

NÁRODNÁ (STREDOSLOVENSKÁ) BANKA

The Národná banka (National Bank) joint stock company of Banská Bystrica was a continuation of the Zvolenská ľudová banka (Zvolen People's Bank) founded in 1902 and covered in BIATEC no. 4/2005. The Zvolenská ľudová banka had difficult times during the First World War and the so-called Slovak Soviet Republic of



1919, when it was forced to evacuate to Prague. However, in 1920, the Breznianska Pomocnica – úverná banka, Meštianska banka of Zvolen, Krupinská sporiteľňa and Krupinská ľudová banka were incorporated into it. At an extraordinary general meeting on 30th December 1920, the share capital of the bank was increased to 12 million crowns and its name was changed. The headquarters of the bank remained in Zvolen. When the oldest joint stock savings bank in Slovakia, the Banskobystrická sporivá banka, founded in 1845 as the Zvolenská sporiteľňa, merged with the Národná banka in 1921, the leadership of the bank – Ján Vesel chairman of the general management and Viliam Pauliny, the chief director, who had founded the oldest specialized Slovak financial magazine Slovenský peňažník in 1908 and later became commissioner of finance in September 1944 during the Slovak National Uprising, took advantage of the fact that the bank had acquired “fine office premises” to transfer the headquarters to Banská Bystrica on 3rd November 1921.

The Tekovsko-sväto-krížska sporiteľňa (Tekov Svätý Kríž Savings Bank) of present day Žiar nad Hronom, the Pukanská ľudová banka (Pukanec People's Bank) and the Necpalský úverný spolok (Necpaly Credit Society) also gradually became part of the bank. In 1930, the bank had branches in Brezno, Detva, Dobrá Niva, Kremnica, Krupina, Pliešovce, Pukanec, Šahy, Slovenská Ľupča, Žiar (Sv. Kríž) nad Hronom, Martin and Zvolen. There were sub-branches in Necpaly, Ľubietová and Turie Pole. It was a financial institution with its headquarters in central Slovakia, which was also its area of activity. It mainly provided bill and mortgage long-term loans. It also devoted attention to financing business activities, it owned shares in the Banská Bystrica fruit-processing company Fatra, the steam mill at Krupina with an annual capacity of 1000 wagons of grain, destroyed by fire on 21st March 1943, the tile

factory at Rybáry (now Sliach), the central distillery in Zvolen and the spa at Kováčová, which came into the exclusive ownership of the bank in 1926. The bank invested in this spa after July 1929, when medicinal water with a temperature of 46°C was obtained from a borehole.

The first post-war crisis in 1922 and 1923 brought the bank losses,

especially from unsuccessful activities in the Timber joint stock company, Czechoslovak joint stock company for trade, industry and agriculture and the bookshop Haas and Hašek in Zvolen. The statutes of the bank were changed in December 1925, so that it had the right to accept insurance deposits and issue deposit account books. The generally favourable development, especially thanks to the prudent management of the bank, enabled it to cooperate in rescuing the Ľudová banka of Ružomberok, which culminated in the successful completion of the recovery programme in 1927. The bank produced its own “advertising and information” calendar for the first time in 1929, with 15 thousand copies. The great economic crisis, which began on “black Monday at the New York Stock Exchange in 1929, seriously affected the bank only in 1932 – 1933. From 1st January 1933, the staff and directors received reduced pay, the profit fell to 483 thousand crowns and almost all of it was used for paying 4% dividends. The bank had paradoxically achieved its best economic results in its first year of activity with profit of 1.5 million crowns in 1921. In 1923, the profit reached only 43 thousand crowns after writing off of all losses. In the next year, the profit reached 676 thousand crowns.

The fate of this not very strong bank, which had only 16 million crowns of basic property in 1947, and so also the fate of its employees, depended on the decisions of the central government offices regardless of the regime in power. On 6th December 1939, as part of the concentration of banks, the Ministry of Finance decreed that it should be incorporated into the Ľudová banka. This was very difficult for the director V. Pauliny to accept, after the assistance to the Ľudová banka of Ružomberok in the 1920s. He even requested leave because of poor health until the end of 1940, and then a pension. Štefan Kindernay represented him in the leadership of the bank in 1940. From 1941, Milan Kuli-



šek was chief director, while Miloš Vančo was chairman of the board. The latter took action in “the appropriate places, to ensure that the institution remained independent”. He achieved this on 12th April 1940, when the Ministry of Finance reversed its previous decision and decreed that the Národná banka could take over the Obchodná banka of Banská Bystrica, and drop from its name the word “Národná” (National). The reason was simple: the Slovenská národná banka (Slovak National Bank) had already existed for a year. The Commission for Finance of the Slovak National Council appointed Ondrej Spevák and Ján Handlovský as temporary administrators on 26th April 1945. They were replaced by M. Kulišek and Vladimír Pete-

rec on 6th August 1945 and later held the functions of national administrators.

To avoid having a similar name to the central bank, the Národná banka was renamed the Stredoslovenská banka (Central Slovakia Bank) at an extraordinary general meeting on 6th June 1940. Its activity was ended by a decree from the Commission for Finance from 30th January 1948, on the basis of which it merged with the Tatra banka national enterprise of Bratislava, with effect from 1st January 1948. The final accounts of the bank from 1947 show that it had 67 million crowns of deposits, but achieved an annual profit of only 6,230 crowns.

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