

## HORNOUHORSKÁ BANKA TATRA

The idea of founding „the largest Slovak bank with such a size that it could become a centre for all the financial institutions existing in Slovakia and a moving force for commercial and industrial works and enterprises“ arose after the return of Rudolf Krupec from Russia in 1883, after 22 years there. At the beginning of 1884, he began to co-operate with the lawyer Ján Milec, chairman of the Žilinská Vzájomná pokladnica (Žilina Mutual Treasury) and co-founder of the Cement Works at Lúčka. They set themselves the common aim of establishing a large bank for the whole nation, as a foundation for „building the national house from the foundations“.

They chose as the location for the bank, the existing centre of Slovak life Turčiansky Svätý Martin, where they held meetings on 26th January, 26th February and 9th March 1884 to discuss proposals to found a bank with interested persons. The definitive decision was taken in March. Rudolf Krupec and Ján Milec were entrusted with carrying out preparatory work, in which they also turned to the first head of the oldest Czech Živnostenská banka, Pavel Kuzmány. They conceived an appeal addressed to the public and added an informative prospectus. In the course of three months up to 10th July 1884, 3580 shares were assigned to 121 founders of the bank, which was undoubtedly a great success for that time. On 8th October 1884, the founders of the „Hornouhorská banka Tatra, účastinná spoločnosť (Upper Hungarian Bank Tatra, joint stock company)“ as it was officially called, met in Martin, with the participation of 86 of the 190 future shareholders of the bank, who were assigned more than half the equity represented by 4880 shares of 100 gulden. All the notable Slovaks of the time were present, led by Štefan Marko Daxner, Matúš Dulo and Janko Francisci, as well as advocates, officials, financiers, merchants, land owners and priests.

The founding general meeting on 2nd February 1865 elected the management of the bank headed by the chief director Rudolf Krupec, and approved the statutes. However, their greatest problem was still to come. As a result of a direct intervention of the Hungarian government it was not possible to publish the statutes of the bank, which was a condition for the beginning of its activity. The bank received notifi-

cation that the commissioner for companies responsible for supervising new joint stock companies did not permit publication of the company name of the bank with the justification that the „statutes of the new bank do not satisfy some legal norms.“ The county court (sédria) returned them for revision.

However, it was soon found that the real reason was that leading Slovak figures and workers for the nation were proposed for the management and board of the new bank, and there was a suspicion that the share capital came mainly from abroad, specifically from Russia, the bastion of Pan-Slavism. The government had the names and nationalities of all the shareholders verified, but apart from one Czech, one Russian and one Rumanian, they were all Slovaks.

After revision of the statutes in accordance with government demands, discussions still dragged on, and government approval was not given. Therefore, R. Krupec and J. Milec visited the prime minister Kálmán Tisza in Budapest to gain his support. However, Tatra banka was able to begin its activity only on 20th June 1886, after the government supporters Lajos Lehotzky deputy-sheriff of the County of Turiec and Ďuro Szmrecsányi deputy-sheriff of the County of Orava were elected chairman and deputy chairman.

The further destiny of the bank was no less dramatic. The establishment of branches of the bank, especially the Prešov branch at the beginning of 1910, with Aurel Styk as its director and Jozef Gregor Tajovský as its accountant, was faced with strong opposition from pro-government local officials.

Rudolf Krupec was succeeded as chief director by Jozef Houdek (1890-1893), Žigo Paulíny-Tóth (1893-1903), Miloš Štefanovič (1903-1904) and Ivan Daxner (1905-1913). Under the leadership of Ivan Daxner, Tatra banka paid for its close cooperation with American Slovaks, specifically with Peter Rovnianek. After the collapse of his business, it was found that I. Daxner had signed the main guarantee on the loan of about 2 million Austro-Hungarian crowns to Rovnianek from the Tatra banka for himself and his wife. After dismissal, Daxner worked in the Tatra banka „crisis management“ under the leadership of Viliam Paulíny from the Zvolenská ľudová banka (Zvolen



People's Bank). With the help of the five largest Slovak banks, they succeeded in avoiding the collapse of the bank. Cyril Kresák became the chief director in December 1913 and stayed until 1925. In 1921, after passing of the new banking act, the Tatra banka merged with the oldest Slovak financial institution: the Turčiansko-Sväto-Martinská sporiteľňa (Turčiansky Svätý Martin Savings Bank). The Tatra banka had a further crisis in the 1920s over the so-called Sigmund affair, associated with the names of the leadership of the bank at the time: apart from Cyril Kresák also Fedor and Vladimír Jesenský and Lajo Vanovič, chief of the Tatra banka from 1926 to 1932.

The Tatra banka transferred its commercial management to Bratislava in 1925, although the central headquarters of the bank remained in Martin. Many

important personalities worked for it. For a time in 1903, P.O. Hviezdoslav was director of the Dolný Kubín branch. Rudolf Kubiš was general director before his appointment as second governor of the Slovak National Bank in 1944.

After the Second World War, the Tatra banka was first placed under national administration, and after February 1948 merged with the Slovenská banka to form the Slovenská Tatra banka. The Tatra banka survived many storms from its origin in 1885 until 1950. After establishment of the Štátna banka československá (State Bank of Czechoslovakia) in 1950, it became a so-called dormant bank.

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