

POPULAR BANKING AND THE FINANCIAL SYSTEM

On 29 – 31 May 2003 the National Bank of Slovakia organised in Bratislava the annual conference of the European Association for Banking History (EABH). The central topic of discussions was the genesis and mission of popular banking institutions in the framework of financial systems



in European countries with emphasis being given to their operation in the Central European region. The conference was attended by 89 participants from the 18 states representing the members of the European Association, experts and academics of economic and historical institutions and renowned universities from throughout Europe and overseas. The conference discussions were preceded by the annual general meeting of the EABH.

The morning session of presentations on 30 May began with Peter Baláž from the National Bank of Slovakia. He gave an assessment of the development of the banking sector and the banking legislation in Slovakia and the inflow of foreign capital over the past 10 years. Roman Holec from the Faculty of Arts of Comenius University in Bratislava and Ján Hajek from the Historical Institute of the Czech Academy of Sciences in Prague in their presentation gave a detailed breakdown of the credit co-operative in the Czech lands and Slovakia in the 19th and 20th centuries. The authors concluded that co-operative banking represented a decisive factor in creating the modern credit system in the Czech Republic and Slovakia.

In the first part of the afternoon session presentations were given by Timothy Guinnane from Yale University, Duncan Ross from Glasgow University and jointly by Guiseppe Conti and Alessandro Polsi from Pisa University. Timothy Guinnane analysed the individual types of small financial institutions in various territories of the USA. D. Ross described the gradual rise of popular banking in Great Britain from the manufacturing era through the industrial stage, which under effective state

support contributed to improving the quality of agricultural production and urbanisation.

The Italian authors dealt with the development of co-operative and not-for-profit banking in southern Europe. The day's session ended with three combined papers dealing with the role of banking and

popular banking from the aspect of the European economy in their inter-war years. Philip L. Cottrell from Leicester University highlighted three factors which in this period decisively affected this section of the banking industry in central Europe. In his view these comprised the new monetary system as in the newly-arisen states, nationalism of the banking and industrial sector and the difficult consequences of the great agricultural crisis of the Thirties. Ľudovít Hallon from the Historical Institute of the Slovak Academy of Sciences highlighted the indispensable role of popular banking in the financial system of the pre-Munich Czechoslovak Republic, in particular its importance as a co-financer of industrial as well as agricultural secondary production. André Gueslin from Paris University dealt with the French cooperative credit industry over the years 1918 – 1938.

The papers delivered on 31 May were focused on the position and functioning of popular banking in the countries of the former socialist camp from their end of the Forties. Paul R. Gregory from Houston University focused on the functioning of the state-managed credit system in the former USSR and its forced application in satellite socialist states. Lidmila Němcová and Václav Průcha from the University of Economics in Prague gave an assessment of the development of Czech and Slovak popular banking up to 1945 and its concentration following the Second World War, which emerged into the establishment of a single state savings bank. The transformation processes of capitalist banking in the newly opened-up socialist and primarily Balkan states were the subject of a paper Damir Jelič from Leicester University.



In the last session of lectures a joint paper was delivered by Egon Hlavatý from the Institute of Slovak and World Economics of the Slovak Academy of Sciences and Marián Tkáč from the National Bank of Slovakia. In their presentation they dealt with the inflow of foreign direct investment and the establishment of branches of successful European and overseas banks in the transitional and post-communist states of Central Europe since the end of the Eighties to the current day. Stefan de Boer devoted his presentation to the issues of popular banking in Holland. In the last presentation L. Něm-

cová from the Economics University in Prague focused on the successful development and later total collapse of pawnshops established in the Czech Republic after 1990.

The annual conference of the EABH in Bratislava fulfilled its purpose – to deliver stimulating information, in particular in the case of presentations, coming from hitherto untapped primary sources.

PhDr. Jiří Novotný, Czech National Bank