



## AMERICKO-SLOVENSKÁ BANKA

The Americko-slovenská banka (ASB) in Bratislava originated on the basis of a resolution of a general meeting on 31st August 1920 of the Roľnícká a priemyselná banka (Small Farming and Industrial Bank), which was founded on 11th March 1909 in Veľké Leváre. In 1917 it merged with the Meštianska banka (Citizens' Bank) of Veľké Topoľčany and in 1919 with the Obchodná banka (Commercial Bank) of Uhorská Skalica. The stimulus



for establishing the bank came from American Slovaks led by Michal Bosák, and they subscribed almost the whole share capital of 25 million Czechoslovak crowns (Kč). The capital was divided into 125 thousand shares with a nominal value of 200 Kč each. The Bosak State Bank of Scranton Pa. transferred shares worth 15 million Kč into a special account for shares intended for sale in America.. The issue was completed by the end of 1920, when the resources deposited as share capital and reserve capital exceeded 37 million Kč. The first general meeting was held on 30th April 1921. The chairman Dr. Pavel Blaho welcomed the shareholders with the words: „Our national liberation has released the fetters of economic dependence and financial powerlessness of Slovakia. The unprecedented boom of the Slovak economy, the unexpected development of banking, the transfer of the savings of the people into our institutions, the growth in the wealth of productive groups, establishment and financing of new Slovak industrial companies are clear proof of how closely economic independence is connected with the political freedom of the nation“. He spoke further about the origin of the ASB on the basis of cooperation with the BSB, as a result of which a separate American section was established and equipped „with modern American banking technology“. The ASB began to cooperate with American banks and banking companies in the area of securing transactions between America and Czechoslovakia. In 1920 the bank worked with share capital of only 3 million Kč. Dividends of 10% were paid in 1920, but in later years only 4%. Michal Bosák director of the BSB, Dr. Vavro Šrobár and Dr. Milan Hodža members of the National Assembly and Dr. Ľudevít Okánik Roman Catholic dean were elected to the board of directors.

Igor Pietor director of the Meštianska banka in Trenčín, Jaroslav Skorkovský director of the Pražská úverná banka in Bratislava and Ján Kukliš director of Ľudová banka in Trnava worked in the supervisory board. According to its statutes, the aim of the bank was to carry out banking transactions to support commerce, industry, trade and agriculture with regard for the needs of Slovakia and of the American Slovaks. The bank established 12 branches during its

existence.

Dr. Milan Hodža, a member of the board of directors of the ASB, initiated consideration of strengthening the position of nationally oriented banks. On his initiative, representatives of the ASB, Tatrabanka and Slovenská roľnícka banka in Košice met on 30th October 1921 and agreed on the preliminary merger of their banks by the end of 1921. Discussion of this question broke down at a general meeting of shareholders of the ASB and was postponed at the request of M. Bosák, who worked in the ASB first as a member of the board of directors, in 1923 as chairman, and in 1924-1925 again as a member of the board of directors. However, in 1926 he no longer had a position in the ASB. He gradually sold his shares and was criticized for this by the Banking Office of the Ministry of Finance: „Mr. Bosák, who subscribed shares at a rate of a dollar to perhaps 100 Kč, made a good deal and it is only a question whether the American autonomists will accuse him of selling the institution to people from Prague, which could harm his business.“ Thus, the project of creating the first really nationally oriented large Slovak bank collapsed because of small-mindedness and discord connected with the pursuit of personal interests. Early in 1922, representatives of the ASB Dr. M. Mičura and Dr. J. Madeříč gained positions in the management of the Slovenská všeobecná úverná banka (Slovak General Credit Bank – SVÚB). This strengthened the position of the ASB in the Slovak capital market. The ASB suffered substantial losses in 1922-1923 due to an economic crisis, and after the deflationary raising of the exchange rate of the Czechoslovak crown it lost the capital of American Slovaks. In 1928 the majority shareholding in the ASB came into the hands of the Banka československých légii (Bank of the Czecho-



slovak Legions), and a year later the ASB became an affiliated institution of this bank. The affiliation was spoken of as a good deal for M. Bosák.

An extraordinary general meeting on 29th December 1932 decided on its merger with the SVÚV starting from 1st January 1933. With this act, the ASB ceased to exist as a legal person. The most important of the various steps was the dissolution of the ASB by the merger with the SVÚB. It was actually an action of the Ministry of Finance to cover the collapse of the ASB, which had lost the whole of its share capital and had survived for many years only thanks to extraordinary supports and tolerant covering of losses in its balance sheets. The situation in the ASB also concerned the government, which decided at its session on 22nd December 1932, on the basis of the so-called Second Bank Financial Rehabilitation Act of

1932, to grant non-repayable support of 18 million Kč and cancel the need to repay a state deposit of 14 million Kč provided for the financial rehabilitation of the ASB from the resources of the fund for the consolidation of the transitional state debt in 1928, but with the conditions of merger with the SVÚB. Only one member, Anton S. Ambrose, the representative of the Legiobanka at the ASB, moved from the ASB to the board of directors of the SVÚB. The contracts of the other members of the board, leading officials and chief clerks of the ASB were terminated. The capital combination of three banks – the Legiobanka, SVÚB and ASB – formed a strong grouping, able to push the hitherto largest banks – the Tatra banka and Slovenská banka – into a secondary position.

**Mgr. Mária Kačkovičová**