reverse: On the right-hand side, an image of the reverse of the 5 zł coin of 1928. In the background, a stylised image of grain ears. On the left-hand side, a semicircular inscription, DZIEJE ZŁOTEGO (History of the Polish Zloty).

Coin designer: *Andrzej Nowakowski*



face value	2 zł
metal	CuAl5Zn5Sn1 alloy
finish	standard
diameter	27.00 mm
weight	8.15 g
mintage (volume)	900,000 pcs

Obverse: An image of the Eagle established as the state emblem of the Republic of Poland; at the sides of the Eagle, the notation of the year of issue, 20-07, under the Eagle, an inscription, ZŁ 2 ZŁ, on the rim, an inscription, RZECZPOSPOLITA POLSKA, preceded and followed by six pearls. Under the Eagle's left leg, the mint's mark, $\frac{m}{w}$.

Reverse: On the right-hand side, an image of the reverse of the 5 zł coin of 1928. In the background, a stylised plant-like motif. At the bottom, a semicircular inscription, DZIEJE ZŁOTEGO (History of the Polish Zloty).

On the edge: An inscription, NBP, eight times repeated, every second one inverted 180 degrees, separated by stars.

Obverse designer: *Ewa Tyc-Karpińska*

Reverse designer: *Andrzej Nowakowski*



Information on the purchase of coins is provided at:
www.nbp.pl

Coins struck by the Mint of Poland plc. in Warsaw.

Printed by NBP Printing Office

On the 18 April 2007 the National Bank of Poland is putting into circulation coins of the 'History of the Polish Zloty' series, of the following face value:

- 10 zł – struck in proof finish in silver,
- 2 zł – struck in standard finish in Nordic Gold alloy

The 'History of the Polish Zloty' series was started in 2004, on the 80th anniversary marking the currency reform carried out by Władysław Grabski – a Polish minister of finance in the interwar period – as well as the creation of the Bank Polski SA and putting the zloty into circulation (in replacement of the Polish mark ruined by hyperinflation).

Among the regulations of 1924 putting order to the Polish monetary system, there was the Minting law, which provided for the issuance of coins of 5 zł face value. They were to be silver coins, 25 g in weight, and 750 fine, i.e. with the silver content of 18.75 g. The Warsaw Mint soon began work on trial coins of such face value. In 1925, five-zloty coins with the image of the Constitution were ready. Unfortunately, it turned out that they had been minted with a higher fine - 900 (instead of the legally binding 750). In other words, the five-zloty coin was worth 6 zloty. From this small (around 2,000 coins) emission, 100 pieces were selected and given the status of collector coins, also monograms were added of the Polish president Stanisław Wojciechowski and Prime Minister Władysław Grabski: 'S.W – W.G', as well as the date: 3 May 1925. This is how unique, much-sought collector coins of the inter-war period Poland came into being.

On account of the above-said developments, a five-zloty coin was absent from circulation. At the same time, the economic situation forced the devaluation of gold parity and simultaneous reduction of silver content in coins. The new Minting law of 1927, in its reference to five-zloty coins, provided for the weight of 18 g and the fine of 750, i.e. silver content of 13.5 g. Such were the parameters of a coin with a 5 zł face value, whose trial specimen appeared in 1927. Their mass production began one year later. Out of seven projects, one was chosen.

The new five-zloty coin had the figure of Nike, the goddess of victory, striding to the right, on the reverse. Some saw it as a symbolic commemoration of the rule of Marshal Piłsudski and his adherents, who took power after the coup of May 1926. The similarities were also pointed out between the coin and its likely prototype, the American half-dollar and one-dollar coins, called 'Walking Liberty'.

The obverse of the Nike coin was considered to be a model one. It showed the state emblem in its statutory shape. This fact singled out the coin from other coins in circulation at that time.

Also the solemn message on the edge of the coin received the due share of attention. The coin displayed a Latin inscription: SALVS REIPVBLICAE SVPREMA LEX (the good of the Republic is the highest law).

The emission of five-zloty coins became a pressing issue for the Warsaw Mint on account of its prolonged absence from circulation. Due to limited production capabilities, it turned out necessary to resort to the help of foreign minting houses. During the whole period of emission for coins with Nike (years 1928-1932), less than 24 m pieces were struck, of which 40 per cent in the Warsaw Mint and about 60 per cent in English, Belgian and Vienna Mints. The production of 'Nike' was formally ended by the Minting law of 1932. Once again the silver content was reduced, which in the case of the five-zloty coin meant the reduction of its weight to 11 g and, in order to maintain the 750 fine, the reduction of silver content to 8.25 g. 'Nike' could be found in circulation as late as in 1934.

It is worth mentioning that during the Polish interwar period, coins were an important component of money circulation. In 1928, when 'Nike' entered the circulation, coins accounted for around 9 per cent of the value of money in circulation, with 5 per cent falling to silver coins. In 1932, when 'Nike' began to fall out of circulation, coins accounted for around 24 per cent of circulation, of which 17 per cent fell to silver coins. In the following years, the value of coins, with 'Nike' coins no longer present,

exceeded even 29 per cent, and the silver coins alone accounted for almost 24 per cent of the total value of money in circulation.

The money circulation served the needs of an economy, which was very prone to business cycle changes. Since the beginning of the twenties, clearly a recovery was under way. The increase in domestic - as well as foreign - demand, easy access to loans and credits coupled with inflow of foreign capital contributed to the increase of production and investment. However, starting from 1929, the situation began deteriorating – the number of orders declined, unemployment was rising. The decline in economic activity came fast. These developments marked the beginning of the deepest crisis. Demand fell, so did the prices and the economy fell into a deflation spiral. In 1932 the crisis was at its worst. Money was subject to the turmoil of the business cycle. When the five-zloty 'Nike' coin entered the circulation, its purchasing value was around 18 present-day zloty. Then, it fell slightly, in the face of a minor price rise. With the deepening crisis and a rapid drop of prices, the purchasing value of the coin increased. When the 'Nike' began to fall out of circulation in 1932, its purchasing value exceeded 27 present-day zloty. Yet, probably there were rather few people, who held even one of those coins during the crisis period.

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All coins issued by the NBP are legal tender in Poland.