

## THE ZVOLEN SAVINGS BANK

At the end of August 1844, on the initiative of the mayor of Banská Bystrica Jozef Glabits and the deputy sheriff of the County of Zvolen Ľudovít Beniczký, 149 of the most important representatives of the County of Zvolen met in the assembly hall of the county office in Banská Bystrica, to discuss a propo-



posal to establish a savings bank with the legal form of a joint stock company, following the example of the Bratislava Savings Bank and the Pesti hazai első takarékpénztár (Pest First National Savings Bank) of Budapest. It is worth mentioning that, apart from representatives of Hungarian and German nationality, figures from Slovak national and political life – Karol Kuzmány, Samo Chalúpka, Tomáš Hromada, Michal Rárus and others – participated in the administration of financial and credit matters. At another session on 21st December 1844, this so-called county preparation committee elected a temporary committee for the future savings bank under the leadership of Jozef Glabits. At meetings at the end of December 1844 and beginning of 1845, the temporary committee worked out the regulations of the company according to the example of the Bratislava Savings Bank. They set the level of the share capital at 30,000 gulden, divided into 600 shares with a nominal value of 50 gulden each. The committee also decided on the name of the company: Zvolenská sporiteľňa účastinná spoločnosť (Zvolen Savings Bank Joint Stock Company) of Banská Bystrica, by which the members wanted to emphasize the activity of the company throughout the County of Zvolen. We assume that the savings bank was recorded in the register of companies in the German, Hungarian and Slovak languages: in German – Sohler Sparkassa a.g., Neusohl, in Hungarian – Zólyomi takarékpénztár r.t., Bestercebányam. The founding general meeting was held on 15th March 1845. The participants elected a 30 member executive committee headed by Ján Szumrák. Karol Kuzmány was also a member until 1850.

Ľudovít Štúr enthusiastically welcomed the establishment of the new financial institution on 14th Oc-

tober 1845 on the pages of the Slovenskej národnej noviny (Slovak National Newspaper), but the Zvolen Savings Bank did not meet his expectations in the course of its development. In spite of the fact that the founders of the savings bank initially declared its multi-ethnicity, it gradually became a victim of

growing economic nationalism and after 1890 it came entirely under the control of Hungarian business and political circles. An affair from 1864, investigated by the government commissioner Carl von Szigety, testifies to the political background of the activities of the savings bank. It concerned a complaint from the inhabitants of the County of Zvolen that the management of the savings bank was refusing to grant loans to applicants of Slovak nationality for political reasons.

In spite of the difficult financial and operational situation in 1845-1846 caused by the decline and collapse of savings banks in Austria, the Zvolen Savings Bank gradually established itself as one of the most solid savings banks in upper Hungary. It succeeded especially thanks to its prudent commercial policy and qualified management. Its statutes were changed and a new administrative board and supervisory committee established at a general meeting on 14th March 1876, as a result of new legislation on companies in 1875. In 1880, its name was changed to the Banská Bystrica Savings Bank Joint Stock Company of Banská Bystrica. It was recorded in the register of companies only in the Hungarian and German languages – Besztercebányai takarékpénztár r.t and Neusohler Sparkassa a.g. The savings bank gradually extended its activity. In 1895, it operated with share capital of 240,000 crowns (K) and created a reserve fund with a value of 120,000 K. Further note-worthy balance data given in the annual report for 1895 show that the savings bank managed accounts to a value of more than 3 million K, net profit was 52,491 K and a high dividend of 25 K was regularly paid for each share. By the end of the 19th century, the Banská Bystrica Savings Bank began to take a greater part in providing credit to fi-



nance the development of industry. However, these activities meant a certain risk for the savings bank and brought losses, as in the cases of the decline of the steam mill at Lučenec in 1886 or the factory for making wooden furniture in Banská Bystrica.

A basic change in the activity of the savings bank came in 1918 after the foundation of the Czechoslovak Republic. In spite of suffering rather high exchange rate losses in connection with war loans from the period 1914-1918, it attracted the attention of various important Slovak banks, which endeavoured to win control of it, in the process of the concentration of finance in Slovakia. In 1920, Tatra banka joint stock of Martin was the first to take the initiative. It attempted to fuse the Banskobystrická sporiteľňa with the Úverná banka (Credit Bank) joint stock company

to create a strong new financial institution in Banská Bystrica, which would be affiliated to the Tatra banka. After the failure of this project, a struggle for control of the Banskobystrická sporiteľňa started in 1921 between the Národná banka (National Bank) joint stock company of Banská Bystrica and the Slovenská banka joint stock company of Bratislava. The Národná banka finally emerged victorious from the struggle, thanks to extensive agitation led by Viliam Paulíny. This was confirmed at an extraordinary general meeting of the Národná banka on 3rd November 1921, on the basis of which the Banskobystrická sporiteľňa was dissolved after 76 years of activity, by fusion with the Národná banka.

**Mgr. František Chudják**