

Bilanz am 31. December.					
Aktiva:		Passiva:			
1913	1912	1913	1912		
Kronen		Kronen			
Kassa u. Münzen	861.527	150.870	Aktienkapital	6.000.000	6.000.000
Bankwechsel	19.072.202	18.981.165	Reservefonds	1.000.000	870.000
Hypothekendarlehen)	13.124.116	13.375.139	Garantiefonds d. Pfandbriefe	560.000	560.000
Personal-Kredite	1.304.084	1.371.324	Spezialreservefonds	3.160	24.452
Wechsel-Darlehen geg. hyp.	9.354.535	9.097.755	Pensionsfonds	860.658	815.480
Sicherstellung	7.656.878	7.152.139	Spareinlagen	22.773.603	23.174.300
Konto-Korrent	37.120	41.968	Parthen Cooma-Fonds	47.613	45.606
Wertpapier-Vorschüsse	932.366	676.500	5% Pfandbriefe im Umlauf	466.000	516.000
Gebäude)	3.498.091	3.229.014	5% Kronen-Pfandbriefe im Umlauf	8.228.000	8.368.000
Aktionen verschied. Banken	314.000	319.300	4 1/4 Pfandbriefe im Umlauf	2.312.000	2.852.000
Effecten d. Sicherst.-Fonds	562.029	564.390	Verloste Pfandbriefe im Umlauf	281.500	292.500
Effecten des Pensionsfonds	314.270	242.365	Reescompte	8.025.215	7.178.841
Effektensinsen	49.516	42.887	Kreditoren	4.786.295	6.101.673
Aktionäre	—	1.337.518	Unbelebte Dividenden	2.260	1.540
Rückständige Zinsen und	—	—	Transitorische Zinsen	330.903	311.454
Debitoren	60.018	47.145	Dotation einzulösender Pfandbriefcoupons	159.186	156.886
Zusammen	56.540.752	57.329.279	Reingewinn	703.628	500.547
			Zusammen	56.540.752	57.329.279

Gewinn und Verlust-Conto.					
Einnahmen:		Ausgaben:			
1913	1912	1913	1912		
Kronen		Kronen			
Zinsen: Bankwechsel	1.080.961	950.996	Zinsen: Spareinlagen	1.162.337	1.150.715
Hypothekar-Darlehen	724.133	635.648	Pfandbriefe	540.579	483.761
Personal-Kredite	121.706	149.857	auf. Effecten-Darlehen	161.287	107.266
Effecten	331.170	173.051	Aktionär-Zinsen	—	33.131
Wech.-Darl. geg. hyp. Sicht	601.952	546.833	Gehalte	285.960	285.124
Konto-Korrent	190.989	303.444	Quartiergelder	55.665	56.140
Effecten-Vorschüsse	2.639	3.673	Druckorten, Porti etc.	45.898	39.981
Aktienzahlungszinsen, S. Em.	24.064	—	Präsenzmarken	7.236	9.210
Provisionen	30.953	23.590	Steuer	72.166	74.187
Mietertragnis	19.197	15.946	Einlagensensteuer	115.234	115.071
Kursgewinn bei Münzen	8.226	2.109	Reingewinn	703.628	500.547
Zusammen	3.129.990	2.855.133	Zusammen	3.129.990	2.855.133

Gewinnverteilung:		
1913	1912	
Kronen		
Dividende	480.000	300.000
Reservefonds	50.000	60.000
Spezialreservefonds	19.203	8.205
Pensionsfonds	10.000	10.000
Remunerationen	6.500	5.200
Spenden	35.000	26.000
Tantiemen	102.925	91.142

Newsletter from the EABH

1/2006



European Association for
Banking and Financial
History e.V.



Dear Colleagues,

More than fifteen years after its foundation, the EABH's purpose remains to promote dialogue between archivists, historians and representatives of the banking and financial sectors from all over Europe and provide a network for the exchange of ideas and experiences while promoting the preservation of historically valuable archive material and fostering research into financial history. The remarkable quality of the articles in this 17th edition of the EABH Newsletter shows that this objective is being achieved on a continuing basis.

The wealth of reviews of bank archives illustrates that the archives remain the most important object of the EABH interest. Indeed, the promotion of archives is now more important than ever. In the modern age banking and financial archives are facing two serious threats. The first threat is posed by the prevalence of mergers, takeovers and liquidations. As there is never a merger of equals, it is inevitable that when a merger takes place one institution's identity and cultural memory will be overwhelmed and destroyed. The archives themselves are also in danger of being lost if the institution does not consciously operate a preservation policy. In the case of a takeover, this is an even more likely occurrence, and when a company is liquidised unavoidably so.

The second threat posed to the preservation of historically relevant material is that of technological advancement. The development and prevalence of information technology- internet, email, SMS- in the world of banking and finance has led to the destruction of much material of historical interest. Information, previously conveyed by letter, is now transferred via electronic media. There are no longer originals which means information has a very short lifespan and is thus rarely stored for long periods of time. Though valid forms of conveying information, emails and SMS ensure there is no way of archiving historically relevant material contained within them. The same can be said of Websites whose contents change frequently but which are not recorded. Of course, information passed through these media could be saved, but for most companies the costs are too high. The forthcoming Workshop on *Banking and Financial Archives: Priorities for the Future* will deal more specifically with these challenges and ways of combating them.

The review in this Bulletin of the challenges facing the *Geld + Bank Museum* in Utrecht demonstrates the difficulties facing many historical banking associations and bank archives in the age of mergers and takeovers. However, it is reassuring to see several international banks showing an active interest, and also a financial interest in their archives.

However, as well as concerning ourselves with archives, the EABH must be willing to grow and develop in line with the needs and interests of its members. The EABH is working on developing its role in the cultural activities of financial institutions- a very important and contemporary subject matter which is intrinsically linked to the cultural memory of banking and financial institutions. The fascinating results of the survey on *Art and Cultural Activities in Financial Institutions* published here illustrate the great interest our member institutions have in this field. Let us not forget: the topic of cultural activities in financial activities ties in perfectly with one of the EABH's main objectives: to reinforce our collective European culture and identity.

Manfred Pohl

Deputy Chairman

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Survey on Art and Cultural Activities in Financial Institutions

1) How to set up an art collection

Why do financial institutions set up an art collection?

- Why did your company set up an art collection?
- What is the philosophy underlying the collection?
- What are the goals and objectives pursued with the collection?

How banks set up an art collection?

- How did you implement this project?
- What are the criteria followed regarding the selection of pieces of art?
- Do you prefer established artists or promising, upcoming talent?
- Are the works regularly re-appraised and revalued?
- Do you work with independent curators?
- How do you evaluate potential significant additions to your collection?
- Have guidelines been formed to maintain the quality of the collection?

Accessibility of the art collection

- Can clients, employees and shareholders profit from the art collection?
- Do you lend your works to other institutions? Is the collection accessible to the public?
- How do you contribute to the “dissemination” of your art collection to the public?
- Do you have a web museum, a newsletter?

2) How financial institutions may contribute to improve culture in the communities they work for?

- Do you have an underlying philosophy to serve society with your cultural activities?
- Are your cultural activities a result of a deliberate and defined corporate responsibility/ social responsibility agenda?
- With what activities do you contribute to the cultural life of your community?
- Do you sponsor any cultural activity outside of the company, organised by other organisations?
- If so, what kind of activities do you sponsor? Is there a clear and specific policy which you follow?

1. ABN AMRO Historical art collection

Why set up an historical art collection?

Through the years, many predecessors of ABN AMRO collected a considerable number of objects (art and otherwise).

With the merger of ABN and AMRO in 1991, management decided to establish a department to manage this large collection and on 15 May 1992, ABN AMRO History Department was founded.

Its tasks are compiling, archiving and documenting all events in the history of ABN AMRO Holding N.V. and all her legal predecessors, and to collect all artifacts with a historical link to the bank and her predecessors.

The bank considers her history as the basis for the present and the future.

How to set up an historical art collection?

The bulk of the collection was already accumulated by the banks predecessors through the previous decades. At the moment the History Department is still occupied with registering all these collected artifacts. New material is mainly obtained by acquisition at the office-buildings of the bank and from gifts from (former) employees or people who had dealings with the bank in the past.

Purchases are seldom made and only when it fills a gap in the collection and has a clear connection with the bank or her predecessors.

In fourteen years the department has developed from one historian into a staff of six people: the company historian, an archivist, a writer, two collection-managers and an administrative employee. Apart from them there are a number of academics writing the history of the predecessors.

A collection-plan is made in which mission, collection, acquisition and dequisition, operating procedures and management is described. The

plan will be reviewed every four to five years. The collection was appraised for the first time when the History Department was founded. Only recently was it decided to appraise the collection in a cycle of 5 years in which every year a part of the collection is valued and after 5 years revalued.

Accessibility of the art collection

Part of the collection hangs in (head)office-buildings and can hardly be called "available for the public". Unfortunately we have no accommodation to display the artifacts to the public. We do honour applications from museums and fellow-institutions, but requests are limited.

On the website www.abnamro.com/history a small part of the collection is available. Researchers and interested people can make an appointment to view archives, photographs and sometimes a part of the collection. We try to assist them to the best of our ability in their search for information.

2. How an historical art collection may contribute to improving culture in the community

Apart from the historical collection, ABN AMRO has an Art Foundation, established in 1977 by Amro. They concentrate on collecting art of Dutch artists or artists living in the Netherlands from 1950 to the present. Though accommodated in the same building, the Historical Archives and the Art Foundation are two totally different departments operating independently. The bank in general feels a social commitment towards society, and sponsors a number of activities amongst which culture, sports and voluntary work. The History Department contributes, if requested. For our department this means financial contributions as well as contributing knowledge and material to external publications, sharing knowledge and know-how, cooperating with fellow-institutions and making small exhibitions mainly within the bank. Our

own publications are primarily available for personnel and fellow-institutions, but outsiders can certainly apply for a copy.

We do believe that the ABN AMRO History Department can make a valuable contribution to our cultural heritage.

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1) How to set up an art collection

Why did your company set up an art collection?

The Bank of Italy does not have an art collection proper, so to say, that is, a systematic collection of works by selected artists or of selected types. The core of the Bank's holdings of art consists of a large number of works acquired from a single collector, Riccardo Gualino, a prominent industrialist who built up an enormous collection, renowned worldwide for its eclecticism and the large number of masterpieces. At the end of the 1920s he went bankrupt and had to transfer to the Bank "on account of a larger payment owed" a total of 174 pieces, including a precious collection of Chinese artworks.

Much later, and in particular starting in the 1980s, the Bank initiated a policy of increasing its artistic holdings.

What is the philosophy underlying the collection?

At first the Bank of Italy was interested mainly in Italian artists of the nineteenth and twentieth centuries, representative of the evolution of Italian art since the founding of the Bank itself to-

wards the end of the nineteenth century. Another criterion has been to concentrate on works that can be easily displayed in the workplace.

What are the goals and objectives pursued with the collection?

To expand and exploit the Bank's art holdings, to exhibit original works of both painting and sculpture to furnish offices and public spaces.

How banks set up an art collection?

How did you implement this project?

To expand its holdings of artworks, each year the Bank of Italy budgets an amount earmarked for acquisitions. Most of the acquisitions are made at the leading auction houses; in some cases they are made directly from artists, only rarely from private collectors.

What are the criteria followed regarding the selection of pieces of art?

- a) the historical and artistic worth of the artist and the work;
- b) the decorative value of the work and the attractiveness of the subject, considering the need for decoration of prestigious spaces within the Bank.

Do you prefer established artists or promising, upcoming talent?

The current preference is for established artists of the twentieth century, but emerging artists are also considered.

Are the works regularly re-appraised and revalued?

In 2000 the carrying value (purchase price) has been flanked by a market value estimate.

Do you work with independent curators?

The Bank of Italy has ten outside consultants specializing in a variety of areas of art. An artworks committee has been formed to consider proposed acquisitions. It consists of three high-

ranking managers of the Bank and two art experts, selected according to their specialty, among the consultants.

How do you evaluate potential significant additions to your collection?

The Bank is interested in making significant additions. Acquisitions as proposed by the artworks committee are submitted to the top management for approval.

Have guidelines been formed to maintain the quality of the collection?

Yes. Those recently approved by the top management are as follows:

- a) orientation to twentieth-century Italian artists, with an emphasis on those not yet in the collection or represented with relatively minor works, so as to cover the main currents in Italian art of the last century. A list of modern and contemporary artists to refer to in proposing acquisitions has been drawn up;*
- b) increasing holdings of works by artists of whom the Bank already has collections of a certain extent and quality (De Nittis, De Pisis, Pirandello).*

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

The artworks are displayed in the workplace (offices, studies, conference rooms and other public rooms). Thus as a rule they are accessible to the employees and guests present in those spaces.

Do you lend your works to other institutions? Is the collection accessible to the public?

At the request of organizers and with the permission of the competent authorities, the Bank readily lends its artworks for exhibitions sponsored by institutions offering all the necessary guarantees.

During conferences or special events (visits from foreign delegations, school groups, etc.) the

Bank conducts guided tours of Palazzo Koch (the headquarters building) or the Donato Menichella Centre, where part of the collection is held.

Four especially valuable pieces from the Gualino collections (three Chinese and one Indian) are on temporary deposit with the Museo Nazionale di Arte Orientale in Rome and are thus accessible to the public.

How do you contribute to the “dissemination” of your art collection to the public? Do you have a web museum, a newsletter?

The Bank has no web museum or newsletter. Some works, in particular those of the Gualino collection, have been described and illustrated in non-commercial publications. A volume exclusively for the Bank of Italy, illustrating the most important works present in Palazzo Koch, is forthcoming.

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

No, except in the fields covered by our institutional mandate (economic and legal research).

Are your cultural activities a result of a deliberate and defined corporate responsibility/social responsibility agenda?

As above.

With what activities do you contribute to the cultural life of your community?

The Bank provides the premises and budgetary resources for its employees’ social and cultural organization.

Do you sponsor any cultural activity outside of the company, organised by other organisations?

No.



1) How to set up an art collection?

Why do financial institutions set up an art collection?

Why did your company set up an art collection?
Our company set up an art collection mainly to use it for top management and representative offices needs.

What is the philosophy underlying the collection?

The philosophy underlying the Banca di Roma's art collection is influenced by the previously mentioned logistical needs and by the related interest to cultivate the company's image in support of art and cultural activities.

What are the goals and objectives pursued with the collection?

The main goals pursued with the collection concern the availability of many interesting and beautiful pieces of art, which can show a significant value increase in the medium-long term and can also contribute to communicate to employees, customers and visitors the bank's interest in supporting art.

How banks set up an art collection?

How did you implement this project?
Through specific projects oriented to build up a unique Banca di Roma's collection, which is the final heritage composed by the goods of the three former banks Banco di Santo Spirito, Cassa di Risparmio di Roma and Banco di Roma.

What are the criteria followed regarding the selection of pieces of art?

The art collection has been formed through decades with the on-going acquisition of pieces of art in the antiquarian market or through operations linked to credit recovery processes.

Do you prefer established artists or promising, upcoming talent?

Until now acquisition has been oriented towards well-known and talented artists' pieces. In the future, it is possible the bank will try to focus on upcoming talents.

Are the works regularly re-appraised and revalued?

They are not re-appraised and revalued regularly, only on an occasional basis.

Do you work with independent curators?

Yes, although on a limited basis.

How do you evaluate potential significant additions to your collection?

It mainly depends on the amount of resources made available through the yearly budget and on the needs to face new logistical needs.

Have guidelines been formed to maintain the quality of the collection?

Guidelines mainly concern the conservation and protection status of the various art pieces (many of which have been created in the past centuries), reached with dedicated restoration activities committed to the best known professional laboratories working in Italy and certified by Soprintendenze (Ministero per i beni e le attività culturali).

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

On a limited basis, since the various art objects are placed in many different locations.

Do you lend your works to other institutions? Is the collection accessible to the public?

The pieces of the collection are lent to be shown on the occasion of important and selected exhibitions. For example many visitors are allowed to visit our historic buildings in occasion

of the “Invito a Palazzo” day, yearly promoted by Associazione Bancaria Italiana. In addition the public is occasionally invited to participate in guided tours.

How do you contribute to the “dissemination” of your art collection to the public? Do you have a web museum, a newsletter?

We are preparing a web site that will collect the most important pieces of the collection.

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

Our philosophy is strictly linked to communication. We want to transmit by art a positive image of Capitalia Group and his innovative capacity. A deep dialogue between preservation and exploitation of the art, made by professionalism, knowledge and reliability of the persons who work in our large company.

Are your cultural activities a result of a deliberate and defined corporate responsibility/ social responsibility agenda?

Yes, they are part of a larger social responsibility agenda, which is often discussed and approved together with public bodies (i.e. the City of Rome, The Ministero per i Beni e le Attività Culturali, and so on).

With what activities do you contribute to the cultural life of your community?

We contribute to the cultural life of our community by sponsoring some cultural events. In addition we participate in the special day yearly organized by Associazione Bancaria Italiana named “Invito a Palazzo”. In the fifth edition of this year a prize will be awarded for a young restorer among those graduated from the Opificio delle Pietre Dure, a famous institution founded in Florence in 1588 by Ferdinando

de’Medici the first.

Do you sponsor any cultural activity outside of the company, organised by other organisations?

Yes, sometimes we do.

If so, what kind of activities do you sponsor? Is there a clear and specific policy which you follow?

Mainly art events and also through permanent exhibitions of the significant archival heritage handled by Banca di Roma. The Historical Archives of Banca di Roma are handled by the Bank, under the patronage and respecting the guidelines of the Ministero per i Beni e le Attività Culturali.



Why did your company set up an art collection?

Our Bank has always been interested in the setting off of the local artistic culture, with the purchase of many art works (paintings, coins, sculptures, silver wares), so there have been the need to collect these ones in an art collection, and to place the same collection in the historical head office of the Bank.

What is the philosophy underlying the collection?

The preservation and the setting off of the local, historical and artistic property

What are the goals and objectives pursued with the collection?

The possibility, for all the people living in this area and over, to know and appreciate our collection

How banks set up an art collection?

How did you implement this project?

Our Bank, during the years, made a shrewd policy, regarding the art works purchases

What are the criteria followed regarding the selection of pieces of art? Do you prefer established artists or promising, upcoming talent?

Most parts of the collection concern established artists of the local tradition, but we make room also for national artists as well known and some promising talent. As well as the very important collection Mario Sironi (42 art works among oil paintings, sculptures and mixed techniques), De Pisis and Morandi, for example, are presents.

Are the works regularly re-appraised and revalued?

Yes, over the inventory there is a catalogue that is updated and topographic.

Do you work with independent curators?

Yes

How do you evaluate potential significant additions to your collection?

The meanings that we have just express are more than enough

Have guidelines been formed to maintain the quality of the collection?

Yes

Accessibility of the art collection

During the year we organize a day entirely dedicated to the guided tour of the entire palace of the Bank, with particular attention for the art collection; this initiative earn more and more success every year. We have also a web museum and a news letter. Over that day it is not possible to visit our collection on booking, because the art works are holded in operative rooms for the bank's life.

With what activities do you contribute to the cultural life of your community?

Yes, of course we can contribute to the cultural growth in our community, especially with an intense publishing activity.

Do you sponsor any cultural activity outside of the company, organised by other organisations?

Yes

If so, what kind of activities do you sponsor?

Art exhibitions, debates and conferences, book presentations.

Is there a clear and specific policy which you follow?

Yes, we sponsor a lot of cultural and artistic events, and also sport teams and events.

Maria Grazia Cadoni



BANK OF FINLAND

How to set up an art collection?

The Bank of Finland has set up its art collection over many years. The Bank's objective is to acquire new pieces of art for display in premises as they are renovated or in entirely new premises as they are taken into use. Collecting art is not an end in itself. The underlying philosophy is to decorate the Bank's general premises and individual offices with art in order to make them more pleasant and appealing.

The Bank of Finland has an Art Committee which is chaired by the Governor and has two other members: the recently retired secretary to the Bank of Finland board and a representative of the Bank's staff association. The Art Committee is responsible for all matters relating to the Bank of Finland's art collection. The Art Committee has an annual budget adopted by the Bank of Finland board as part of the normal budget process.

Pieces of art are purchased by the Bank according to certain criteria. The guiding principle is that all new acquisitions should be works produced by Finnish artists at the peak of their creativity. Pieces of art can either be purchased directly from the artist or from art exhibitions and galleries. Outside experts are sometimes consulted where significant acquisitions are concerned.

The Bank endeavours to collect art of high quality, and hence all decisions on art acquisitions have been entrusted to the Art Committee. Since the Bank also seeks to take good care of its art collection, funds for this purpose are earmarked in the annual budget.

All works of art displayed in public areas can naturally be viewed by the general public. Such areas include the exterior of the Bank where

statues and sculptures are on display. Other public areas are lobbies, waiting rooms and, to a certain degree, reception rooms. However, pieces of art placed in working areas, meeting rooms and on other staff premises are not accessible to the general public. The Bank of Finland has no virtual museum or equivalent.

The Bank takes a positive attitude to requests for loans if the exhibition or project is of national importance. A condition for lending works of art is that the organiser bears all costs involved and takes out adequate insurance.

How the Bank of Finland contributes to improve culture in the community?

The Bank of Finland has a museum that was opened in 2003 and is accessible to the public free of charge. The museum arranges free guided tours in Finnish, Swedish or English. The main target audiences are schoolchildren over 15 years of age. Lectures pitched at the general public are also held at the Bank of Finland Museum on subjects such as monetary policy and the history of money.

BANK OF GREECE

1) How to set up an art collection?***Why do financial institutions set up an art collection?***

Why did your company set up an art collection? *The first works of art were acquired for the offices of the Bank's leading officials. Art was purchased, often commissioned, but always in a sense of incorporating fine art – not décor, and in an aim to create a pleasant working environment. As the institution expanded and grew, setting up an art collection was perceived to be more of a long-term capital deposit, as well as an excellent, no less, imperative form of promoting the institution's public image. Not much later, an employee art-committee was assigned to oversee development of the collection. Famous works of very prestigious Greek artists were bought and displayed in the Bank's premises throughout Greece.*

What is the philosophy underlying the collection?

Expansion and growth brought changes in attitude and perception. The cautious, tentative buying of the early years as well as the extravagant buying patterns of the later ones, were, almost instinctively, gradually replaced by an acquisition philosophy, which we today feel is securely and much more wisely established. The Bank's collections currently consist of a sophisticated and extensive anthology of objects, ranging from paintings, prints and sculptures to antiquities, antiques and memorabilia, aiming to preserve the organization's history as well as to offer a significant contribution to the country's artistic and cultural life.

With regard to painting, the collection does not aspire to compose a panorama of the history of Greek art, prior to the 1850's. There are more paintings from the 1850s to the 1960s and less

from the 1960s to the 1980s, while a few works from the 1980's to 2000 illustrate some of the visual trends of the recent decades, as well as the current one.

What are the goals and objectives pursued with the collection?

Through its art collection, the Bank of Greece has, over the years sought to:

- *encourage and support artistic expression in Greece,*
- *contribute to the restitution of important pieces which represent landmarks in the later history of Greek art,*
- *preserve and convey the country's artistic identity and culture,*
- *reflect the aesthetic dimensions of its corporate culture, and "communicate values that are otherwise difficult to define and express".*

How banks set up an art collection?

How did you implement this project?

An employee art-committee was assigned to oversee development of the collection. As the collection evolved, the organization moved to the establishment of a Service which would primarily be responsible for the preservation and conservation of the works. As finally defined in its articles of association, the Service was furthermore assigned to develop an overall collections' management policy. As the collection grows, the role of the Service will continue to evolve.

What are the criteria followed regarding the selection of pieces of art?

- *Artistic value*
- *Aesthetic flair*
- *Price for value*
- *Thematic content (mostly still life, landscape, figuration and portraiture). The art has to be meaningful, engaging and suit our business environment.*

Do you prefer established artists or promising upcoming talent?

Artists are usually selected on the basis of having substantial resumes, solid exhibition histories with established art galleries, works in significant corporate collections and/or works in major museum collections. Some of them have price histories with key auction houses.

Are the works regularly re-appraised and revalued?

They are re-appraised and revalued occasionally, but not regularly.

Do you work with independent curators?

In-house curators take care of the collections on a permanent basis. Project oriented collaborations with highly expertised professionals from a broad range of fields add to the conduction of specialist research.

How do you evaluate potential significant additions to the collections?

The art committee, which currently consists of employees as well as well-known consultants from the corporate art field, evaluates potential additions with a view to fill the gradually descending "gaps" of a quality collection which aims to illustrate adequately many points in the course of Greek art during the last two centuries.

Have guidelines been formed to maintain the quality of the collection?

We are in the process of initiating an "up to international collections' management standards" acquisition policy, aiming to define the framework which will maximize the aesthetic and artistic value as well as the investing potential of the collection.

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

No. They can benefit in various ways, but not financially profit.

Do you lend your works to other institutions? Is

the collection accessible to the public?

We do lend our objects, as well as related photographic and scientific documentation to other Greek and foreign institutions. The entire collection is not open to the public on a permanent basis; however, partial access to the collection is achieved through rotation displays in the Bank's premises, on a regular basis. Special requests to access certain objects are processed and can be arranged.

How do you contribute to the "dissemination" of your art collection to the public? Do you have a web museum, a newsletter?

The Bank has been releasing publications on its art collection since 1993, and has been contributing to an array of publications of other institutions ever since. Making parts of the art collection available on the Internet, as well as including a Virtual Museum Program in the bank's official web-site, are part of our current projects.

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

The Bank actively participates in the country's cultural life by organizing and supporting activities which aim at disseminating and preserving the Greek culture, as well as mainly advancing economic science. We proudly perceive this to be a complementary and integral part of our community role.

Are your cultural activities a result of a deliberate and defined corporate responsibility/social responsibility agenda?

Having always stood by cultural and social institutions, we have initiated a social responsibility policy which aims to further enhance our contribution to the community through a broad range of activities, including support for the arts,

science, research, sports, environmental protection and humanitarian causes.

Do you sponsor any cultural activity outside of the company, organized by other organizations? If so, what kind of activities do you sponsor? Is there a clear and specific policy which you follow?

The Bank of Greece discreetly sponsors cultural activities as an integral part of its broader, low profile, sponsoring philosophy which aims to financially support a wide range of community activities.



1) How to set up an art collection?

Why do financial institutions set up an art collection?

For decoration purposes- VIP and public areas as well as working offices.

We do not have a collection of a specific type of art objects, but a good number of art pieces of good quality. The only true collection we keep developing is the Portuguese coin and bank notes collection. We have a museum of the history of money from the ancient peoples that had lived in our territory up to the Euro. In what concerns painting and other art objects we just buy when we need them for decorating new premises.

How banks set up an art collection?

We have designed a project to develop the coin and bank notes collection with a strategy that was approved by the Board of Directors of the Bank. In what concerns the art acquisitions we have an internal committee and in some cases an external expert, depending on the type and value of the piece. We select mostly Portuguese art or foreign art related to Portugal. This criterion applies also to the coin and bank notes.

Do you prefer established artists or promising, upcoming talent?

Established artists with a few exceptions

Are the works regularly re-appraised and revalued?

No, they are not re-appraised

Do you work with independent curators?

Yes, in some cases.

How do you evaluate potential significant additions to your collection?

If they fit our objectives to develop the collection or to integrate in a specific area decoration.

Have guidelines been formed to maintain the quality of the collection?

Yes we have internal guidelines

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

Yes, the pieces are in public areas, VIP meeting rooms or in the museum

Do you lend your works to other institutions? Is the collection accessible to the public?

Yes to certain institutions, normally for temporary exhibitions

How do you contribute to the “dissemination” of your art collection to the public? Do you have a web museum, a newsletter?

Museum exhibition and a site in the Internet page of the Bank. We also have some books on specific collections.

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

In some cases yes

Are your cultural activities a result of a deliberate and defined corporate responsibility/ social responsibility agenda?

No

With what activities do you contribute to the cultural life of your community?

Organising or cooperating in exhibitions, publishing books, articles and catalogues, creating virtual access to some collections

Do you sponsor any cultural activity outside of the company, organised by other organisations?

Yes

If so, what kind of activities do you sponsor?

Publishing, research, academic prizes and scholarships, orchestras, recuperation of historical buildings, museums, public social campaigns

Is there a clear and specific policy which you follow?

There is not a pre-defined policy, just some basic principles and each case is studied and supported or not according to its goals and the kind of institutions promoting the event.

Luis Nunes



Central Bank of Iceland

Why do financial institutions set up an art collection?

The Central Bank of Iceland does not regard the works of arts that it owns as an art collection. The works are acquired to decorate the Bank's premises and enhance the atmosphere there.

How banks set up an art collection?

The Central Bank of Iceland has not appointed an acquisitions committee to select works of art. Acquisitions have been made by the Bank's Operations Department. Generally, purchases of art works are considered by more than one person. In recent years the Bank has focused on acquiring works by artists whose works it does not already own.

Only the insurance value of the works is appraised.

Accessibility of the art collection

The works are mounted in employees offices, the staff canteen and meeting rooms. Works are also lent to public exhibitions on request.

2) How financial institutions may contribute to improving culture in the communities they work for?

The Supervisory Board and the Board of Governors of the Central Bank of Iceland receive many requests for grants every year, and agree to support various artistic and cultural events.

Mbkv. Ingvar A. Sigfússon

Rekstrarstjóri/Director

Seðlabanka Íslands / Central Bank of Iceland

1) How to set up an art collection?

Why do financial institutions set up and art collection?

Why did your company set up an art collection?
The Bank has two interconnected premises from which it undertakes its daily operations and functions. These have been refurbished on a number of occasions and these projects included the commissioning and purchase of various works of art from time to time. Therefore the Bank's main objective was not to create an art collection but rather the embellishment of the premises. These works of art are distributed throughout both premises and are mostly situated in the Bank's Board Room and Conference Rooms, corridors and main entrances. The largest concentration of these works is found in the Bank's Boardroom. Today the Bank has a modest art collection.

The Bank also has a Currency Museum of Maltese banknotes and coins, numismatic coins and related items. The Bank is currently in the process of extending further this museum in order to include old historical Maltese coins. The Currency Museum is situated in a public area at its main premises.

What is the philosophy underlying the collection?

As already stated, the initial philosophy of the Bank was to embellish its premises rather than the setting up of an art collection. While this has remained the predominant philosophy, a small change has taken place during these last few years with the Bank starting to view its works of art as a collection through the introduction of a specific inventory for its entire works of art which includes detailed information on the art-

ists.

What are the goals and objectives pursued with the collection?

The main objective for the Bank's art collection is primarily to embellish the Bank to standard expectations of one of Malta's main institutions. However as explained this philosophy has slowly started to change in recent years and currently more attention is being given by the Bank to its art collection and eventually its development.

How banks set up an art collection?

How did you implement this project?

The Bank's art collection was mainly set-up in two main phases that coincided with the opening of its two premises, the first one in 1968 and the other one in 1992. However other works of arts were procured in between these dates and subsequently to 1992.

What are the criteria followed regarding the selection of pieces of art?

The Bank has no specific criteria for the selection of pieces of art. The Bank's involvement in this area is mainly driven by the Bank's commitment to promote culture in Malta and hence a preference to the commissioning of works of art to local artists identified as having talent or potential in this area. However, occasionally foreign artists having close connections to Malta have also been commissioned, an example being Mr Victor Pasmore, a renowned international artist who was commissioned for various works for the new premises, since he was living in Malta at the time. Recently the Bank has also purchased a precious oil painting of a well established local artist and which was passed to the National Gallery of Art for public viewing in line with its commitment towards the enhancement of culture in the community.

Do you prefer established artists or promising, upcoming talent?

The Bank has no particular preference and

throughout the years has opted for a mix of both established local artists as well as upcoming and promising ones. This policy is clearly evidenced by the substantial range in styles of the works of art found in the Bank.

Are the works regularly re-appraised and revalued?

The Bank's works of art are occasionally appraised or revalued for insurance purposes only.

Do you work with independent curators?

The Bank's art collection does not warrant the duties of a full time curator and consequently when the need for services arises, these are undertaken by independent curators on an ad hoc basis.

How do you evaluate potential significant additions to your collection?

The Bank does not have an internal infrastructure or guidelines towards such evaluations and therefore in such instances professional help must be obtained from experts in the field to ensure a feasible and sound procurement decision.

Have guidelines been formed to maintain the quality of the collection?

The Bank has no guidelines in place to maintain the quality of its art collection, except their protection from a security aspect.

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection

Since the works of art are spread around the Bank and mostly in non security areas, these can be enjoyed by the employees and shareholders and to a lesser extent by the Bank's clients.

Do you lend your works to other institutions? Is this collection accessible to the public?

The Bank does lend its works of art to other institutions from time to time upon specific requests, depending on the status of the institution making the request and after ensuring the satisfactory protection of the asset. Unfortunately, due to security reasons the Bank's works of art are not readily accessible to the public, other than those lying in the public areas. However the Bank would consider making special arrangements for such access for specific requests made by the public.

How do you contribute to the 'dissemination of your art collection to the public? Do you have a web museum, a newsletter?

The Bank has not yet set up a web museum and has never issued a newsletter and therefore the dissemination of its works of art to the public is rather limited. Notwithstanding, such ideas can eventually be given due consideration in line with the Bank's changing philosophy as already explained.

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

Although this philosophy is not referred to in its mission statement, the Central Bank of Malta has always sought to promote culture within Maltese society. For example, apart from the commissioning or purchase of works of art, the Bank has on various occasions sponsored artists in other areas and has also sponsored the restoration of places with a historic value.

Are your cultural activities a result of a deliberate and defined corporate responsibility/social responsibility agenda?

The involvement of the Central Bank of Malta in various cultural initiatives throughout the years has to a large extent institutionalised this commitment, even though this has not been specifically defined.

With what activities do you contribute to the cultural life of your community?

Throughout the years the Bank has financed or sponsored in whole or in part, cultural publications, vocal and instrumental concerts, theatrical productions, art exhibitions, as well as the restoration of historical sites. The Bank also has its own numismatic exhibition and which was already referred to in the first part of this survey.

Do you sponsor any cultural activity outside of the company, organised by other organisations?

In fact this is currently the most common form of sponsorship undertaken by the Bank.

If so, what kind of activities do you sponsor? Is there a clear and specific policy which you follow?

This has already been detailed above i.e. cultural publications, vocal and instrumental concerts, theatrical productions, art exhibitions and the restoration of historical sites. In general, the Bank sponsors non-profit making or philanthropic activities. The Bank also seeks to ensure a fair and even distribution of sponsorships, with an emphasis on activities which are deemed not to be viable without assistance.

Peter Paul Tabone
 Manager
 Administration Office



Art collection

Danske Bank Group is the result of a long series of mergers and acquisitions – hence the art collection has grown dynamically since the late 19th century. Portraits of stately, bearded chairmen of the board and chief executives, painted by renowned Danish artists, form the basis of the “old collection” (1871onwards). In the 1940’s and 50’s focus shifted to Danish classical modernists of which the Bank has an interesting selection. The art of the 70’s - 90’s is characterised by modern primarily non-figurative lithographic works by Danish and European artists. The collection also includes outstanding samples of Danish ceramics. In recent years art acquisitions have focused on young Danish artists.

The main purpose of the collection is decorative. Offices, branches, meeting rooms and reception rooms are amply decorated by art – hence there are no “museum” premises as such apart from two splendid classicist buildings (late 18.c) with listed interiors that house the Bank’s head office in central Copenhagen.

Danske Bank Group has a private curator in charge of the art collection, its keep, general condition, revaluation and gradual rejuvenation. The Group has not formulated an art policy proper. However, it is essential that the general modern “look” of the branch network in respect of furniture, electronic equipment etc. is reflected in the art decorating the walls. Ideally there should be a symbiosis between art and location. This philosophy means that “uninteresting” art is gradually sold off and the proceeds spent on new art acquisitions.

Danske Bank Group believes in the communicative power of art and its ability to make customers and staff feel comfortable and happy.

Thus, the art collection is accessible to the public in the sense that visitors of the various locations of the Group can enjoy the works of art. Head office collections are open only upon special application by groups (free guided tours). Knowledge of this very popular service is communicated through word-of-mouth.

Paintings from the collection are often exhibited in Danish museums, sometimes also in Sweden and Norway. Some works have been acquired by museums, others are more or less on permanent loan to museums.

Sponsorships

In the past two years the BG Bank branch of Danske Bank Group has sponsored Danish literature in various ways. The most significant contribution is the “BG Bank literature prize” presented to one of three candidates every autumn at the Book Fair in Copenhagen. The prize is the second most prestigious literature prize in Denmark (DKK 300.000). BG Bank also has a money prize for a promising young writer accompanied by a statuette created by a talented graduate student from the Royal Academy of Art.

The other brand of the Group: Danske Bank, has focused on sponsoring performing arts, the theatre, plays and ballets at the Royal Theatre in Copenhagen and theatre performances touring the country. A new initiative is the sponsoring of Knowledge in the form of scholarships for students wishing to study abroad, visits by children to scientific invention museums and collaboration with the Copenhagen Institute for Futures Studies a.o. Danske Bank also sponsors some 200 annual youth sports events all over Denmark involving more than 125,000 children and young people under the heading Danske Bank Cup.

Danske Bank Group does not sponsor art directly. However, it contributes a substantial annual sum to the Danske Bank Art Club – possibly the largest corporate art club in Europe with a membership of almost 4,000. The club ac-

quires well over 300 works of art annually to be allotted to its members. According to the articles all works of art acquired must be contemporary. Sponsorship activities are managed by a separate entity, Stakeholder Relations, organised under Group Communications at Danske Bank’s head office.

Adam Grandjean

Curator

Danske Bank



Why do financial institutions set up an art collection?

Why did your company set up an art collection? The main reason the Nederlandsche Bank set up an art collection is because it wanted to improve working conditions for the employees of the bank by smartening up their working space. Yet it also believes that art is a means of communicating to the public. More than other institutions, it has the means to be of considerable significance to the art community. The Bank supports young and upcoming artists, also by organizing exhibitions. The artists and the art they produce, on the other hand, act like a business card for the Bank – showing that it is an institution in touch with the culture in which it thrives.

What is the philosophy underlying the collection?

The philosophy underlying the collection of the Nederlandsche Bank is to make working at the

bank a cultural and educational experience, and to promote young, upcoming artists.

What are the goals and objectives pursued with the collection?

To create awareness of art within the working community of the bank.

How do banks set up an art collection?

How did you implement this project?

The collection of the Nederlandsche Bank started when several higher placed employees of the bank started buying works of art for their offices and public area of the Bank in the beginning of the 20th century. In 1982 the art committee was founded, making what used to be wall decoration a serious business.

What are the criteria followed regarding the selection of pieces of art?

In general the collection consists of works of art that are made by living artists and that offer a view of the future. Whatever their aesthetic virtues, the works need to be innovative and in keeping with the trends of contemporary art. New art, seen at galleries or at art fairs, can be suggested by any member of the art committee (there are usually no more than 7 members).

Do you prefer established artists or promising, upcoming talent?

The Nederlandsche Bank prefers promising, upcoming talent, but tends to stay faithful to artists whose work they bought in the past. That way the collection can give a good view of an artist's artistic development.

Are works regularly re-appraised and revalued?

Yes. They get evaluated every 4 years.

Do you work with independent curators?

Up till the end of 2005 one of the curators of the Stedelijk Museum Amsterdam advised the Art Committee.

How do you evaluate potential significant additions to your collections?

Potential additions are discussed at the monthly meeting of the Art committee. The work of art will not be bought if the majority of the committee cannot agree on the sale.

Have guidelines been formed to maintain the quality of the collection?

No official guidelines have been formed, yet the criteria discussed in the above serve as such. Works of art that have been found lacking, are sold at auctions.

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

Yes, employees can borrow the art over a period of three years and hang or place the work in their offices. Any employee of the Nederlandsche Bank has this right. There is no limit on the amount of art works a person can have in his office. The employee borrowing art signs a contract that he or she will take care of the work, and make sure that it is placed or hung on a spot where it will not suffer damage.

Do you lend work to other institutions? Is the collection accessible to the public?

Yes and yes. Art objects from the collection are often sent out on loan to museums. The public has the possibility to visit the two exhibitions organised by the Nederlandsche Bank every six weeks.

How do you contribute to the 'dissemination' of your art collection to the public?

The Art Committee of the Nederlandsche Bank posts information about the various exhibitions at the bank on a website called www.galleries.nl.

To reach the employees of the bank the committee makes use of the intranet database. This database enables an employee to have a look at the available art he or she can borrow, or browse through the entire collection of the Nederlandsche Bank.

1) How to set up an art collection?

Why do financial institutions set up an art collection?

The Bundesbank has been associated with art since it was established in 1957. From the very beginning the Bundesbank's motivation in purchasing art works was to remove their aura of remote, museum-like exclusivity by integrating them into the normal, workday world. Art was considered an important aspect of our culture. Art purchases focused on contemporary works, which means that, currently, the collection mainly covers works dating from the second half of the twentieth century to the present day. The art collection is accessible to our employees. Stimulating and provocative art encourages us to accept the challenge it presents and prompts reflection and discussion.

How banks set up an art collection?

The art collection was managed by individuals who made occasional acquisitions of art works. They had quite different priorities, the common denominator being twentieth-century art from German-speaking countries. The purchases included a number of excellent works by the German expressionists and some by the neo-classicist Karl Hofer as well as works by up-and-coming young artists. From the 1980s to the mid-1990s, an attempt was made (with the support of an art advisory council) to acquire outstanding works of art in order to present striking examples of current trends. At the moment, additions to the collection are concentrated on promising new artists to bring the collection up to date. The purchases are mainly related to our exhibition series "Perspektiven heutiger Malerei".

Accessibility of the art collection

The bank's art collection is accessible to our employees and to guests. It is displayed in reception areas and in meeting rooms as well as in individual offices. Many staff members view works of art as an essential part of their workplace. From time to time we organise guided tours allowing the public to view our collection and exhibitions.

We lend works to other public institutions if they are organising exhibitions about artists featuring in our collection. Our employees can find information concerning our cultural activities on the intranet and in the staff magazine.

Dr. Iris Cramer

Deutsche Bundesbank
Zentralbereich Kommunikation
Wilhelm-Epstein-Straße 14
60431 Frankfurt am Main



ING Art Management, Amsterdam Netherlands

1) How to set up an art collection?

Why do financial institutions set up an art collection?

Why did your company set up an art collection?
Nearly 30 years ago, ING started collecting contemporary figurative art made by artists living in the Netherlands. The conscious decision to collect figurative art as a matter of policy has resulted in a museological collection that offers a comprehensive overview of Dutch figurative art since 1920. The primary aim was to provide decoration for all ING offices. Later on, publications about the collection were used for marketing and communication purposes and the expert knowledge of the staff was used for business-relatives; for Private Banking customers we provide special Art Management Services. ING and art have become inseparable. The ING Collection in the Netherlands now comprises well over 20.000 works of art, which are displayed in the Dutch offices and at international ING offices.

What is the philosophy underlying the collection?

The underlying philosophy of the collection is to create a creative atmosphere in the office in which the employees feel comfortable and inspired. Collecting art expresses ING's role as an art patron and reflects its societal and cultural responsibilities. Via collecting art ING stimulates and sponsors the Dutch contemporary art market.

What are the goals and objectives pursued with the collection?

The goal and objective pursued with the collection is to give an overview of the Dutch 20th and

21st century figurative art.

How banks set up an art collection?

How did you implement this project?

ING implements the collection on content grounds comprising four different figurative streams; Fine Painting, Realism, Impressionism and Expressionism. These streams are highly contemporary, yet they are part of the historical tradition of Dutch painting and sculpture and often evoke associations with the great masters of the past.

What are the criteria followed regarding the selection of pieces of art?

The followed criteria regarding the selection of artworks are that the pieces have to fit into the ING Art Management policy and the existing collection. The policy is Dutch contemporary figurative art.

Do you prefer established artists or promising, upcoming talent?

ING Art Management purchases both established and upcoming artists.

Are the works regularly re-appraised and revalued?

The artworks are valued every three years, as required by the Dutch Insurance Companies.

Do you work with independent curators?

The three curators and three conservation employees of ING Art Management work exclusively for ING.

How do you evaluate potential significant additions to your collection?

First of all the art has to be in line with the policy of ING Art Management and the rest of the collection. Furthermore we take notice of various other aspects, among others authenticity, originality and innovative character.

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

ING Art Management offers all ING employees the ability to choose a work of art for their office. Two to three times a year ING Art Management organises an exhibition of the collection in a national or international museum. Clients and employees can get most of the time, a reduced fee on the admission price of ING Collection exhibitions in museums. ING Art Management advises Private Banking customers and prospects on collecting art. In this context the collection is regarded as a form of intangible investment. A collection is defined as a group of objects having common properties. Art Management Services as an activity has been developed in response to market needs as well as requirements of customers or prospects. ING Art Management is the only department within a financial institution in the Netherlands with up-to-date and commercial knowledge of art and is thus the only department that can make a direct connection between art management and banking without the need to involve third parties.

Do you lend your works to other institutions? Is the collection accessible to the public?

ING Art Management lends artworks to other institutions and national and international museums. ING Art Management handles over 250 requests per year. The ING Collection is accessible to the public in the public access of the bank offices and during the ING Collection exhibitions, which are organised around three to four times a year in different venues.

How do you contribute to the “dissemination” of your art collection to the public? Do you have a web museum, a newsletter?

ING Art Management contributes to the dissemination of the art collection to the public by having a website: www.ingcollection.nl. (Take notice of the site for our publications and

webmuseum).

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

The underlying philosophy to serve society with our cultural activities is to stimulate the Dutch contemporary art market.

Are your cultural activities a result of a deliberate and defined corporate responsibility/ social responsibility agenda?

Our cultural activities are a result of a deliberate and defined corporate responsibility/ social responsibility agenda.

With what activities do you contribute to the cultural life of your community?

ING contributes to the cultural life of the community and stimulates art in the company by decorating the offices. By doing this ING hopes to create a positive and creative atmosphere in the office and hopes as well to stimulate the employees on culture.

Do you sponsor any cultural activity outside of the company, organised by other organisations?

We do sponsor cultural activities outside of the company, organised by other institutions. Cultural Sponsoring has got a high priority at ING. ING helps cultural institutions to promote art and tries to introduce high quality art for a wider audience to enjoy.

If so, what kind of activities do you sponsor?

ING is main sponsor of the Royal Concertgebouw Orchestra, The Rijksmuseum Amsterdam and Realisme 06 (the Figurative Art Fair in the Passengers Terminal Amsterdam). ING sponsors TEFAF (The European Fine Art Fair), The ‘Prinsengracht’ Concert and specific exhibitions, for example, Rubens- Brueghel at

the Mauritshuis, The Hague.



1) How to set up an art collection?

Why do financial institutions set up an art collection?

Why did your company set up an art collection?

The UBS Art Collection is a logical continuation of the outstanding 30 year old heritage of the firms which have become part of UBS - it includes works originally acquired by PaineWebber, SG Warburg, Union Bank of Switzerland and Swiss Bank Corporation.

What is the philosophy underlying the collection?

- *The Collection is a reflection of our tradition and spirit as a company. Second, art itself is a reflection of culture and "Zeitgeist", and by collecting it, we contribute to an investment in culture.*
- *Our predecessor firms all shared a common belief: that creative thinking and intelligent risk-taking foster positive and enriching outcomes for all concerned.*
- *In this regard, the arts serve as a constant reminder of the value of creativity, innovation, inspired action and energy – values that we at UBS hope shape the actions of each of our employees and are brought to the relationships we share with each of our clients.*

What are the goals and objectives pursued with the collection?

- *To us, implicit in ownership of these outstanding works of art is a responsibility to share them with our clients, our employees, our shareholders, the communities in which we work and everybody else who is interested and passionate about art.*
- *To maintain one of the most important collec-*

tions of contemporary art.

How banks set up an art collection?

How did you implement this project?

A team of independent art experts reviewed and assessed art works owned by the Company worldwide and identified those of museum quality which were to become part of The UBS Art Collection.

What are the criteria followed regarding the selection of pieces of art?

The UBS Art Collection focuses on works of museum quality that represent the defining trends in European and American contemporary art from the second half of the twentieth century – paintings, photographs, drawings and sculptures.

Do you prefer established artists or promising, upcoming talent?

The objective is to develop an international portfolio containing some 70-80% established artists and some 20-30% less well-known or emerging talent. We also mean to track contemporary trends and to make of the collection a reflection of our social development. Current holdings will be complemented with both established artists and new, contemporary trends.

Are the works regularly re-appraised and revalued?

The Collection is constantly being reappraised and revalued by independent art experts.

Do you work with independent curators?

The Collection's management benefits from the input of a professional curator, who determines the modes and guidelines of its development and composition. In addition, independent curators are also involved in the putting together of exhibitions of The UBS Art Collection.

How do you evaluate potential significant addi-

tions to your collection?

A professional curator evaluates possible acquisitions and determines whether or not they fit the guiding principles governing the composition of the Collection. If so he puts them before the Advisory Board for consideration.

Have guidelines been formed to maintain the quality of the collection?

Clear guiding principles governing the composition of the Collection exist and are strictly adhered to.

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?

Do you lend your works to other institutions? Is the collection accessible to the public?

The Collection is already available to the public through exhibitions in museums as the MoMA, the Fondation Beyeler and Tate Modern. We are constantly exploring and developing further ways to make the collection accessible to a wider audience.

How do you contribute to the “dissemination” of your art collection to the public?

Do you have a web museum, a newsletter?

We launched a web museum of the Collection in Dec. 2004 – www.ubs.com/artcollection

2) How financial institutions may contribute to improve culture in the communities they work for?

Do you have an underlying philosophy to serve society with your cultural activities?

We strongly believe it is our duty to actively support and encourage cultural activities in the places where we do business.

Are your cultural activities a result of a deliberate and defined corporate responsibility / social responsibility agenda? With what activities

do you contribute to the cultural life of your community? Do you sponsor any cultural activity outside of the company, organised by other organisations?

UBS's global sponsorship concept focuses on the following themes: Alinghi, golf and orchestral music. We might take an interest in additional projects if they can be tied in with these themes somehow. Our Swiss sponsorship activities are centred on established sporting and cultural commitments, the aim here being to ensure continuity and maximum impact.

Petra Arends

The UBS Art Collection



1) How to set up an art collection?

Why do financial institutions set up an art collection?

Why did your company set up an art collection?
We want to exploit our art collection as a communication tool, both for internal purposes (employees involvement in creativity) and external branding activities.

What is the philosophy underlying the collection?

To support emerging Italian creativity.

What are the goals and objectives pursued with the collection?

Our art collection is part of a larger project devoted to the patronage of contemporary art. This project includes sponsorship of the two most important Italian contemporary art museums (Castello di Rivoli and MART), student grants, publishing (a reference book in 5 volumes about the XX century art), partnership with art galleries and many other activities.

Our main objectives are:

- To communicate the Group's thrust towards innovation to the outside world: the ability to break with the past and look towards the future.
- To develop an open mentality inside the Group, capable of valorising differences.
- To support a generation of emerging Italian artists.
- To educate the younger public to read the signs of the present, thereby playing a decisive role in civil society.

How banks set up an art collection?

How did you implement this project?
We implemented this project with dedicated teams (both on the scientific and operations side) and funding

What are the criteria followed regarding the selection of pieces of art?
We collect Italian artists operating since the late 70s'

Do you prefer established artists or promising, upcoming talent?
We prefer emerging artists.

Are the works regularly re-appraised and revalued?
Yes

Do you work with independent curators?
We set up an independent scientific committee that give the Group's guidelines and hints for the corporate collection

How do you evaluate potential significant additions to your collection?
Every new addition is evaluated by the scientific committee

Have guidelines been formed to maintain the quality of the collection?
Yes, see above

Accessibility of the art collection

Can clients, employees and shareholders profit from the art collection?
Yes, we decided to disseminate the artworks in

several buildings, in manifold cities in order to increase the fruition of the collection

Do you lend your works to other institutions?
Yes, we lend to other institutions.

Is the collection accessible to the public?
Yes, the collection is partially accessible to the public

How do you contribute to the "dissemination" of your art collection to the public?
See above

Do you have a web museum, a newsletter?
Yes, we have a web museum on our corporate website.

2) How financial institutions may contribute to improve culture in the communities they work for ?

Do you have an underlying philosophy to serve society with your cultural activities?
Yes, we want to serve the local communities in which we have our banking activities

Are your cultural activities a result of a deliberate and defined corporate responsibility/ social responsibility agenda?
Yes, we have corporate responsibility rules, expressed in our Integrity Charter

With what activities do you contribute to the cultural life of your community?
We have two main fields of activity: music and contemporary art

Do you sponsor any cultural activity outside of the company, organised by other organisations?
Yes, we sustain, for example, all the activities of the Castello di Rivoli and Mart

If so, what kind of activities do you sponsor? Is there a clear and specific policy which you follow?
We don't select single activities, we prefer to select the partner in terms of its cultural policy and overall quality and reputation

All that glisters is not gold



To fund its megalomaniac ambitions the Third Reich needed gold and hard currency. In early 1939 Reichsbank president Hjalmar Schacht told Hitler that Germany was on the brink of bankruptcy. German rearmament had absorbed more than 50% of all state spending over the previous six years. Despite a rigid system of foreign exchange controls, bilateral trade and clearing agreements, German gold and foreign exchange reserves were nearing depletion. A disaster for a country that, notwithstanding the Nazi's attempts to create an autarky, remained dependent on the import of strategic commodities. Schacht's warning cost him his job. In the Netherlands, businessman Ernst Heldring, a member of the Supervisory Board of De Nederlandsche Bank NV (DNB) since 1929, kept a close eye on events in Germany. He was extremely concerned about the gold reserve held by DNB, noting in his diary that the German government would 'dearly love to pinch' that gold.

Partij in de marge. Oorlog, goud en de Nederlandsche Bank 1933-2000 (Player on the fringes. War, gold and the Nederlandsche Bank 1933-2000) explores the vicissitudes of the monetary gold of the Netherlands in the period 1933-2000, the gold held by the central bank of the Netherlands as reserve currency. The story begins in 1933 when Hitler came to power in Germany and ends in 2000 when the Netherlands decided to rest its claim to the gold stolen during the war. By far the greatest share of the gold possessed by the Netherlands in May 1940 did not fall into German hands. During the occupation, Germany managed to get hold of 145,649 kg of Dutch gold, of which 71,820 kg was eventually recovered. The main question addressed by this study is why less than half was returned to DNB's vaults.

The reconstruction of the gold's odyssey is undertaken from the perspective of DNB, which acted as owner and, following the nationalisation in 1948, as guardian of the gold. DNB and the Dutch state had, and have, a special relationship. The management of the gold reserve follows from DNB's shared responsibility with the government for effecting a sound financial system. L.J.A. Trip, DNB's president from 1931 to 1946, took a strict view of his role as manager, finding that the gold belonged to the sharehold-

ers. His successor, M.W. Holtrop, who took over at the helm under changed circumstances in 1946, also emphasised DNB's particular responsibility for the gold. Faced with a vast shortage of foreign currency, he felt it was his duty as DNB president to actively join in attempts to recover the gold, even though the government was politically responsible. That is exactly why DNB made such strenuous efforts in the years 1933-2000. Firstly to bring the gold to safety when it realised that Hitler was heading towards war, and then, when the war was over, to recover the stolen gold bars for the Netherlands.



The headquarters of the Nederlandsche Bank, DNB, Turfmarkt, 1930's-1940's

DNB, established in 1814 as a trade bank and bank of issue, was a private institution with public tasks. Its public nature was especially evident in monetary affairs, and that made it difficult to clarify ownership of the gold. While the gold formed security for banknote circulation, its management also served to stabilise the exchange rate of the guilder. The central bank gold thus secured the nation's financial health. In a strictly legal sense, however, the gold was owned by DNB and, in the final instance, by the shareholders collectively. This situation did not change in 1936 when the Netherlands became the last country to abandon the gold standard. What did change was that the autonomy of monetary policy came to an end, with the government demanding to have the last say. Meanwhile, dark clouds were gathering above Europe and DNB was concerned about developments in nazi-Germany. In the months following the Austrian *Anschluss*, DNB became convinced that it was not wise to keep the entire gold reserve in the country. But the Netherlands pursued a policy of strict neutrality, so DNB had to be circumspect.

Early in the autumn of 1938, the first gold transport left the Netherlands with the government's acquiescent support. On the day of capitulation, May 14th 1940, almost 80% of the monetary gold was abroad, most of it in the United States and the United Kingdom.



The loading of goldbars on the inner court of DNB in order to bring them to safety abroad

DNB's foreign gold was to be the main source of income to the Dutch government which arrived in London without means. However, in contrast to, for example, the National Bank of Belgium, DNB had made no arrangements of governing control of the gold in the event of a breakdown in communications between itself and the government. It required a long and complicated legal battle, especially with the United States, before the Dutch government-in-exile was able to put their hands on DNB's gold. The gold was used in London for expenditures strictly in the Dutch national interest. The Gerbrandy cabinet refused an urgent request from the British government for financial support during the Battle of Britain in the autumn of 1940. The cabinet discussions at that time show little awareness that the fate of the Netherlands lay in Allied hands. The refusal to come to Britain's aid undermined the Dutch effort of positioning the Netherlands as a medium-sized power and weakened attempts to influence Allied decision-making.

Meanwhile, the Germans were cunningly gaining control of the remaining monetary gold in the Netherlands. Since DNB was a private institution, the law of war did not permit the occupying force to confiscate the gold. It was therefore requisitioned under the pretence of a contribution to the costs of occupation. The financing of these costs, and the Nazis' attempts to subsume the Dutch economy into the German one (*Verflechtung*), resulted in serious monetary chaos. During the war, Trip protested against the levy imposed by the Germans and refused to acknowledge them as valid under international law. His reservations paved the way for labelling the exorbitant German demands as 'theft'; they enabled the Netherlands to fall in line with other victims under consideration by the Allies, who were then formulating the post-war restitution policy on stolen gold. Despite its best efforts, the Netherlands were unable to exert any influence on the shaping of this policy. At the end of 1945, the Paris Reparation Con-

ference laid down the basic principles for the restitution of looted gold, and its distribution across the victim countries. The monetary gold discovered in Germany, and the stolen gold recovered from third countries, was deposited in a pool, managed by the Tripartite Commission for the Restitution of Monetary Gold (TCG). It was staffed by the United States, Britain and France who acted as Trustees.

The Dutch claim of 145,649 kg monetary gold was prepared by DNB and submitted by the Ministry of Finance. In 1958 the Netherlands became involved in a conflict with the TCG over the 35,475 kg gold requisitioned from residents under the Currency Bye-Law (June) 1940. The Commission's well-founded argument was that DNB had taken this gold as an agent of the German occupying force, and not in the course of its normal statutory tasks. This particular part of the claim was not considered *monetary* gold. The Commission could make this contention because DNB had not declared that the Currency Bye-Law 1940 had been drawn up by the Dutch government and was ready for publication in the *Staatsblad* (Bulletin of Acts, Orders and Decrees) in May 1940. Nor, and perhaps intentionally, had it mentioned the preceding Emergency Currency Measure issued by the De Geer cabinet on 10 May 1940. In drawing up the claim neither DNB, nor the Ministry of Finance or Ministry of Foreign Affairs, appear to have looked deeply into the exceptional circumstances of the German occupation and consequences thereof under civil law. The fact is that Reich Commissioner Seyss-Inquart was assigned the highest governing authority on 29 May 1940 and could use the Dutch administrative system to carry out his instructions. This determined the balance of power in the Netherlands. The occupying force held all the strings, as reflected for instance in the appointment of a German supervisor at DNB on 30 May 1940.

The Ministry of Finance did not want to resign itself to the TCG's decision, but had to admit

defeat in 1965. DNB tacitly accepted the decision, but did not want to concede that it acted as a financial instrument for the Germans during the war. It did not face up to that fact until the late 1980s.

Outside the official channel, the TGC, DNB and the government themselves tried to enter into bilateral negotiations with countries where stolen Dutch gold had ended up. All these attempts ended in failure. The explanation lay in the Paris Reparation Treaty, namely in the article listing the United States, Britain and France as the countries responsible for arrangements with neutral states for the liquidation of stolen assets found there. Although the gold section of the Treaty did not name the three countries as being pre-eminently authorised to negotiate on monetary gold on behalf of third parties, it was credible, also in view of the prevailing political situation, that they should be the first to be called upon to do so. The Netherlands did not fully realise that when it signed the Treaty; it was subsequently unwilling to accept this *fait ac-*



The restitution of (part) of the Dutch looted gold in 1947 (distribution from Frankfurt, a former branch office of the Reichsbank)

compli and even disputed it. In its attempts to launch bilateral negotiations with Switzerland, Sweden, Spain, Portugal and Italy, the Netherlands repeatedly came up against the agreements which the Three had made, or were about to make, with these states. In all cases, the Dutch interest was made subordinate to the higher political objectives envisaged by the United States, the most powerful of the Three. The Dutch gold claim had to make way for further reaching military and politically strategic considerations, to which the Netherlands, as a member of the Atlantic alliance were also committed.

All of this emerged most distressingly in the negotiations with Switzerland, where the lion's share of the looted Dutch gold had ended up. The Washington Accord, concluded between the Three and Switzerland in May 1946, came about unbeknown to the Netherlands. This business left a bitter taste: the Three treated Dutch interests carelessly and the Swiss deliberately failed to mention that they held far more stolen gold than they agreed to return to the gold pool. For their part, the Three not only knew that large quantities of gold had been stolen from the Netherlands, and that Germany had found its ideal principal banker in Switzerland, but - well before the start of the negotiations - had hard evidence that the *Reichsbank* had not only sold Belgian but also Dutch stolen gold to Switzerland. Owing to poor coordination and conflicts of interest between the American State Department and the Treasury, this information was not used against Switzerland. The French, aiming for a quick result, did not want to jeopardise an acceptable outcome by confronting the recalcitrant Swiss with their knowledge of Dutch stolen gold. But the Netherlands itself failed too. The press devoted much attention to the Allied/Swiss negotiations at the time. Despite all the press publicity, the Netherlands embassy in Washington, which, since the autumn of 1945, had a memorandum on the gold theft drawn up by DNB and which had handed this paper to the

State Department in December 1945, apparently saw no reason to alert the Dutch government or to take any initiatives of its own. Headed by the Ministry of Finance, the Netherlands played for high stakes in the Swiss question and lost. On paper, the Netherlands were right, and it wanted to see that proved. That was an unrealistic goal, since it was obvious from the outset that the Three would never break open the Swiss Accord.

In the post-war political constellation only one path remained to the Netherlands to retrieve the gold stolen in the war, and that was through the TCG. In all, 71,820 kg was recovered, representing 49.3% of the total amount claimed, and 65.2% of the acknowledged claim. The Netherlands did not formally accept the TCG decision until 2000. The Commission had been dissolved two years earlier, on which occasion the Netherlands received the last small remainder of gold.

More than fifty years after the end of the Second World War, just over half of the gold stolen by the Germans had been returned to the vaults of DNB. The missing share is the silent witness to a battle fought with vigour and frustration. The frustration stemmed in part from the government's lack of insight into the political reality. The Netherlands were on the sidelines. It received a proportionate share of the pool, giving DNB and the government good reason to be pleased. In 1945 the material damage caused by the German occupation was (rather liberally) estimated at almost NLG 27 billion, including NLG 3.6 billion through confiscation and robbery. Only 4% of that amount flowed back to the Netherlands in some form of damage compensation. Seen in that light, efforts to recover the stolen monetary gold were glaringly successful.

Corry van Renselaar

C. van Renselaar, *Partij in de marge. Oorlog, goud en de Nederlandsche Bank 1933-2000*. published by Uitgeverij Boom, Amsterdam

The Borromei Bank Research Project

The Borromeo-Arese family archive at Isola Bella on Lake Maggiore in north-west Italy contains the ledgers of Filippo Borromei & Partners of Bruges for the year 1438 and of Filippo Borromei & Partners of London for the years 1436 to 1439. Both are kept in double-entry, using the standard money of account, the lira or pound (£) with sub-units of 20 shillings (s.) of 12 pence (d.) each. They are the earliest surviving ledgers for an Italian bank operating in north-western Europe in the fifteenth century. As such, they contain a mass of information about banking and trade through Bruges, the international financial capital of the north, and through London, where the Borromei sold precious silks, madder and fustian and bought English cloth, wool and tin for export. They had as their clients other Italian merchant-bankers in Bruges and London, correspondents in Venice, Florence, Milan, Genoa, at the papal court, in Montpellier, Avignon, Geneva, Basel and Cologne, as well as 'local' merchants and other individuals from Bruges, Antwerp, Middleburg, Bergen-op-Zoom and London.

The Borromei family were Tuscans by origin (from the town of S. Miniato) but after 1370 they had fled the town and had settled in other parts of Italy. In particular, in the period we are dealing with (the 1430s), there were three main

branches of the family: one in Milan, one in Venice and one in Florence. In all three places there had been family banking companies since the late fourteenth and early fifteenth centuries. The 'Venetian branch' was active in northern

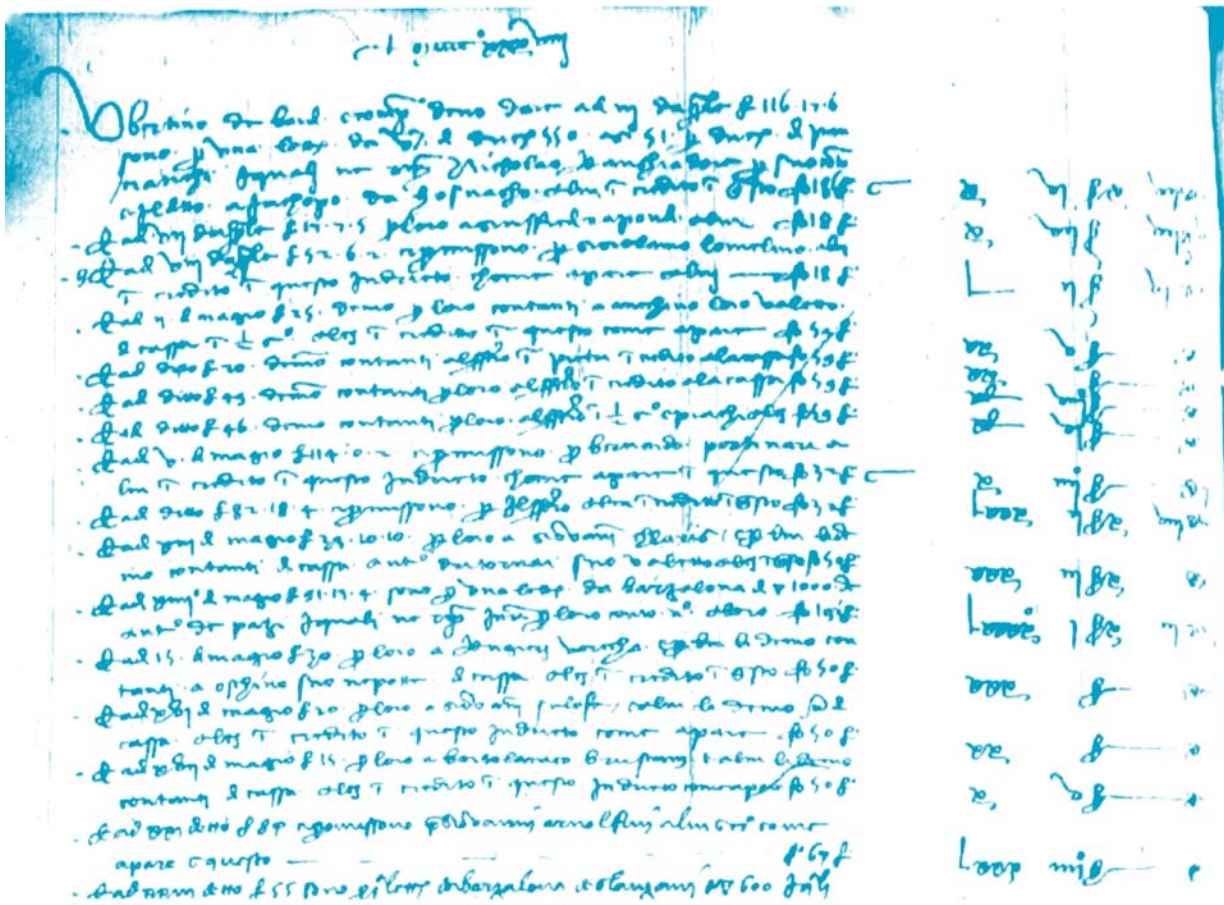


Figure 1. Account of Ubertino de' Bardi & Partners, Bruges ledger, f. 52 dare

Europe from the 1420s onwards, with one company in Bruges and one in London, both in the name of *Galeazzo Borromei and Antonio di Francesco*. Both companies survived until 1437, but from 1st January 1438 Alessandro di Antonio Borromei took the place of Galeazzo (who had died in 1436) and both branches were named after him. There are, alas, no surviving records for any of these companies.

In the 1430s the 'Milanese branch' of the family, who had been using their relatives' firms for their business in northern Europe, decided it was time to make greater investments there. So, in 1434, Count Vitaliano Borromei decided to set up his own company in Flanders, in the name of his eldest son Filippo, with an initial capital of £3,000 Flemish. According to the contract, the company was to begin trading on the 1 January 1435 and was to last for five years. The following year, once the Bruges bank was well-established, a branch was opened in London,

again in the name of Filippo Borromei. It is important to understand the relationship between these two banks. The capital for the London company came directly from the coffers of the main bank at Bruges or, to put it more simply, the two firms worked together as one unit. This has to be kept clearly in mind when analysing the strategies and the profitability of the two: the management was ready to allow losses in one of the two branches in order to achieve profitability in the other. For this reason, a database with transactions from both branches, with one year's overlap in 1438, will provide a unique source for the study of the operations of an Italian bank in the third decade of the fifteenth century.

The ledgers are large, bound volumes, the pages being almost exactly the size of a modern A3 sheet. Each contains over 400 double-entry folios, most of them closely written. Over 900 clients kept accounts in either Bruges or

The screenshot shows a software window titled "Folio Items" with a light blue header. The main area contains several input fields and dropdown menus. At the top, there are dropdowns for "BBRU" and "Efl", followed by a text field containing "Bardi, Ubertino de' & co., of Bruges". Below this is a "Folio/Item" field with "F52.1" and an "(AutoNumber)" label, a "Primary:" checkbox, and a "Bank Folio Type" dropdown set to "D". The "Item Date" field contains "38". There are fields for "Base Value" and "Value (d)". A large "Notes" text area is present. Below the notes are fields for "Folio/Item (D/E)" set to "F", "D/E Item" dropdown, and "Item(s)". The "Txn Type" dropdown is set to "Form" with a value of "frmHAFolioExtTxn". The "Reference" dropdown is set to "Reports" with a value of "repHAFolioTxns". There is a "Sys Comments" text area. At the bottom, there are "Created" and "Amended" date fields, with "Created" set to "03/03/05". A record navigation bar at the very bottom shows "Record: 37 of 37" with navigation icons.

Figure 2. Data Entry Form

Folio Items

BBRU | Efl | Bardi, Ubertino de' & co., of Bruges

Folio/Item: F52.1 | 2382 | Primary: False

Bank Folio Type: D

Item Date: April | 38 | 38 | 03-Apr-38

Base Value: 116.17.6 | Value (d): 28050

Notes: Bill of exchange for v.d. 550 at gr. 51 per v.d.
 Deliverer: Jacopo da Osnago for Niccolo' Ranghiadore of Venice
 Taker: Giovanni Panciatichi [and Giovanni Portinari & co.] of Venice
 Payor: Bardi & co.

Folio/Item (D/E): F186.2 | D/E Item: 7245 | Item(s):

Txn Type: 3BOX | Form: frmHAFolioExtTxn

Reference: | Reports: repHAFolioTxns

Sys Comments:

Created: 04/07/02 | FB | Amended: 01/07/04 | FB

Record: 1 of 36

Figure 3. Completed Data Entry Form

London or in both cities. In addition, at least 1,000 other individuals, from porters working on the quayside to important merchants, were involved in one way or another in transactions through the bank. Transcribing the ledgers for publication in the traditional way would not have been particularly useful. Nor would the resulting publications have been of much use to the researcher. By their nature, double-entry accounts are complex, especially when they were kept manually. If space ran out on the folio, then the account would be continued on another, some times much later in the volume. Balances would be carried over or brought forward, from one account to another or from one ledger to another, so apparently inflating the value of the accounts. The software has a feature which prevents this happening. The main clients of the bank could and did have separate accounts for different purposes, for cloth sales, cloth purchases, expenses and exchange transactions,

making it difficult to determine the total value of his, or occasionally her, business with the bank. In 1913, Girolamo Biscaro published a long article on the activities of Filippo Borromei & Partners of London, using information from the 1436-39 ledger. It was a milestone in its day in the analysis of banking ledgers but the author took from the sources only the elements that interested him. Consequently, much of the information from these rich and detailed manuscripts remains untouched and largely unknown to modern researchers.¹ Faced with these and many other problems, it was decided from the outset to take a radically different approach and commission computer software to construct electronic database versions of the ledgers.

The initial specification was for software that could:

- (i) identify individual accounts on a yearly basis, for both banks.

- (ii) collate the information from different accounts, that is, for exchange or commercial dealings, to construct a 'total' analysis of each client's business with the banks.
- (iii) identify and quantify the commercial and financial relationship between the Bruges and London banks.
- (iv) calculate the annual turnover of both banks, and draw up annual balance sheets, showing profits and losses.
- (v) determine the volume and value of exchange transactions, on a yearly basis, and the main axes both of trade and exchange, not simply to Italy but also to other areas of the continent.
- (vi) track the movement of exchange rates.
- (vii) determine the pattern of sales and purchases of imports and exports, and in the light of points iii-vi above examine the balance of trade and payments between northern and southern Europe.
- (viii) calculate the level of transaction costs (freight charges, insurance, customs duties, etc.).

- (ix) establish the use made of the both banks by 'local' merchants, and particularly their ability to settle accounts with each other by book transfers, since this has implications for the debate on credit and the money supply.

The decision was also made to approach a commercial accounting software company and to ask them if they could write such software for a double-entry ledger kept in £ s. d. After they had recovered from their initial astonishment, they estimated that they could produce an appropriate software package, which would also contain simple search tools, but it would cost £GB25,000. Copyright permission was obtained from the Borromeo-Arese family for the use of the ledgers for research and publication and a grant application was made to the Economic and Social Research Council of Great Britain for a three-year research project on the Borromei ledgers. It included a specific sum for software development. The application was successful (ESRC Award R000239125) and work began at

Year	38	Company	<i>Filippo Borromei Bank, Bruges</i>	
Account	Bardi, Ubertino de' & co., of Bruges			
Folio	F52.1	Dare Item(s)	Aswv	
<i>Date Tex</i>	<i>Value</i>	<i>Date Tex</i>	<i>Value</i>	
03/04/38 Bill of exchange for v d 550 at gr 51 per v d Deliverer Jacopo da Osnago for Niccolo' Ranghiadore of Venice Taker Giovanni Panciatichi [and Giovanni Portinan & co.] of Venice Payor Bardi & co Payee Borromei Bruges At Osnago, f. 185	116 17 6	29/03/1938 Carried over from f 23, following an agreement with Giovanni Bizien	140 9 2	
07/04/38 For them to Goffredo Rapondi, f. 18	17 7 5	03/04/1938 Bill of exchange for sc 800 Deliverer unknown Taker Borromei London for Giovanni Tanzo of Milan Payor Borromei Bruges Payee Bardi & co [for Antonio Taverna]	80 0 0	
08/04/38 Promised to us by him on behalf of Girolamo Lomellino, f 18 [recte 16]	52 6 2	08/04/1938 To correct an entry on the Dare side of this account: we had debited them for Girolamo Lomellino, but now we credit them and debit Bernardo Cambi at f	52 6 2	
03/05/38 For them, cash, to Anichino their valet in coins of half-groat and in 'prachi', at the Bergen-op-Zoom cash	46 0 0	21/04/1938 Debited to Bernardo Portinan, f. 32	97 16 3	
03/05/38 For them, cash, to Anichino their valet, at the Bergen-op-Zoom cash account, f. 59	49 0 0	02/05/1938 Pieters paid to us in cash, f. 59	20 0 0	
03/05/38 For them, cash, to Anichino their valet in coins of half-groat, at the Bergen-op-Zoom cash account, f. 59	25 0 0	02/05/1938 Bill of exchange for a fl 300 [recte 400] at gr 27 3/4 per a fl Deliverer unknown Taker Jacopo Ventura & co. of Awgnon for Bernardo Ventura and Giannozzo Bucelli & co. of Montpellier Payor Borromei Bruges Payee Bardi & co At Ventura of Montpellier, f. 171 [Note: text at double entry has been altered from a fl	46 5 0	
03/05/38 For them, cash, to Anichino their valet in pieters, at the Bergen-op-Zoom cash account, f. 59	20 0 0			
05/05/38 Promised to us by them on behalf of Bernardo Portinari, f. 32	114 0 2			

Figure 4. Account Statement

Figure 5. Data entry for Exchange rates

Queen Mary, University of London in 2001. Mr Nigel Smith of Roundhouse Software Ltd, Winchester, Hampshire, England was and is responsible for writing the software. It is now in its fourteenth version since the initial development and an additional accounting enquiry package has also been developed, at the cost of a further £GB15,000, to allow much more detailed analysis of the accounts than was first planned. The database package is Queen Mary-Roundhouse Historic Accounts and the enquiry package Queen Mary-Roundhouse Historic Enquiry. It is hoped to make both available for purchase and it needs to be emphasised that they are not simply for use with medieval records. They can be used to create electronic databases from ledgers of ANY date, up to the 21st century, provided they are kept in double-entry and in a standard money of account. At present they can only handle £ s. d., but it would be relatively

simple to modify them for decimal-based currencies.

How do they work? Let us take an example from the Bruges ledger for 1438. This is raw data, as it were, part of the account of Ubertino de' Bardi & Partners of Bruges, a major Florentine company also present in London:

It is a typical mixed account, containing a variety of different types of transaction from bills of exchange to payments to another account-holder by book transfer (no cash involved) or cash payments through the Borrromei's cash accounts. Each entry on the folio is entered on a standard form like this:

The name of the account holder is accessed from a central list with agreed spellings for each name: this avoids the problems deriving from the fact that the ledger provides many different spellings for each name, especially the non-Italians. The folio number refers to the original

number of the folio on which the account was entered, the suffix .1 shows it is the first account on that folio. Then the date of the transaction is entered, the value being automatically recorded in the money of account of the ledger (in this particular case the £Flemish, in the case of the London ledger the £sterling) and under 'Notes' a synthesis, in English, of the content of the transaction, according to a set of established formulae. No attempt has been made to provide an exact translation of each entry: that would be almost impossible. Instead, the aim has been to make the translations as intelligible as possible to the reader.

The first entry on the Bardi account (Figure 1) is for a bill of exchange. The name of the account, the folio reference and the bank folio type, in this case D for dare are set automatically, after the first entry. The operator then enters the item date, the value in £Flemish and under notes the details of the transaction. In this

case the bill is for 550 Venetian ducats at an agreed exchange rate of 51 groschen or pennies per ducat. That amount was delivered in Venice by Jacopo da Osnago on behalf of Niccolò Ranghiadori to the takers, Giovanni Panciatichi and Giovanni Portinari & Partners. They then sent a bill to the Bardi in Bruges who paid Filippo Borromei & Partners of Bruges the sum of £Flemish 116 17s. 6d. after two months usance. This information is entered on the data entry form in a standardised way. The double entry folio number has to be recorded precisely to cross match it (which is done automatically when all the data is entered) and to ensure that the sum involved is not counted twice when the account is analysed. Finally, the type of transaction is entered, again from a central list. This process is repeated for all the entries on the Bardi account, dare and avere, each type of transaction being given a pre-determined code according to its nature. What the software then

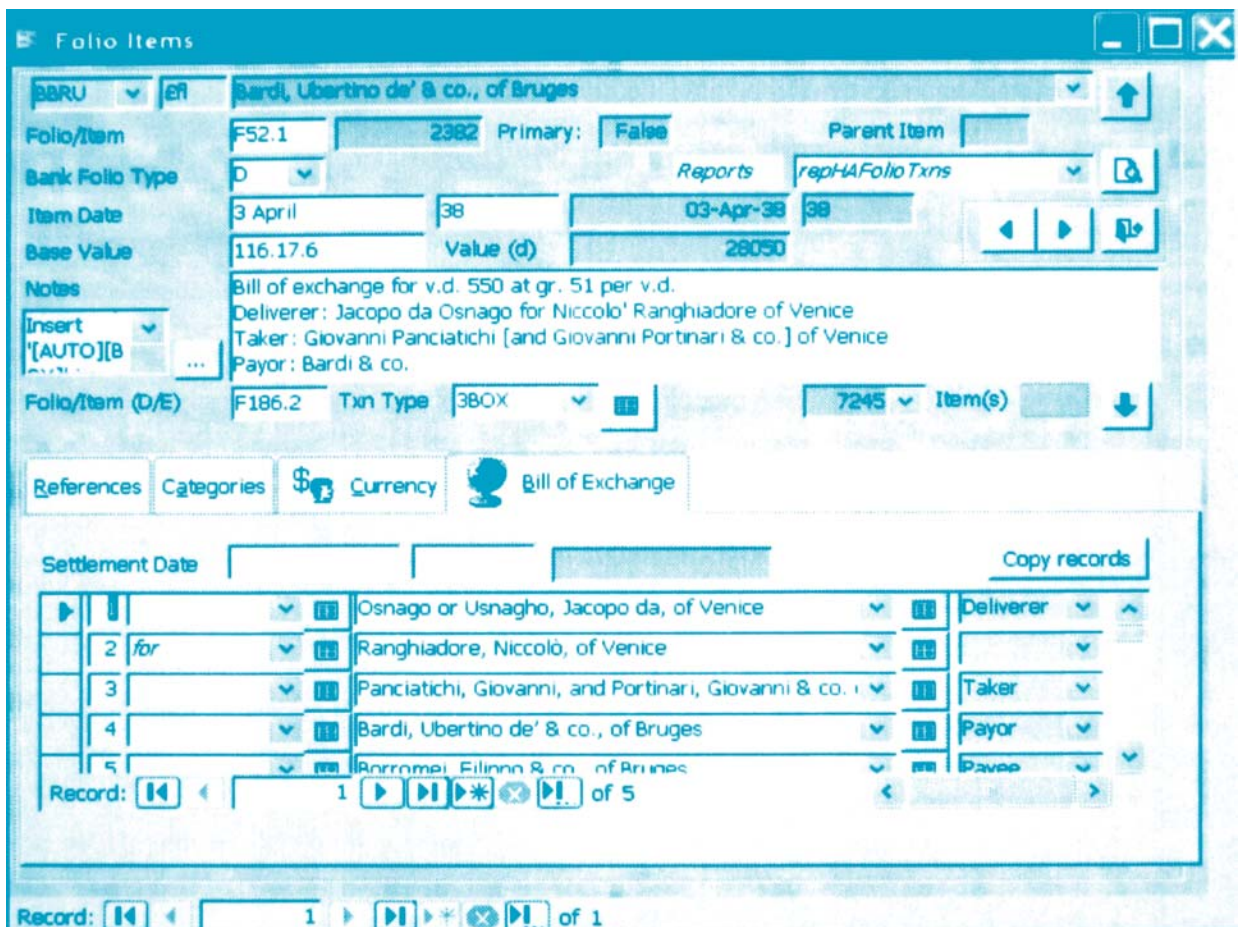


Figure 6. Data entry for settlement date of and parties to a bill of exchange

produces is a statement of this account:

This statement runs to 4 pages and can be printed off, if so required.

There are, however, some further stages in the data entry process. All that has been created so far is a database of record. It can be searched in a variety of ways, by names of individuals, products and types of transaction, but the results are only listed, not analysed. The next set of figures shows the various stages in the entry of the data from a bill of exchange on the analytical section of the database.

First, the exchange rate is entered on a new drop-down form and then settlement date, on which the bill fell due, and the parties to the bill: Figure 6. Data entry for settlement date of and parties to a bill of exchange

As a location for each person involved in these transactions has been entered on the central list of participants, it is possible to track the direction of the bill. In this case the Taker is in Venice and the Payor is in Bruges, so the flow is from Venice to Bruges. There are different drop-down forms for each transaction code, 1JOU for simple book transfers, where nothing more than the account to which the sum of money is being transferred is given, 2JOU for a transfer involving a currency exchange, 1TRA for the sale or purchase of goods where the currency involved is the £Flemish, 2TRA where another currency is involved, and so on. Again, the currencies used, the types of commodities bought and sold, weights and measures, expense items such as carriage, pilotage and warehousing are all kept on central lists which can be added to or altered as necessary. These lists appear when the operator is entering the details on the analysis forms.

The second piece of software is the Historic Account Enquiry, which will be included on the CD-ROM, once the database is issued, and which will be the instrument used by the scholar for his/her researches on the database containing the about 25,000 entries from both books. This enquiry tool has been developed having

in mind the needs and capabilities not only of an 'accounting literate', but also of any historian without a background allowing him/her to use such valuable source. Moreover, the instrument provides the maximum of flexibility, as it can be adapted to many of the user's needs. It also allows the scholar to save a certain amount of personalized settings.

The simplest of the researches is the search for single word: and this can apply to the accounts headings but also to the whole content of the database. The result is a list of transactions containing that word. But of course the most interesting features of the enquiry tool lie elsewhere. Here are some examples.

Figure 7 is a graph taken from the abovementioned f. 52.1 and shows the movement of Ubertino's account with Filippo Borromei & Partners of Bruges between April and August 1438, that is when they owed him money and he was in credit or he owed them money and was effectively overdrawn or borrowing from them. Figure 8 shows the total movement in all Ubertino's accounts for that year, or his debit

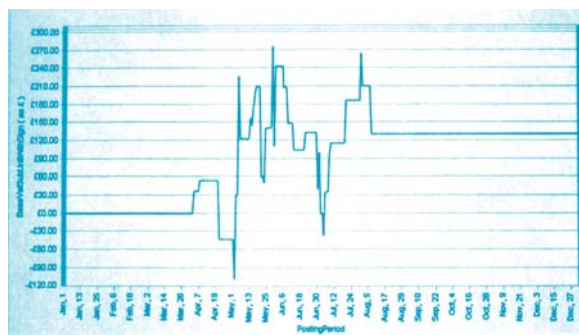


Figure 7. Account movement, Ubertino de' Bardi & Partners, Bruges, April-August 1438

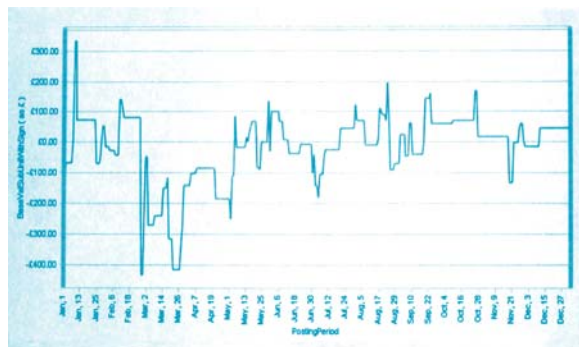


Figure 8. Account movements, Ubertino de' Bardi & Partners of Bruges for the year 1438

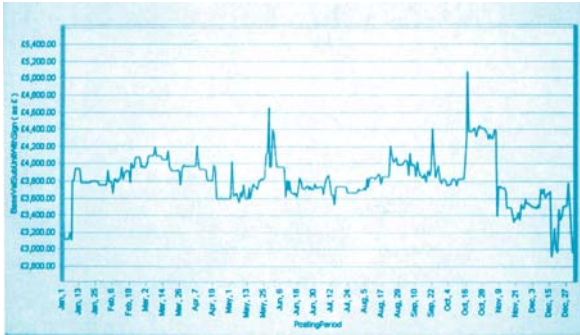


Figure 9. Account movements, all the accounts for the year 1438

and credit balances at any point. The Company starts the year in credit, brought over from the previous ledger, runs into debit in March and April, back into credit from May onwards and then carries over a credit balance to the next ledger. There is an obvious pattern to this and in this case it involves business done at one of the great Netherlandish fairs at Bergen-op-Zoom in Zeeland. This is important because other client accounts show similar patterns which are indicative of the integrated nature of the Borrromei's banking operations at Bruges, Antwerp and Bergen-op-Zoom. In the construction of the movement of accounts the user can also select a number of accounts

of his/her interest (e.g. all the cash accounts, or all the accounts of clients active in a certain place) and get as a result a graph like those in figures 7 and 8, and therefore understand the situation at any date, from the bank's point of view. Ultimately, it is also possible to track the movement of all the accounts, as shown if Figure 9, where the amount of £ 3,000 is the initial capital of the company.

Next, one of the important aspects of our study is tracking the movement of exchange rates between northern Europe and Italy and between Bruges and other centres, such as Barcelona, Valencia, Avignon, Montpellier, Geneva and Basel. There are various ways of tracking exchange rates, the most interesting being the one shown in Figure 10, where the chart compares the exchange rate for bills of exchange going from Bruges to Venice and the exchange rate for bills of exchange going from Venice to Bruges. The chart clearly indicates when it was convenient to draw on Bruges and when, on the contrary, it was convenient to draw on Venice. Moreover, the chart below indicates the number of bills issued on each day.

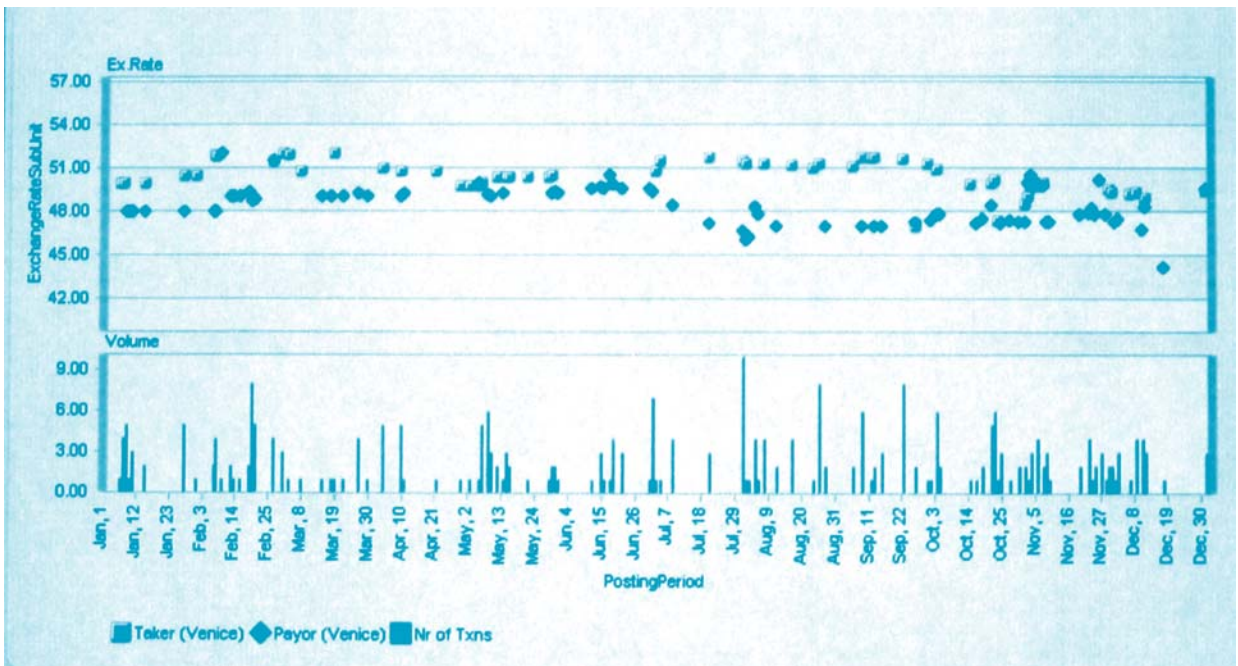


Figure 10. Exchange rate, Venice-Bruges, Bruges-Venice, 1438

Charting is only one part – though effective and straightforward – of the analysis. Accounts and transactions can be grouped in a variety of different ways, according to the interest of the user. For example, transactions can be grouped according to type and month, so that for each type of transaction it is possible to know how much money was spent or received in any given period. This way of grouping can of course be applied to people, places, and so on.

The databases will first be made available on the Project's website, at the address given below. They will be on a read-only basis and will have only the simple version of the search tools. Our aim is put the first database, from the Bruges ledger for 1438, on the web by 2007. The London ledger will follow when inputting has been completed. The two pieces of software will only become available for purchase once the results of our research are published, however. Our intention is to write a full history of the Borromei banks in Bruges and London and publish it along with a CD-ROM containing both databases, with the History Accounts Enquiry software inbuilt. At the same time, but separately, we will offer Historic Accounts (for the creation of databases with simple search tools only) and Historic Accounts Enquiry (for analysing the information on the databases) for sale at as reasonable a price as is possible.

Website: <http://www.history.qmul.ac.uk/research/borromei.html>

¹ G.Biscaro, 'Il banco Filippo Borromei e compagni di Londra (1436-39)', *Archivio storico lombardo* 40, 1913, pp. 32-196, 283-385.



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Barclaycard: the advent of plastic money

29th June 2006 sees the 40th anniversary of the official launch of Barclaycard, the first all-purpose European credit card. The history of Barclaycard is a good example of how the archivist can act as 'story-teller' in preserving the corporate memory and supporting the company's brand.



Origins and Idea

The idea of Barclaycard is generally credited to general manager Derek Wilde (later a vice-chairman of Barclays), and James Dale who became Barclaycard's first departmental manager. Their idea was backed by Barclays' chairman John Thomson, who recognised the need to 'beat the others to it'. Meanwhile senior managers in Barclays' overseas' business were starting to use the American cards then available in Britain (Diners Club and American Express), for travel and expenses, and were singing their praise within the Bank.¹

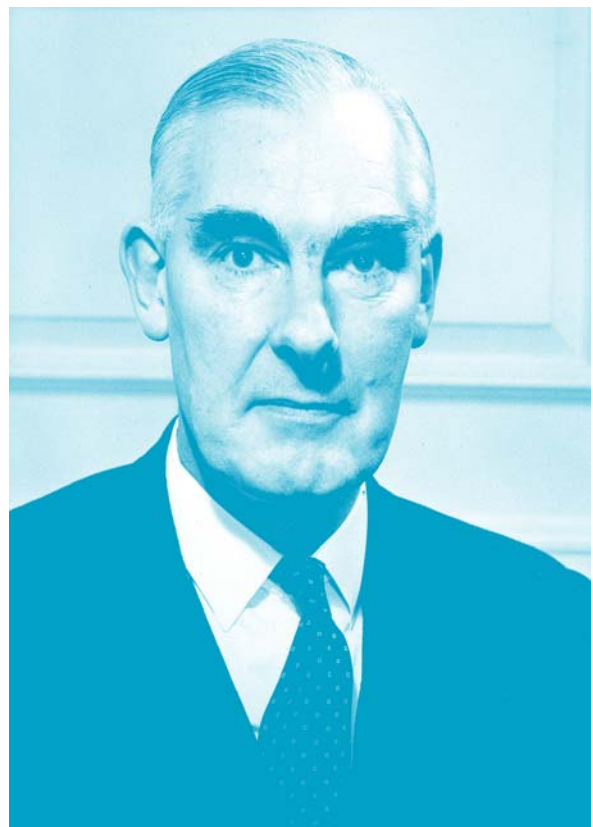
Although an earlier internal report had appar-

ently looked into the feasibility of a credit card, the idea was not followed up. The immediate inspiration came from a visit to the United States in 1965 by Wilde, Dale and computer expert Alan Duncan, specifically to look at Bank of America's BankAmericard, the first card to allow holders to defer repayment. The consequent report included recommendations for Barclays to set up its own scheme.²

Barclays, though like the other 'big five' in Britain essentially at this period a conservative bank in terms of staff recruitment and relations, organisation and tradition, had since the mid-50s begun to innovate and modernise in areas



James Dale



Derek Wilde

such as technology and advertising; for example ordering the first computer for branch accounting in 1959, and experimenting with cinema advertising. In 1967 Barclays would introduce the world's first wall-mounted cash machines. This period of innovation, in which Barclays was a leader, led to intense competition during the 70s and 80s, and was one of the main factors in the dissolution of the 'cosy cartel' into which British banks had settled. Prophetically, when Barclaycard was announced, *The Economist* declared, 'This could mean banking war'.³

At first Barclays wanted to buy Diners Club UK, but was forestalled by Westminster Bank. Wilde therefore recommended an entirely new card under Barclays' brand. The advantages of this were that the Bank already had thousands of outlets (the branches), and could operate under licence from Bank of America, with whom Barclays already had a good relationship.

The scheme was approved by the board without any market research or pilot, or adequate in-house computer system, and in the face of not inconsiderable internal and external suspicion, even hostility. It was recognised that profitability would be long-term, since the set-up costs were so high and credit controls so strict. Although the idea of a plastic card for making general purchases was novel in Britain, consumer credit had already secured a place in people's lives. Working people had long bought essentials 'on tick' from their corner shop, and



there were other schemes operating locally such as the Provident & Clothing Company's check trading system in the industrial north-east of England. After World War Two the idea of hire purchase was developed into big business, becoming an integral part of the new 'affluent society'. Despite the then chairman Anthony Tuke's publicly expressed views on the whole subject of excessive credit in the British economy, in 1958 Barclays had bought a share in United Dominions Trust, the largest 'HP' company, and later would acquire Mercantile Credit.⁴ One barrier faced by Barclays was the widely held view that the credit card was an inflationary system that encouraged people to spend money they did not have.⁵ There was at this time a 'freeze and squeeze' on wages and credit by the Treasury. The controversy was debated in parliament and on television, and was crystallised by an M.P. (Mr. Rowland), who berated the Chancellor in a Commons debate on 8th August, declaring that credit cards:

'create demand inflation and cost inflation because some-one must pay for this credit to the holder of the card.'⁶

Another member accused the government of: 'urging credit restraint upon banks in lending money to industrial organisations when at the same time they are lending it for the purposes of consumer inflation.'⁷

Another initial barrier was the attitude that credit cards were 'undesirable American influences'.⁸ There remained a sniffy (but two-faced) attitude towards personal credit amongst the moneyed classes and amongst bankers. Early opposition to Barclaycard itself was voiced at senior management level and by branch managers, who saw no advantage to their business and were often either indifferent or hostile:

'....people who'd been in the bank all their lives.... people in their forties, fifties, sixties, this was totally wrong, this wasn't banking! What was Barclays doing with this plastic card? You know, I mean they absolutely hated it....the attitude within the staff changed as those people retired

*and it took ten, fifteen years to get rid of that anti attitude in a lot of the branches. Of course, the problem was when Barclaycard people went to a branch and talked to branch staff they had to go through the top people in the branch first of all. Some branch managers refused Barclaycard to come in and talk to staff.*⁹

However, Barclaycard's success changed all that - with the respected Barclays name, people quickly came to flaunt the card as a status symbol. Mr. Rowland, again in his 1966 Commons speech, asked whether,

*'there is a growing and quite unnecessary snob-bishness in the use of these cards ?'*¹⁰

Resistance from some groups of retailers also had to be overcome. Although many smaller shops were keen from the start, some larger chains were reluctant, especially if they had their own credit schemes. The most successful outlets in the early period, despite a very low profit margin, were petrol stations, which envisaged improved security in reducing the use of cash, whilst Barclays took advantage of roadside advertising.

Launch

'The Barclaycard is the largest operation the Bank has ever mounted', declared Barclays' staff magazine.¹¹

On 10th January 1966 the scheme was announced to the public. The press release shows that Barclays carefully eschewed advertising it as a new means of unsecured borrowing.



Instead, Barclaycard was described, *'as a logical extension of the existing credit facilities provided by the Barclays Group. Its purpose is to reduce the use of cash in shopping and other transactions and the scheme is designed to appeal not only to those who must travel and spend a good deal of money in restaurants, but also to the everyday shopper throughout the country. For retail and service establishments it will provide a means of reducing or eliminating the book-keeping now needed to maintain customers' credit accounts. It will also help reduce the amount of working capital needed.'*¹²

Reduction in the use of cash was indeed a cornerstone of contemporary policy. British banks made a concerted effort during the early 60s to extend bank accounts to the working population who, experiencing for the first time in history a real and significant increase in their standard of living, were still largely paid in cash at the factories, offices and shops where they worked. Indeed, chairman Thomson saw Barclaycard as, *'...more of a development of existing retail banking than an innovation...'*¹³ As with automated branch accounting and cash machines, Barclaycard held the promise of reducing labour costs which, with the advent of relatively full employment and strong trade unions, had been rising steadily.¹⁴

Barclays set itself the daunting task of recruiting 1 million cardholders and 30,000 outlets by the launch date. Although Barclaycard's head office was in London, a derelict footwear factory in Northampton was converted as the operations centre, while £500,000 was spent on advertising and over 23 million forms were sent out to prospective customers. Barclays adapted the computer programme used by BankAmericard. Distribution of the 1m cards involved extra Post Office and railway facilities. Despite the magnitude of the task, and thanks largely to the organisational skill of Ken Nuttall, the first Centre manager, all targets were met and the UK's first credit card was launched on time.

Recruiting cardholders was achieved by branch managers supplying lists of credit worthy account holders, and non-Barclays customers were also approached. In the end, 1.25m cards were sent, unsolicited, to those who had been selected. However at first branches recommended their better off account holders, who were less likely to need a credit card, rather than people for whom monthly credit would be a useful way of purchasing necessities.

Signing up merchant outlets was achieved by an organisational innovation. Dale recruited salesmen, mainly from within Barclays, who were trained to call personally on prospective merchants. Again, many of these retailers had been recommended by the branches. The idea of a British bank undertaking 'selling' was still anathema to the traditional banker, even at this period. The sales staff were picked by inspection teams and branch managers who were often pleased to transfer men they considered unsuitable for branch work:

'When it started it was an opportunity to get rid of staff they didn't want'(15)

'somebody from Barclaycard turned up at the branch, was talking to the manager who'd popped out to do something and I went in to put something on his desk, just got talking to this

chap who suggested that it might be worth looking into a career with Barclaycard and I eventually went for an interview...'(16)

These recruits were often glad to break free of the confines of branch banking and enter the modern world of marketing. External training was also used by Barclays for the first time. In the words of one of these early sales staff, 'It was all direct selling and it was cold selling in many ways. It was in actual fact, just walking along the streets and just looking at shops and saying, yes, the average sale in that shop is a certain amount, that's a good average sale.'(17)

Acceptance - the triumph of plastic

Some of the 1.25m unsolicited cards of 1966 were either returned, destroyed or not used, but most were accepted. However, holders were cautious about spending, averaging only £4 per card in the first 6 months of use ! Interest on credit was set at 1.5% and remained unaltered until 1975, holders having 25 days in which to pay the balance before being charged.

There were many teething problems, some of them technical and logistical. One of the biggest was the lack of suitable computer capacity, the temporary solution during the first year being



to fly the tapes every day to West Germany for processing. An example of a minor problem was that because many of the first million customers had multiple bank accounts, these people would receive as many cards as they had accounts, which caused some confusion. Then it was discovered that the plastic would snap when exposed to body warmth in holders' back pockets.

Barclaycard steadily secured a place in retail culture. Its first operating profit was recorded in 1972, by which time there were 1.7m cardholders and 52,000 merchants. As another salesman recalled of this period:

'Well, I would just go and say, have you ever thought of taking Barclaycard? It was such a strong product then that they either said yes or no. And if they said yes, you'd sign them up and if no, you'd go into the next shop. It was so easy to do then.'¹⁸

Consistent profitability was secured by 1977 and by 1980, with 5m holders, Barclaycard was generating 3% of the Group's profits. The accelerating boom in consumer credit saw, by 1990, personal borrowing exceed disposable income,



Britain being ahead of the rest of Europe in this respect.

The move towards a plastic credit society was cautious in the early years. When in November 1967 (following relaxation of the squeeze), Barclaycard granted extended or revolving credit to holders, this was done on the understanding (with the Bank of England), that the card could not be used to acquire credit for more than 3 months, and that advertising would be suspended *pro tem*.¹⁹ This, it was recognised by the Barclays at the time, was the only way that the card would ever make a profit.⁽²⁰⁾ In effect card holders had a personal overdraft facility, something the proponents of the inflationary argument had feared; but there was no going back - the genie was out of the bottle.

By 1971 (by which time government policy had reversed in favour of spending and credit), the brake was off and Barclays was doing all it could to encourage use of Barclaycard. Also in 1970 the Post Office's National Giro introduced a personal loan scheme, which the high street banks saw as somewhat unfair competition in giving credit.

Competition also came from the other clearers. National Provincial had introduced its first cheque guarantee card in 1965 and others followed, which eventually forced Barclaycard to incorporate a similar facility in 1974. Confirmation that credit cards were here to stay came in 1972 with the launch of Barclaycard's first major rival, Access, by Lloyds, NatWest and Midland.

Another, perhaps unexpected, change foreshadowed by Barclaycard was on the Group itself. After Dale had been appointed as head of the new 'department', it became an increasingly autonomous business and quite outside the Bank's existing structure. This signalled a trend not only in Barclays, which between the 70s and 90s reorganised itself as a series of distinct functions and businesses (for example merchant and investment banking, corporate banking, global securities, project management), but in other banks too.

Advertising

As in other areas, Barclaycard's marketing has been at the forefront of innovation for Barclays and British banking as a whole.

From the start use was made of modern techniques, including direct mailings and colour magazine adverts. The initial recruitment of holders in 1966 was helped by a mass campaign, including the first direct mail shot by a British bank and a complete list of all the merchant outlets, believed to be one of the largest newspapers adverts ever published. High street campaigns were another radical departure for a Bank:

'...we would go to a town and set this promotion up with all the retailers. So we picked somewhere big like Brighton or Manchester or Liverpool and you always needed one or two big department stores as a sort of corner-stone, and we persuaded all these stores and shops to display Barclaycard material. We had collapsible display boxes, different sizes, which would go into shop windows. So, we lent the shops these display things for displaying all their goods on but of course, they all had slogans and messages about Barclaycard and so on so, you're basically getting brand awareness in shop window. Then we used 'dolly girls'. I worked with an external recruitment 'dolly girl' agency (sales girls or whatever they called them) and we would order how many girls we wanted. We might say right, we want 24 girls, sizes 10 and 12, half blondes, half brunettes....we had a uniform designed for them, a very smart uniform; jacket or blouse, jacket and skirt, hat with Barclaycard emblems on it and we had one or two promotional caravans which we arrange to park in a city square or something like that, you know, places where you get publicity - and the job of these girls....was to stop people on the street and sell a Barclaycard. Now you couldn't do that today, it's illegal, but in those days you could actually do it, and, you know, we had targets to reach.²¹ In 1968 an award-winning cinema film, 'Travel-

ling Light' featured a woman with a card tucked into her bikini:

*'One of my jobs was to make sure that the Barclaycard always showed correctly and so on, so I had the job of positioning it in her briefs to make sure it was all positioned correctly.... It had a very good message, because I think the message at the end was, "All you need to go shopping is a Barclaycard"'*²²

The year 1972 saw the first television advertising of Barclaycard (the first, too, for Barclays), which may have contributed to the recruitment of the 2 millionth cardholder in 1973. By this time one third of holders were customers of other banks, and advertising was also aimed at them, for example offering promotional items outside other banks' branches, another daring departure from traditional British banking practice.

Records and research

'Plastic money', a term first detected by the present writer from a Barclays report dated 1967, has increasingly attracted attention from researchers in recent years.²³ As far as Barclays Group Archives is concerned, external academic interest has concentrated on Barclaycard as an example of technical and financial innovation, marketing success and market leadership. Much of this work remains in progress and is unpublished. As early as 1979 Derrick Hanson recognised that,

'The development of the credit card is probably the most significant phenomenon of the modern banking scene',



and the subject features increasingly in published accounts of modern banking.²⁴

Most of the documentation of Barclaycard is to be found with the Bank's main record series, which have come to Group Archives by the usual means. By establishing contacts with the marketing teams, a good representative selection of advertising material has also been captured, and this has been supplemented by donations from former staff members.

Research by Archives staff has established a good framework for the factual history of Barclaycard. For developments within living memory, Group Archives is able to supplement the written record by means of the oral history programme begun in 1998, a few excerpts from

which have been quoted above. For the history of Barclaycard this has been invaluable, with personal accounts from chief operating officers, marketing managers, computer experts and even processing staff having been captured on tape and transcribed for the Bank's archives. In just over a decade from conception in 1965, Barclays successfully embedded the credit card in the retail economy of Britain, something that is taken for granted today. The subsequent three decades of development, beginning perhaps with the foundation of Visa, is another story. Records from this period remain, of course, confidential, but the archivists will strive to ensure that Barclaycard's more recent history is documented as well as that of its pioneering years.

Nicholas Webb

Archivist

Barclay's Group Archives

Footnotes

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“Jewish Philanthropy and Social Development in Europe 1800-1940”

The preparations for a Rothschild bicentenary celebration in 1998 included an extensive amount of research into every aspect of the Rothschild family’s activities, from banking to viticulture, art collecting to horticulture, estate development to philanthropy – and it was this last category which proved one of the most interesting to contemplate and which left many questions unanswered.

The former Director of The Rothschild Archive, Victor Gray, and his team remained intrigued by what they had yet to discover about the philanthropic engagements of the family and were constantly encouraged to “do something about it” by Dame Miriam Rothschild, (1908-2005). Dame Miriam was fully aware of the scale of her family’s support for a wide range of social projects, as well as being conscious that many of them remained obscure, partly because of the personal modesty of the individuals themselves, and partly because of the principles of ‘zedaka’, the religious commandment obliging every Jew to engage in charitable works.

“Doing something about it” has taken the Archive and its partners in a new project through the following stages so far.

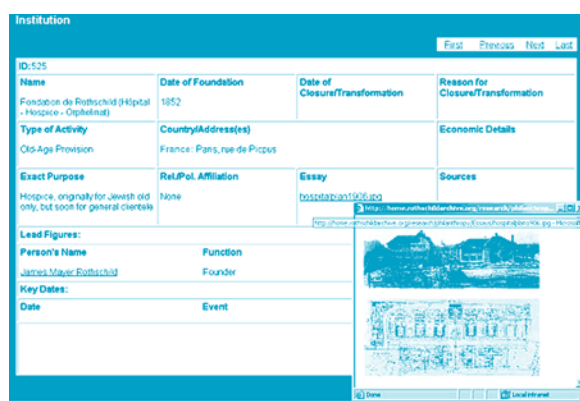
An Academic Advisory Committee was assembled to define a structure for the research, and to consider sources of funding. The Archive, a registered charity with an educational remit, receives financial support for its mainstream work from the Rothschild business. The Committee was confident that the strength of the project made the Archive eligible for support from grant-giving bodies to develop the project in partnership with institutions of higher education. This confidence has been borne out to a gratifying degree. Initial financial support was given by Hanadiv, then by the Fritz Thyssen Foundation (Cologne), and, finally, by the Arts and Humanities Research Council, allowing the project to assume a larger scope and envisage ever more ambitious aims.

Scope of the project

The research project, launched in 2004, uses the charitable commitments of the Rothschild

family as a case study for the analysis of Jewish charitable activities in the context of an emerging welfare state. Formally based at The Rothschild Archive, the project has researchers in the five European countries where the Rothschild family were established, namely Germany, Britain, France, Austria, and Italy. It was also found necessary to have a closer look at the material held at The Central Archives for the History of the Jewish People in Jerusalem, whose aim is the “reconstruction of an unbroken chain of historical documentation, reflecting the collective past of the Jewish people”, and which, as such, collects and preserves materials from all the countries under scrutiny.

The research will lead to a number of diverse, but complementary, outcomes: the creation of a database, the publication of a series of essays and of a monograph, and the organisation of a number of conferences and workshops, exhibitions and a web site. The database¹, which is already available online to the researchers, will also be made accessible to the public through the existing Rothschild Research Forum². It is divided into three volumes to reflect



Screenshot of the Fondation de Rothschild's record on the database, with a picture

the various aspects of Jewish philanthropy in the period. The first volume is a listing of Jewish philanthropic institutions in the five countries under consideration, and enables the user to view information about their date of creation, their purpose, the activity they were involved with, as well as information about their founders or main benefactors. The second volume is a pool of information about the main Jewish philanthropists in the six countries, and will enable the user to view biographical data on them, as well as a listing of institutions and charitable organisations with which they were involved. The third volume is a collection of sources, in which users can access information about where to find the materials listed in other volumes and potentially find leads for further investigation. Interestingly, the three volumes are linked together so the user can navigate from institutions to people by simply clicking on hyperlinks, and therefore get a wider and more comprehensive representation of philanthropic networks in the period under consideration. As a tool at the academic researcher's disposal as well as the public's, the database will be enriched by a range of images of people and places, as well as institutional and bibliographical essays, in the many cases where additional information is available.



The Naples Hospital, created by Adolphe de Rothschild in his will

The project has a focus on Rothschild family members, but makes a point of also including other Jewish philanthropies and philanthropists, which allows for a broader contextualisation of the Rothschild initiatives.

In the two years since the project started, a wide range of materials has been uncovered and investigated by our researchers, and it quickly became clear that Jewish philanthropy had an extremely wide and varied scope. The range and value of individual donations fluctuated greatly, and included the promotion of a range of sectors, from arts and crafts to education, as well as the provision of dowries, the establishment and running of hospitals and sanatoriums, the funding of academic research and of libraries, social housing projects, recreation homes, etc. An early analysis of the available records would suggest that each country had a specific philanthropic tradition, which was reflected in the way Jewish philanthropists distributed their funding. However, it is possible even at this early stage, to identify some European-wide trends, reflecting the charitable activities with which the Rothschilds and other Jewish philanthropists were involved. Notably in the case of the Rothschilds, family members were active on the medical sector in all five of the countries where they were established, and in three of these on the social housing sector. These, which demanded enormous capital sums, are a particularly interesting subject to concentrate on. This article will focus on their engagement in the field of hospitals and medical research.

Case study

At the forefront of the scientific advances of their time and seeing themselves in the vanguard, the Rothschilds created and ran hospitals throughout Europe, fiercely guarding them against potential takeover by the government, and making sure that they remained private, in spite of the large sums of money needed to keep them functioning. Julie, the widow of Adolphe Carl de Rothschild, founder of the Geneva eye hospi-

tal in 1873 / 1874, who always refused any type of association with the public administration and proudly chose to pay for the taxes herself, even stipulated in her will that the running of both the Geneva eye hospital and of its Paris equivalent should both remain, after her death, privately funded.

The Geneva eye hospital opened in 1874 with a Dr Barde, who had treated the Baron Adolphe Carl for an eye injury in the past, as a medical director. Admission and treatment were free for all people who could prove their indigence, without any distinction of religion or nationality. With only 20 beds when it opened in 1874, 10 for males and 10 for females, the hospital building was extended some 13 years later to accommodate children, and patients suffering from contagious diseases. Adolphe's involvement in the running of the hospital was a testimony to his commitment as a philanthropist. Not only did he pay for all the costs generated by the institution, but he also paid particular attention to the recovery of the patients in the hospital, catering, when necessary, for 'his' patients' travel expenses, and requesting that regular reports be made to him in person by the medical director.

Adolphe de Rothschild died in 1900, leaving the plans for an even larger and more modern hospital unfinished. His will stipulated that his widow Julie should take the Geneva eye hospital as an example for the Paris hospital, which he had planned to create. Julie de Rothschild decided that Rue Manin, in the eastern part of the capital and opposite the Parc des Buttes Chaumont, should become the location of the new clinic, for the construction of which the Baron had left an amount of 1.8 million francs, to which a capital of 8 million francs was added. The optimal efforts were made to accommodate the patients' needs in terms of comfort and well being, and to ensure that they were cured and recovered well, rather than trying to achieve large numbers of admissions. Still, the hospital had a capacity of 50 beds, and was run totally privately.

Later absorbed by the French public services, the hospital had nonetheless represented an incredible achievement by proving itself as successful as it had been ambitious.

Not only did Adolphe de Rothschild virtually create the Paris and Geneva eye hospitals, but he also left some money in his will in 1900 for a hospital to be created in Naples.

Adolphe was not the only one active in this field. Other Rothschild family members were involved in the establishment and running of medical institutions. In London, the Evelina Children's Hospital formally opened in 1869, three years after the founder's wife, Evelina de Rothschild, died in childbirth. Her widower, Ferdinand de Rothschild, decided to perpetuate her memory by building a hospital in Southwark, a deprived area of London, in which it was thought that the children would benefit most from the establishment of a hospital catering for their needs. Planning for the construction of the hospital augured



The Bettina Pavilion of the Empress Elisabeth Hospital, built by Albert von Rothschild, Vienna

well: Doctor Arthur Farre, Physician Extraordinary to Queen Victoria, was commissioned to produce detailed specifications to be presented to the Architect. The hospital, thought to be big enough to treat 100 patients, only had 30 cots available to allow for the patients' quiet and speedy recovery. The hospital was open to visitors every day and in 1871, when in need for funds for expansion, it received large donations from the public, the majority of them Jewish. The hospital was a success, with 12,000 patients being treated in the Outpatients' Department alone in the first two years.

In Frankfurt, the Clementine Children's Hospital was founded by Baroness Louise von Rothschild in 1875 for girls aged 5-15 without distinction of religion, or social background. As with the Geneva hospital, treatment was available at no cost to the patient. With cutting edge technology and architecture respecting the latest quality standards, the Clementine hospital



Adolphe de Rothschild

hosted 18 to 20 young girls in bucolic surroundings of 10000 m² lushly planted with trees, which prompted the first chief doctor of the hospital, Dr. Johann Jakob de Bary, to state that "thanks to these sound surroundings alone, the hospital meets all the requirements which modern science can expect a hospital to meet". Observers noted her unlimited dedication to the hospital and her personal involvement in making sure that all the individual needs of the young patients were being catered for in a context of optimal comfort.

The planning for the construction of a hospital in Vienna was the object of a thorough inquiry by its founder, Anselm von Rothschild, into the most modern, architectural and technological advances. Two doctors were sent across Europe to review the requirements that the hospital would need to meet in terms of hygiene, ventilation, and so forth, in order to be a most modern and forward-looking establishment. The hospital opened in 1873, and in the first ten years of its running, had already treated some 10,042 patients.

Initial findings

These achievements, however, did not represent co-ordinated attempts by the Rothschilds to make a mark in the respective communities in which they had settled, but were rather the results of individual, personal initiatives. Events related to the founder's personal history prompted these individuals, in each case, to establish medical institutions. Adolphe de Rothschild, as mentioned previously, founded the eye hospital in Geneva because he had been successfully cured by Dr Barde in the past and probably wanted to "give something back". The Evelina Hospital was founded in memory of Ferdinand's wife. As for the Clementine Hospital in Frankfurt, it was a grandiose and vibrant tribute to the founder's daughter, who tragically died aged 20. The Rothschilds' grand projects, however, were a reflection of just how forward thinking and, quite simply, how wealthy they

were and, undoubtedly, represented examples of the contributions they could make in the community. The eye hospital in Geneva had such high standards of excellence that it attracted patients from all over Europe. The hospital in Paris was the first to use laser technologies for the correction of various eye conditions in the 1970s. Such achievements, if incidentally, necessarily contributed to making a difference in the way the Rothschilds were perceived in their community. After all, who, in the late 19th century, apart from the Rothschild family, could have afforded the private running of a hospital in Geneva, with state of the art equipment and technology, trained staff, and excellent standards of comfort? The hospitals they established in all the European cities, in which they were settled, was a testimony of their ability to make a difference. A difference not only to the Jewish population, but also to the general community. It is no coincidence that the hospitals were open to both Jewish and non-Jewish patients, and that the people involved as administrators or in management positions were also, more often than not, non-Jewish. Here, citizenship and the determination to help the community at large was paramount to the desire to help only Jewish people; in other words, the Rothschilds, as well as being the important Jewish family everyone knows, were eager to position themselves as citizens and members of a national and local community. The Rothschild initiatives, however, were born not only from a desire to help the community at large but also from opportunity. The absence of a welfare state at the time made it possible for the Rothschilds to make an impact through private initiative and privately funded institutions. The emphasis put, in many cases, on young children, was no coincidence either. If social legislation was progressively being eased and countries were starting to recognise the rights and needs of poorer classes, the start of the 19th century had not seen much improvement in the condition of children. The establishment of children's

hospitals might have been a way of catering for this lack of provision, in the same way as it catered for the lack of a welfare state. Having the ability to substitute one's self for the state, provide for needy people whom the state did not help, and cater for sectors of the population that had remained untouched by legislative progressivism, was a mark of power and a complement of liberal initiative to state-run welfare.

In this context, it is obvious that philanthropic activities served a number of purposes rather than being motivated only by the principle of *zedaka*. Through the example of the hospitals, it is clear how the Rothschild-sponsored institutions represented a window on the Rothschild family's fortune and wealth, and a proof of their dedication to the local community and society at large. This, in turn, guaranteed their integration and conferred credibility and legitimacy on their business projects and endeavours. The Rothschild hospitals, often set up in remembrance of members of the family and, even, carrying their names, engraved the name "Rothschild" in the urban landscape. This inscription guaranteed its continuity and longevity, bringing it closer to the community and truly making it a "household name", recognised by both the rich and the poor. It is remarkable that many of the hospitals are still standing and operative today. The Geneva and Paris eye clinics, however, and also the Frankfurt and London children hospitals are now run by municipal bodies but family members are, notably, still involved, as active members on some of the boards, and through donations.

Future plans

By exploring these questions, the project will attempt to discuss issues such as the use of charity and welfare as instruments of entrepreneurial self-representation and the conflict between the welfare state and liberal voluntary philanthropy, which have a much wider scope than the sole history of Jewish philanthropy, and will have to be placed in the wider context of

European philanthropy. Since the start of the *Jewish Philanthropy and Social Development in Europe* project, a number of European initiatives and research projects have been set up, demonstrating the potential of the project and its contribution to the historiography on the subject. Not the least of these was a workshop hosted by The Rothschild Archive in October 2005, which examined the theory and practice

of Jewish and non-Jewish philanthropy in 19th and 20th century Europe. The publication of the workshop papers is currently being prepared, with the working title “Religion, Philanthropy, and Civil Society in Western and Central Europe”. Notes written by Martin Krieger, one of the participants in the workshop can be accessed online at: <http://hsozkult.geschichte.hu-berlin.de/tagungsberichte/id=971>.

Claire-Amandine Soulié

The Rothschild Archive



Claire-Amandine Soulié has been based at The Rothschild Archive since January 2006 as Project Co-ordinator. A graduate of the University of Lyon, she currently lectures on 19th and 20th century European and Russian history at the University of Essex while finishing her PhD on the controls over the press in Britain and France during the Boer War and the Fashoda crisis.



The project at the Rothschild Archive is directed by Klaus Weber, who was appointed Director of the Project in 2004 after spending a year at the National University of Ireland, Galway. His recent book “Deutsche Kaufleute im Atlantikhandel 1680-1830” (German Merchants in the Atlantic Trade) is based on his PhD. He has written a number of papers on various aspects of the project, as well contributing to scholarly publications and conferences on the subject of early modern transatlantic trade.

¹ The database was created by the IT department of N M Rothschild & Sons, whose support of the project is gratefully acknowledged.

² www.rothschildarchive.org

Athens 2004 and Vienna 2005
Two Archive Workshops on Corporate Culture
A Look Back

The idea of organising a workshop dealing with corporate culture first sprang up in the Academic Advisory Council. It had voiced the opinion that the EABH should provide a platform where notions and issues combining history and the everyday life of its member institutions could be explained and discussed, alongside the academic conferences the EABH has organised since its foundation. Corporate culture was soon identified as such an issue. As a result, the first workshop on corporate culture was launched in 2004 in Athens before the main EABH conference, organised by Ingrid Elferink, Gabriele Teichmann, along with Marnie Giuranna and Gabriella Massaglia from the Frankfurt office. The record attendance of EABH members showed the vivid interest in the topic and led to the decision to have a follow-up in Vienna 2005 for which Charlotte Natmeßnig from Wirtschaftsuniversität Wien joined the organisation team.

This explains the organisational framework. But what were the ideas behind the workshops? The term “corporate culture” is used in publications on management, corporate marketing and managerial psychology. It emerged in the 1970s as a way of explaining the success of a company, or the lack of it. From the point of view of an enterprise, it deals with questions such as “Who are we?” “How should we behave?” as a tool analysing specific assets and shortcomings with the aim of achieving a higher business performance. Although answers differ and definitions vary in detail, most academics agree that corporate culture, in Edgar Schein’s words, is “a cognitive framework consisting of attitudes, values, behavioural norms, and expectations shared by organization members.” Since its establishment, the term has been widely used by human resource managers to analyse and

improve motivation of employees, as a marketing philosophy, and to underscore corporate social responsibility. However, the term has not made its way into corporate history or business history in general – and vice versa. This is surprising enough, given the fact that the individual character of a company is inextricably linked with and shaped by its history.

It was the explicit aim of the two workshops to start filling this gap by showing that the historical perspective is essential to answer the question “Who are we?” and to understand the way a company works: its business decisions; the way it treats its clients and employees; its image-making; branding; and so forth. History needs to be firmly established as an integral part of corporate culture, making it clear even to bank managers without a specific historical interest that dealing with corporate culture means dealing with corporate history.

The target audience of the Athens and Vienna workshops were, in the first place, banking and insurance archivists. Hence the organisers had set out to highlight the importance of corporate archives in this context. We all know that archives play a pivotal role as the repository of a company’s past, its specific culture developed over time, its collective conscience and achievements. If it is well-organised, an archive will be an efficient and high-quality supplier of complex information, if it is well-integrated into the institution, it will be a high-powered commercial instrument creating value and providing a competitive advantage. The term corporate culture, in all its many facets, can have a bridging function between the perspectives of managers, corporate archivists and historians when analysing and assessing an organisation. This, in turn, is a perfect mirror of the overall aims the EABH has set for itself.

With these premeditations in mind the organisers endeavoured to offer a programme covering a large number of aspects on the two occasions, hosted by Alpha Bank and Bank Austria Creditanstalt respectively. In Athens, most contributors presented case studies of successful implementation of corporate archives and corporate history within the image of a bank. Victor Gray gave an impressive account of Archive Style and Corporate Culture at N.M. Rothschild & Sons showing how naturally history has “entered the bloodstream of the Bank and become part of the overall corporate style.” Another private banker, Sal. Oppenheim of Cologne, had admitted a team of senior business school students to analyse and assess its corporate culture, especially concerning its function as a value creator. One member of the team explained their academic approach and interim results of the project which had just been launched. A special kind of case study was put forward by Damir Jelic who presented the results of a survey concerning corporate culture he had carried out for the EABH Bulletin among EABH members at the request of the workshop organisers.

A second group of presentations covered the theme that corporate culture was an important entrepreneurial concept long before the modern term was invented. Monika Pohle-Fraser presented her study, entirely based on archival records, showing how meticulously 19th-century bankers steered the creation and upkeep of their good reputation. Bankers’ conformity with a certain code of bourgeois values was regarded as the hallmark of respectability; it was also the main tool to assess business risks. Joke Mooij explored what can be learnt about the culture of financial institutions, and central banks in particular, by analysing their historiography.

Finally, two papers covered aspects of corporate culture in times of change. A more immediate issue referred to what may happen to corporate culture after mergers. John Orbell pre-

sented an example of a well-organised archive containing highly valuable records and well-positioned within the bank that survived a merger, albeit with different tasks. His case was that of the Barings Archive, which became part of the ING Bank after the takeover of Baring Brothers by the Dutch group. Margarita Dritsas dealt with the theme of how political changes influence the way banks present themselves to the public, showing the Greek case from the 1920s to the present. Greek banks have recently become more involved in society, e.g. as promoters of the idea of national heritage and through the emergence of corporate history. The three workshop sessions were rounded off by concluding remarks delivered by Gurdon Wattles from Deutsche Bank London who, as a banker, showed himself convinced that corporate history matters for the commercial success of an institution. The striking example was that of Deutsche Bank who would never have been able to acquire the US bank Bankers Trust in 1999 without having been transparent about its history, especially during the Third Reich.

The Vienna workshop one year later continued, for one thing, in giving case studies. This time participants learned about a Portuguese experience presented by Carlos Alberto Damas from Banco Espírito Santo in Lisbon which falls into much same category of family-dominated houses like Rothschild and Oppenheim. The organising team also tried to take up some discussants’ remarks from Athens when some attendants had criticised that the first workshop saw the role of archives in too optimistic terms. This time there were not just success stories. It was Christofer Stadlin from Zurich Financial Services who showed that archivists may have good ideas of how to make their company benefit from historical experience for recent situations but that they cannot implement their ideas because senior management lack interest. It should be noted that Christofer Stadlin was the first-ever speaker from the insurance industry at an EABH event after its change of statutes.

Besides accounts of individual companies the workshop also offered more general investigations. Christopher Kobrak delved into the interdependence of history, archives, corporate culture and business ethics. He insisted on the value of history for the strategy of corporations and advocated the integration of corporate and business history in the training of business students. Manfred Pohl used the example of his career at Deutsche Bank to show that the interest of companies in their corporate history is by no means static and self-explanatory. It depends, to a great extent, on general trends. After boom years in the mid-1990s mainly due to banks confronting the Nazi past, interest waned in the heated atmosphere of the dotcom hype and as a result of the predominance of the shareholder value business philosophy.

Also for the first time in EABH history, the theme of banking architecture was taken up. Ulrike Zimmerl used the example of Bank Austria Creditanstalt to illustrate the role of architecture in creating a visible public image conveying identity and integrity. Two papers dealt with the interdependence of corporate history and corporate social responsibility, reflecting the fact that cultural and social engagement of banks is ubiquitous these days. Nadina Paphitou and Yolanda Hatzi presented the cases of Cyprus and Greece. In both countries, banks play a very active role in cultural sponsoring, in funding social and ecological projects and in helping to preserve the national heritage. Thus they fulfil social roles which are carried out by the state in other parts of the continent.

Ferdinand Lacina, consultant of the hosting Bank Austria Creditanstalt, gave the concluding remarks from the viewpoint of a former politician and finance minister. He concluded that while history does have an impact on business decisions, it has become more difficult in our ever more profit-oriented world to reconcile business and history. He believed that Pohl's question whether business history is in a crisis cannot be answered clearly yet. On the asset

side there are a number of well-established archives in some major financial institutions in Europe which are here to stay. At the same time, there can be no doubt that in recent years many companies have rapidly lost interest in their history.

What can be condensed into the message of the two workshops? It has become clear that the archive and the archivist's work lie at the core of a company's culture. Striking examples showed their huge potential for image-making. A long and successful corporate history creates trust and underscores a good reputation. The possibilities to use archival records for actual business purposes are ample. However, most archivists will agree that their archive's potential goes much beyond its actual use. To convince senior managers in this direction means a great and ongoing challenge for everybody joined in the EABH. The workshop organisers hope that the two events will encourage further discussion on how an archive should position itself within a bank, the definition of its core tasks and its contributions to everyday business purposes. The papers presented on both events will be published in a joint volume in May 2006 and will hopefully further fruitful discussion in the future.

Gabriele Teichmann
Sal. Oppenheim jr. & Cie.

European Central Banks and Monetary Cooperation after 1945

Central Banks Workshop Bank for International Settlements Basel, 2 December 2005

On the occasion of its 75th anniversary, the Bank for International Settlements hosted the 2005 edition of the EABH Central Banks Workshop in Basel. The organising committee - consisting of Piet Clement, BIS and Juan Carlos Martinez Oliva, Banca d'Italia, in cooperation with the staff of the European Association for Banking and Financial History - deemed that the subject of monetary cooperation under and after the Bretton Woods system until the introduction of the euro was particularly important for its contribution to creating the present international monetary setting in Europe, characterised by a European Central Bank and a single currency. The workshop also took stock of the situation in the different Central Bank archives with respect to the treated topic by trying to establish a list of priority research subjects, and to link the main research topics to the relevant archive collections. The Basel workshop brought together 30 archivists and historians from 21 different European central banks, international organisations and academic institutions.

The program consisted of three sessions and a panel discussion. The first session focused on the institutional cooperation of Central Banks in the 1950s and 1960s under the Bretton Woods system which led, inter alia, to the establishment of the European Payments Union (EPU); the second session, dealing with the following period 1960s-70s, shed light on the efforts undertaken by monetary authorities to prevent the eventual collapse of the Bretton Woods system; the third session explored European central bank cooperation after Bretton Woods. A panel discussion followed, aimed at exploring a number of archival issues concerning Central Banks' archives. In total, six papers were presented, covering 45 years of crucial changes in the international monetary cooperation field.

The workshop was opened with a welcoming address by Peter Dittus, Secretary General of the hosting Institution, followed by Prof. Manfred Pohl, the EABH Deputy Chairman.

The study of the origins of European monetary integration couldn't but move from the post-war reconstruction, the Marshall plan and the early creation of the institutions that gave origin to the modern cooperation process in Europe. There-

fore, in the first session, chaired by Gabriel Fagan, Head of Monetary Policy Research at the ECB, Juan Carlos Martinez Oliva, moving from a broader research project carried out in the Bank of Italy, outlined the origins of European cooperation by analyzing the European Payments Union from the Italian perspective. The mandate of the EPU, to provide a multilateral clearing system and to remove trade barriers in Europe, was fulfilled in only eight years: in 1958 the European economies adopted currency convertibility and operated thenceforth in a fully cooperative context. The analysis of Italian views and proposals on convertibility, based on new archival evidence, contributed to a better understanding of the Italian authorities' attitude on European monetary cooperation in that period. In the following paper, Piet Clement illustrated the changing nature of European central bank cooperation in the transition from the fifties to the sixties, based on two particular episodes: the emergency credit granted by the European Payments Union to Germany in the winter of 1950-1951, and the central bank credit granted to the Bank of England in the autumn of 1964. In contrast to the fifties, when the main aim of Central Banks was to restore trade and

payments, within a framework of price and exchange rate stability, in the sixties the focus shifted from institutional cooperation, based on a set of agreed rules, to the ad-hoc running of a system that was supposed to operate largely automatically. While granting a higher degree of freedom, the new system involved a softening of discipline that required more frequent consultation and discussion among Central Banks, and, in the face of new challenges, ultimately led to the collapse of Bretton Woods system.

In the second session, Philip Cottrell, University of Leicester, provided an example of the difficulties that the Bretton Woods system was faced with following the adoption of current account convertibility in December 1958. The increased difficulties experienced by the dollar starting from the sixties triggered the collective effort by Central Banks aimed at defending the dollar that characterized the period. Another relevant event in those years was the gradual decline of the pound sterling, the other world's reserve currency. Cottrell's paper examined the effort of central bankers, acting through Basel, to sustain sterling at \$2.80 during the currency crises of 1961, 1963 and 1964-1967, with a focus on how the Bank of England employed 'Basel assistance' in the technical operations needed to sustain the exchange rate and defend the Bank's currency reserves. The analysis of the same period was carried out from a different perspective by Olivier Feiertag,

Université de Rouen, who examined the role of the Bank of France from the return to currency convertibility in 1958 to the collapse of the Bretton Woods system in the early seventies. The author investigated the global meaning of international monetary cooperation in the sixties, in order to understand the motives underlying the authorities' attitude. According to the author, understanding whether international cooperation was a mere technical device, rather than the expression of nationalistic and individualistic interests is the main historical dilemma of international monetary cooperation. Finally, in the third session, Patrick Halbeisen, Schweizerische Nationalbank, considered the negotiation, in 1975, for a possible accession of Switzerland to the group of the so-called Snake countries (European exchange rate mechanism). The arguments and evaluations of the time are presented in the paper, along with a discussion of the international political process involved. The conclusion is that the ultimate failure of negotiations entailed critical consequences, and involved a monetary policy that assigned a lower priority to the exchange rate. Moreover, the episode is relevant for a better understanding of later developments concerning Switzerland and the European Monetary Union. Marzenna James, Princeton University, provided an analysis of central bank cooperation across the Iron Curtain before and after 1989, looking particularly at the case of Poland. For a long time Poland aimed at integration



within the network of international financial cooperation. The geopolitical changes in 1989 opened the opportunity to move towards a market economy and to benefit from the contribution of European banking institutions, and the FED. Poland could also benefit, during the transition, from useful policy advice from the BIS and the IMF, particularly regarding stabilization and convertibility of the currency, price liberalization, fiscal consolidation and privatization. The paper provided a useful example of the interplay of Central Banks with other actors in the international system, such as other financial institutions and international organizations.

The main conclusions of the different research papers presented at the workshop were summed up lucidly by Aurel Schubert, Director of Statistics at the Austrian National Bank. He referred to the many different types of central bank cooperation and the perennial dilemma between flexibility versus rules facing monetary policymakers. Schubert also stressed that monetary history is not just about structures and systems, but that even in this complex and often technical field individual people do matter.

The panel discussion at the end of the workshop has been particularly helpful for an assessment of the present situation of archival sources available in Central Banks, with a focus on monetary cooperation in Europe. The debate covered relevant issues such as the access of the public to archival facilities, the availability of documents on digital media, the spread of archival information via the Internet, the declassification limits in different countries for various categories of information, confidentiality criteria for third party information. The general conclusion was that a wider use of archival information for research purposes is to be encouraged, in order to provide a better comprehension of the actual functioning of the cooperation process through historical analysis. Preserving the documents from the past is the best means for a thorough understanding of the present and the future.

Piet Clement

Bank for International Settlements

Juan Carlos Martinez Oliva

Banca d'Italia

South-East Europe Monetary History Network
First General Meeting
13-14 of April, 2006, Sofia

Due to the weak knowledge about the monetary history of South-East Europe, at the joint initiative of Dr. Nikolay Nenovsky (a member of the Governing Council of the Bulgarian National Bank, BNB) and Dr. Sophia Lazaretou (Economic Research Department, Special Studies Division, Bank of Greece), the Bulgarian National Bank (BNB) came with the proposal for the establishment of South-East Europe Monetary History Network (SEEMHN) at the end of 2005.

The objective of the network is to explore the monetary history of the Balkans (Bulgaria, Greece, Romania, ex-Yugoslavian countries, Turkey and Albania), which is a part of the common European monetary history. Our key aim is to extend our knowledge about the monetary policy pursued under different monetary regimes in these so called “peripheral” countries in the region back to the 19th century. The goal is to bring together historians, economists and policy-makers in an attempt to analyze and rewrite South-East monetary history in a comparative perspective and to draw lessons from particularly relevant past experiences. We believe that making monetary policy in a global environment can benefit from historical insights.

The First General Meeting of the SEEMHN took place on 13-14 of April, 2006 in Sofia. The topic of the meeting was monetary history of South-East European central banks and brought together around 30 participants from 9 European countries. Among independent economic researchers and historians from Bulgaria, Greece, Turkey, Serbia, Croatia, Slovenia, Austria, France and England, most of the Balkan central banks attended the meeting and acquainted us with the history of their central banks and monetary and fiscal policies pursued. The programme was very intense and the 15 presentations were grouped in five sessions.

The first day of the meeting was opened by the deputy governor of the Bulgarian National Bank – Mr. Dimitar Kostov, who congratulated the participants on their support to this initiative and encouraged them to extend their research activities in the framework of the Network. After the official opening, our guest-speaker - Prof. Sevket Pamuk (The Ataturk Institute for Modern Turkish History, European Historic Economic Society) spoke about “Budget Deficits and Methods of their financing in the Ottoman Empire, 1750-1918”. The key conclusions which summarized the situation in the rest of the Balkan

countries of that time are that the governments are running huge deficits due to weak central governments, limited capacity to collect taxes, financing of wars and increasing costs of trying to keep a large empire together. In the second presentation Dr. Matthias Morys (Oxford University) made an overview of the growth experience of the South-East European countries in the 19th and 20th centuries. In his research he was faced with limitations on the availability of consistent set of GDP data for the region with a few exceptions for Turkey, Greece and Bulgaria. However, the major findings of his study are that in spite of some evidence that the convergence hypothesis holds for Pre-WWI and Golden Age period (1950-1973), the inter-war period is characterized with divergence processes and after the post-Golden age the economic development depends on the country with some elements of path-dependence behaviour.

The second session was dedicated to the gold standard and stabilization after the First World War. Prof. Dragana Gnjatovic (Serbian Research Centre for Balkan Monetary History) acquainted us with the introduction of the “limping” gold standard in the principality of Serbia, which is an interesting period of Serbian mon-

etary history when although the state had the exclusive right to mint money according to the rules of the Latin Monetary Union, it had never joined it. The second presentation delivered by Kalina Dimitrova (BNB) compared the exchange rate stabilization in France and Bulgaria applying econometric techniques. The analysis incorporated a chronology of events in the pre-stabilization period for both countries, which has debtor-creditor relations after WWI and empirically confirmed Aftalion's psychological theory giving a dominant role for the exchange rate and expectations on the price development process for that particular period.

The following sessions were dedicated to the monetary history of the SEE central banks. Dr. Roumen Avramov (Centre for Liberal Strategies-Sofia and former member of the Governing Council of the BNB) introduced the audience to the history of the host, the Bulgarian National Bank. He focused on two questions: how the institution was shaped; what has been its role in the search for adequate monetary standards. The exhaustive institutional analysis emphasized the vivid public debates concerning the "private versus public" and "dependent versus autonomous" statute of the BNB. Modern Bulgarian history started into a monetary chaos that was followed by a bimetallic standard and by a difficult path to the gold standard in 1906-1912. During WWI the country adopted a paper money standard, restoring eventually for a while (1928-1931), the monetary rule of the gold exchange standard. The planned communist



economy since 1947 lead to the building of a soviet-type monobank that boils down to a "monetary standard without money". Central banks' functions were restored in the outset of the transition, but the deep financial crisis of 1996-1997 provoked a monetary regime shift and the implementation of a currency board arrangement. The system is functioning smoothly and features several common positive characteristics with the gold standard, as well as with the European System of Central banks of the EMU.

Dr. Sophia Lazaretou (Bank of Greece) shared with us the Greek monetary history. She brought together a chronology of events and data analysis to find out that country's choice of monetary regime was defined according to the preferences for gaining credibility and cheap foreign borrowing and according to the political realization of seigniorage smoothing policy. Her study came with the policy implications that the benefits of country's adherence to the convertibility rule were macroeconomic stability, lower real exchange rate volatility, less persistent and more predictable inflation. The representative from the Central Bank of the Republic of Turkey - Dr. Yuksel Gormez told us about the evolution of the central banking in Turkey which is enriched with various monetary standards going back to 1668 in the Ottoman times. The main lessons which he drew from the Turkish monetary history can be summarized as follows: we should respect our national currencies to the extent of which printing money does not prevent wealth accumulation, monetization of the economy without price controls, law enforcement and observation of private ownership with legal base and property rights, full commitment can eliminate inflation to a certain extent. Last but not least in importance, in this session chaired by Dr. Peter Mooslechner (Oesterreichische Nationalbank) were the representatives of the National Bank of Serbia – Milan Sojic and Ljiljana Djurdjevic. It was interesting to learn that the National Bank of Serbia

was established in 1883 as a private bank with domestic capital only and organized after the model of the Belgian National Bank, which, at that time, was considered to be one of the best organized institutions of its kind in Europe. It changed its name seven times and underwent different institutional shapes with different functions as the central bank served different political regimes.

The second session devoted to the monetary history of the South-East Europe was opened by Dr. Boris Vujcic (Deputy-Governor of the Croatian National Bank) who spoke about Yugoslavia's monetary policy legacy and Croatian Monetary Policy in retrospect. The independent Croatian monetary policy has a short history since 1991, characterized by political and macroeconomic instability, high inflation, frequent devaluations and partial savings expropriations which led to high currency substitution. Since its independence, Croatian National Bank options are to a large extent determined by the legacy of monetary history of Yugoslavia, which in the post WWII period is a unique mix of communist and Latin American experience, and will continue to be until the formal adoption of the euro. Zarko Lazarevic presented the Monetary institute of Slovenia, which was established in 1944 as a note issuing bank by the slovene resistance movement during the second world war. The ambition was to replace the other currencies in circulation in Slovenia during the war times, but it was not achieved. And the reasons: the emission of "resistance money" was too small to meet needs and there were disputes with Yugoslav central leadership over Slovene competences in issuing the money. After the end of the Second World War the Monetary Institute of Slovenia understandably lost the right to issue money. All rights of this kind were transferred to the Yugoslav central bank and even the Monetary Institute of Slovenia itself became more and more like a mere branch of the central institution in Belgrade. The Monetary Institute of Slovenia

ceased to exist before the end of 1946, when it was incorporated into the Yugoslav central bank. Thus ended the story of a unique institution that in wartime conditions had attempted to issue money for a resistance movement which had neither a clearly or firmly defined territory nor the material conditions to run its own monetary and issuing policy.

The last session was devoted to building historical data and methods. Dr. George Kostelenos (Centre of Planning and Economic research, Greece) acquainted us with with historical national accounts for Greece for the preiod 1833-1939, which he constructed using value added method and both Greek and non-Greek, official and unofficial sources of information. Dr. Martin Ivanov (History Institute, Bulgarian Academy of Science) presented his study on long-run Bulgarian economic development for the period 1892-1945, producing his own GNP estimates for some years in the time span and comparing them with some estimates available by national and foreign sources. Damir Jelic, Ph.D. student of Leicester University presented the problem of using ballance sheets of the banks as source for understanding the past economies. He highlighted advantages of ballance sheets information for obtaining spatial, cross borders and over time analysis, but offered some concerns about difficulties of such analysis as well. His presentation was based on his experience on analysing provincial banking in the Austro-Hungarian Monarchy and successor states for mark years 1913 and 1925. After



the interesting discussions, the chairman of the session Dr. Matthias Morys summarised that the estimation of historical national accounts figures faces the general problems inherent in making estimates for such a long period – economic life changes, new products appear, older ones disappear, quality changes, etc. Although some can reject the usefulness of building GDP series adherent to standard modern day definitions, it seems quite useful to gauge long run performance of the economy, to determine its growth rate and cyclical movements, to see convergence or divergence processes in the long run. Although some can question the reliability of these estimates, improvements are easier, having made the first step.

As a result of the excellent and enthusiastic presentations which triggered a lot of discussions, the Organizational Committee decided to give publicity to all high-quality papers in a conference volume, which will be published by the Bulgarian National Bank. With respect to organizational issues, Prof. Bertrand Blancheton (Member of the Scientific Committee of the Historical Mission of the Bank de France) shared his experience with the establishment of the historical mission at the central bank, its organizational form and management, activities and

outcomes. Concerning the future activities of the SEEMHN, there was a consensus that in order to be able to conduct research in historical and comparative perspectives, we need consistent historical time series (data). For the objectives of the Network, it was decided to start a medium-term project of historical data collection and building historical time series, which will serve as a foundation for exploring the history and policies of the Balkan region. All participants agreed that all South-East European central banks would be interested in contributing to this project and we require their commitment to devote some of their time, efforts and expertise to this process. For the successful and credible development of the Network, it is crucial to have all Balkan central banks committed to its objectives.

In order to extend cooperation the South-East Europe Monetary History Network will communicate and coordinate its work with other research networks studying the economic and monetary history of Europe. Soon after the end of the First General Meeting, the Organizational Committee started to plan the next annual meeting under the title “Experience of Exchange Rate Regimes in South-East Europe” as the organizational details will be announced in near future.

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The 6th Venice Summer School in Finance, Institutions and History.
2006

The Venice Summer School in Finance, Institutions and History is in its 6th Year. The Summer School consists of a week-long intensive workshop on selected issues relating to monetary and financial history, and takes place in the first week of September. It is directed mainly at PhD students, although bank archivists and postdoctoral fellows have also attended. The lectures are held by experts who work in universities, central banks and other financial institutions across the continents. Professors from the universities of Barcelona, Bologna, Buenos Aires, Columbia, Dublin, Geneva, Grenoble, Istanbul, Kolkata, London, Madrid, Mexico City, New Delhi, Oxford, Paris, Rutgers, Stanford, Trento, Urbana-Champaign and Venice have participated, as well as bankers from Central Banks situated in Argentina, Bulgaria, France, Italy and Spain and several members of the EABH.¹

The aim of the School is to function as a forum for a comprehensive critical discussion of desirable research strategies and adequate methodologies for contemporary problems with emphasis on the advantages provided by a good historical background.

The number of students attending is limited to 15 and the school really acts as a workshop with a number of discussion groups and workshops, where researchers, teachers, and students from different backgrounds and countries discuss ideas presented in lectures. Papers in progress by students and research projects are also presented and discussed. By restricting the number of participants, everyone has the opportu-

nity to participate fully in all discussions and to develop personal relations with both fellow students and staff. The mix of nationalities is impressive; students from most European countries, as well as the United States, Brazil, Armenia, India, Korea, Rumania, Russia, Venezuela, and Japan have attended the programme. Participants have always proved very motivated and attentive. During the past sessions several students had the opportunity to develop a fruitful collaboration with the teachers they met during the school week.

Usually, a lecturer devotes about an hour and half to introducing the specific background of a topic which is necessary to gain a good understanding of the subject. After a break, some case studies are presented and students are invited to raise questions. Discussion is very informal. Participants are encouraged to comment from the perspective of their own research work and interests. Case studies that have been discussed at the School have ranged from the financial activities of Venetian merchants to contemporary monetary problems of Argentina. The 2006 program will discuss the Baring crisis, the role of banks during the industrial revolution, the credit market in mediaeval Europe, the problems connected with financial liberalization in contemporary India, banks and debt





during the Argentinian crisis and so on. Plenty of time, living in the same premises, having dinner together in Venice develops a quiet and stimulating atmosphere and this proves a great advantage for serious intellectual discussion. At most, eight lectures are given during a week. This makes it possible to have the necessary institutional information about the various case studies presented and to allow students to participate fully in the discussion. One long afternoon is devoted to PhD students, who have presented their research findings and programme. This session proves very important to the students that devote a great effort to present their research with passion and excitement.

The Summer School is held in Venice in the historical setting of the island of S. Servolo. The island is very close to Piazza San Marco but, at the same time, has a very different atmosphere from the busy parts of Venice. It provides an

ideal place for a week of intensive yet informal discussions, which often continue, after a long walk, during a dinner in Venice. Participants reside in the premises of the Venice International University and attend lectures in the morning and in some of the afternoons.

Invited lecturers are required to stay all the week and thus contribute to providing the necessary continuity associated with such development programmes. Students are asked to pay a reduced fee that covers the cost of the room on the premises of Venice International University; some exemptions are available for students from low income countries. Activities start on Monday morning and end after a social lunch on Friday.

The theme of the 2006 Summer School will be Finance and the real economy. The School will begin on the 4th of September 2006. Applications are expected by mid- June 2006.

For more information, please contact summersc@unive.it or see the University website at www.dse.unive.it/summerschool

The school has been promoted by the Faculties of Economics of the Universities of Bologna-Forlì, Geneva, Trento and Venice "Cà Foscari" with the cooperation of Venice International University. Financial support from the Bank of Italy and the European Association for Banking and Financial History e.V. is gratefully acknowledged.

¹ Lecturers: Marcelo de Paiva Abreu, Larwin Armstrong, Roumen Avramov, Amiya Bagchi, Patrick O'Brien, Michael Bordo, Mauro Carboni, Arturo O'Connell, Youssef Cassis, Marcello De Cecco, Kent G. Deng, Olivier Feiertag, Gerald Feldman, Albert Fishlow Niall Ferguson, Marc Flandreau, Giorgio Fodor, Alicia Garcia Errero, Giogio Gobbi, Curzio Giannini, Paola Masi, Carlos Marichal, Reiner Mueller, Larry Neal, Antoin Murphy, Larry Neal, Michael North, Sevket Pamuk, Luciano Pezzolo, Laure Quenouelle, Jaime Reis, Jean Laurent Rosenthal, Jerome Sgard, Giuseppe Tattara, Pedro Tedde de Lorca, Eugene White.

A course for interpreting bank and company accounts and balance sheets in the Modern and Contemporary Ages

As we know, accounting documentation, which is often to be found in considerable quantities in the archives of any public or private institution, and especially in those of banks and enterprises, is an important source for historical research. Balance sheets and account books are fundamental tools for reconstructing not only the activity and the financial situation of a firm, but also the economic history of a geographical area or of a sector. They are often mines of useful information also for other fields of research, as art historians know when a payment record allows them to ascribe a painting or date a building. For the historian to study the sources requires the mediation of the archivist, who has the delicate task of selecting, conserving and classifying the archives, providing tools which facilitate consultation.

The Compagnia di San Paolo, the foundation which conserves the archives of an ancient charitable fraternity and of the bank from 1563 to 1991, together with the Piedmont and Aosta Valley section of the Italian National Archives Association has planned the organisation of several seminars to provide archivists - who in Italy often have an Arts background - with useful tools for the archival identification and description of the types of accounts produced by banks and firms, illustrating the purpose and use in the entity who produced them, with indications on the evolution of rules and on accounting history.

The first of these initiatives, *“Reviewing the accounts”*. *The archival description of the entries, account books and balance sheets of banks and companies in the Modern and Contemporary Ages*, which focused on the Modern Age and on the nineteenth century, took place in Turin on February 17-18 2005, with about fifty participants from all over Italy.

Given the large number of participants in the first edition, the organisers decided to offer a new edition, which opened on January 19, 2006 at Vigna di Madama Reale – the seventeenth-century residence of the Duchess of Savoy, Christine of France on the Turin hill, and now the home of the Compagnia di San Paolo’s historical archives, with the course continuing the following day at the State Archives in Turin. There were over fifty participants: freelance archivists or archivists working in companies

specialised in the cultural sector, archivists and cadres of banks and firms, State, University and local authority archivists as well as officers of the Cultural Heritage Office, historians and researchers.

Alongside the general treatise on the subject, special attention was paid to the analysis of sample documents, collected in a CD, coming from various public and private archives, from fourteenth-century payment orders to balance sheets of the early twentieth-century. Furthermore participants were able to see and “touch” the originals of statements and registers of assets, inventory books and ledgers, provisional balance sheets and final accounts, of the Compagnia and Istituto di San Paolo, from 1701 to 1927.

The course opened with a lecture by professor Giuseppe Felloni (University of Genoa) who, after an introduction on the history of credit and single and double entry accounting systems, illustrated, using reproductions of documents of the Banco di San Giorgio, the ancient bank of the city of Genoa founded in the fifteenth century (whose archive is kept at the State Archives in Genoa) and of the Compagnia di San Paolo (founded in 1563), the main kinds of documents used in the credit sector in the Modern Age from irredeemable loans to annuities, from bills of exchange to Genoese purchases, from terrestrial and maritime trade contracts to guarantees, from accounts to statements of assets and liabilities. The sophistication reached as early as

the late Middle Ages in the drafting and use of these instruments allowed the banker merchants to trade all over Europe, paying in London goods sold in Genoa, insuring a ship's cargo with a fully-fledged policy as well as exchanging letters of credit at fairs. Of great interest were the types of loans, frequently "disguised", as in the case of property-secured annuities, in order not to be affected by the Church's prohibition on lending money for interest. Some provisions of the contracts were often curious for us. A life annuity loan contract was presented at the course; this had been granted by several wealthy inhabitants of Genoa to the viceroy of Sicily in 1592. This contract set out that the interest would be paid as long as several children and young people indicated by the creditors were alive; this was a very common practice up to the French Revolution. The guarantee offered by the viceroy seemed less remote – income from taxes – usual also in the Contemporary Age for states and municipalities.

Claudio Bermond (University of Turin) continued the theme for the next period, from the Restoration to the 1920s. The general part on banking history and the legislation governing the sector was followed by the analysis of documents (provisional balance sheets and final accounts, daily transactions books, various ledgers, inventory books, auxiliary registers, day-books etc.) of two banks, one private, Banca Sella and one born as a pawn institute, transformed into a charitable institute and then into a public law credit institute, the Turin-based "San Paolo". One can easily grasp, in the history of San Paolo from the ancient fraternity founded in Turin in 1563 to the present banking group and the foundation, the close tie between "credit" and "charity", between financial investment and the social use of profits, between the struggle against usury, through pledged loans and assistance.

In the third session which dealt with accounting in agricultural estates and manufacturing firms in the Modern Age, Giuseppe Bracco (Univer-

sity of Turin) presented the sixteenth-century account books of Lucedio Abbey, which managed a large agricultural estate (Archives of the Order of St. Maurice), the daily transactions books and the cash register of the Royal Silk Dying Works, the "plan of the accounting system" and the instructions of the Royal Glass and Crystal Works (both eighteenth-century Turinese firms, State Archives in Turin). The participants were able to appreciate the value of these sources also as a "picture" of society of the period. For example, valuable facets of material and social life can emerge from the warehouse lists of the glassworks, containing the names of objects and their use, or from the "ledger of silk dyes", which lists the products from which the colours were obtained, whilst from other registers we can gather the workers' wages and hours.

The final part of the course, held by prof. Claudio Pavese (State University of Milan) on industrial enterprises in the late nineteenth and early twentieth centuries opened with an ample treatise on the evolution of the profession of the accountant and of accounting, which paralleled the economic development of enterprises, making a comparison between the traditional interpretation of the phenomenon with the latest historiographic developments. An examination of company law, and not limited to Italian law, in the period considered, was followed by the analysis of the account books of two family-run firms, Lanificio Sella (wool mill) and Idroelettrica Sella (hydro-electricity plant) of Biella (Fondazione Sella Archives), compared with the ledgers, statements of assets and operations as well as the balance sheets of a large industry, Società Edison (Edison Archives, Milan).

The course concluded with the participants expressing the hope that the initiative could be continued, to tackle the problems of accounting documentation of the last century.

Anna Cantaluppi
Compagnia di San Paolo

The (re)Shaping of Knowledge: Creating a New Department of Collections and Research in the Money Museum in the Netherlands.

In this article, I would like to explain in what direction the Geld & Bank Museum is heading; how we are transforming an old-fashioned research department into a 'lean, mean knowledge machine'.

The Dutch Money Museum is young; it was born on February 14th, Valentine's Day, 2004. It is the result of a merger between the three most important collections in the Netherlands: Rijksmuseum het Koninklijk Penningkabinet (the Royal Coin Cabinet), Het Nederlands Muntmuseum (the Museum of the Royal Dutch Mint) and de numismatische afdeling van de Nederlandse Bank (the numismatic department of The Dutch Central Bank). It took ten years of debating before the merger was a fact.

The Royal Coin Cabinet was founded in 1816, although the origins of the collections can be traced back to the 1750's. This institution held the national numismatic collection and was the most all round. The Mint and Bank both started collecting in the mid 19th century, mainly but not exclusively concentrating on modern coins and banknotes. At both the Mint and Bank over the years, every now and then research had been done by interested librarians and the like. However, only in the last decades of the 20th century were some numismatists employed full-time, enabling a more intensive use of the collection for research and exhibition purposes. At the Cabinet this was more or less standard from the beginning, although in the 19th century the staff was limited to one person. In the 20th century the number of specialist curators gradually grew to four; one for medals; one for ancient coins; one for medieval coins; and one for modern coins plus paper money. Chairs in numismatics were held at Leiden University by Van der Chijs (1835-1865) and Van Gelder (1976-1983) who concentrated on the medieval and modern period. Numismatic teaching was sometimes also done by professors in other fields.

Now we manage and preserve a collection which

consists of approximately 400.000 objects; it consists mainly of coins, medals and paper money, but also of gemstones, production materials and decorations. All these fields are also represented in our research topics, and we also added one more- a brand new field of interest: the culture of money. Or, to put it differently: What do people do with money and what does money do with people?- in all its external and sociological manifestations.

We all know that numismatics is not a very common subject of research. In fact in the Netherlands it is not even taught at universities anymore. The present Money Museum is the only place in our country where numismatics are studied and numismatic objects are preserved. That gives us a rather special place in the Dutch scholarly world. Therefore, the following question arises: What are we, a museum or a centre of research? The Dutch government has lately shown a lack of interest in keeping numismatics alive, but we consider it to be our duty and our mission. Taking into consideration this rather sceptical look of our financiers, we have to prove that our research is valuable and that it contributes to reaching our final goal: the survival of the numismatic scholarship in the Netherlands and intercalating it in other sciences. We think the solution lies in the building of a modern research centre with a clear and measurable output.

In our research department we have 8 researchers (holding 6 posts) with the following fields of expertise:

- Drs. Paul Beliën: ancient coins
- Drs. Arent Pol: medieval coins and curator for the collections
- Drs. Marcel van der Beek: modern coins and

- production gear
- Drs. Erik van der Kam: paper money
- Mr. Jan Stuurman and drs. Jan Pelsonk: coin finds
- Drs. Carolien Voigtmann: medals
- Drs. Gerard Borst: a sociologist for the department for the culture of money, who describes himself as a sociologist of money with a special interest in financial cultures.

We aim at deepening and enlarging our knowledge. Numismatics is our main discipline, but we also carry out research in the fields of history, economics, archaeology, art history and sociology and one of our goals is to intercalate numismatics into other sciences.

In order to get a clear vision on our department we executed a SWOT:

Strengths:

- largest numismatic collection in our country, largest collection of Dutch numismatic items worldwide
- all the professional researchers joined in one institute
- digital portal on coin finds
- experience in teaching ancient numismatics at Leiden University
- largest library on the subject
- concentration of knowledge, collections and sources

Weaknesses:

- no successors to our researchers
- not outgoing, no proper network
- collections not totally accessible
- lack of reputation
- lack of visible output
- internal knowledge management

Opportunities:

- spider in the Dutch numismatic network
- national and international joining of forces
- external accreditation
- finding a new market in elderly people

- chairs at universities
- world wide web
- 24-hour-economy
- intercalation into other sciences
- put on a new play: the sociology of money

Threats:

- lack of money
- lack of time
- dependent on governmental financing
- lack of discipline
- recession
- isolated position with regard to the rest of the museum
- decreasing interest in the numismatic science

I will explain a few results of this SWOT.

One of our weaknesses is that we lack visibility. In order to survive it is necessary to make all of our activities visible. We are obliged to have a measurable output in lectures, publications, websites, databases, and conferences. We also want to act as an information broker: our researchers know where people can go to obtain additional knowledge. These ambitions urge us to develop and manage a large (inter)national network in the world of universities, archaeological institutions, other museums, research departments and of course the EABH e.V. With the introduction of the worldwide web the circumstances in which the cultural heritage institutions operate have been changed, they reach a larger audience, both national and international. This creates opportunities for multidisciplinary cooperation.

New goals and new working methods demand new skills from our researchers. In brief: it is time to leave the study and move into the world. Our researchers will have to network and also have to make sure that everything they do is documented in some way. For instance: one of our researchers was asked to teach a group of children about numismatics on a very basic level. He prepared properly and the class was a suc-

cess. In his view it was done and over with. But we need a visible output in order to show our bosses and financiers what this particular researcher is doing. The solution is quite simple: write down the lesson, prepare an info sheet and we have a visible product which can be used by others. In fact, the work is not that different from how we used to work, but we have to sell it better. However, it is true that producing this kind of output is time consuming, but it is the only way to make sure that what we do is visible to the outside world. Naturally the department of education will play a role in translating research into education. Another example is how we deal with congresses: Returning from a congress, we all prepare an article on the conference, and we discuss it. We also exchange names of people we have spoken to etc. It is all about the sharing of knowledge.

In order to reach new audiences we also decided to explore a new field of science which has to do with people and their financial behaviour, since the central motto of the whole Dutch Money Museum will be “What do people do with money and what does money do to people?”

My colleague Drs. Gerard Borst newly defines his field of research as the following: *Culture refers to the ways of financial acting and thinking shared by people belonging to a certain group or society.* We are not planning to put many objects concerning this subject in the collection, we decided to keep the collection as numismatic as possible, but a few items however, crossed our path: a money exchanger, a safe, and also a dress made out of coins and a cloak made out of banknotes. The latter two must be regarded as gadgets. The main part of this new section will be documentary: newspaper clippings for instance, or film fragments, photo's, account books of domestic house holding etc. This leads automatically to a new section of our website, the web-newspaper on financial behaviour where it is possible to bring together all relevant, up to date information on the subject.

In order to explain to what point the specialist of this section can stretch his investigations I will present you two examples of recent research: The first one is an investigation into the Surinam phenomenon of KASMONI. It is an informal system of banking, in which a great number of Surinam people save money, get credit and take insurance against financial risks. Briefly it works as follows: a small group of about 12 people who trust each other donate a certain amount of money to the cashier once a month, who remits the whole amount at once to one of the contributors. Who that will be is decided in advance, either by lottery or by mutual consultation. This process is repeated until each member has had his turn. Due to the fact that the cash is remitted on a monthly basis, the responsibility to pay in time rests very heavily on the shoulders of the participants. The question for the investigator is of course why do people put their trust in this system and not in the regular banking system? The answer has to do with discipline: because of the firm social control of this system, people have to end up with their part of the deal, with less social control they would not save money at all. In the end it has nothing to do with trusting banks or not; it has to do with self-discipline and that is exactly the most interesting part of this system.

Another subject of investigation is domestic accounting. Inspired by a donation of house-keeping account books, my colleague Gerard Borst, who is interested in the spread of disciplined use of money in the Dutch society, investigates the question how more and more people took to household accounting in the course of the 20th. century.

Both subjects are very well suitable for use in exhibitions as well. We also organised a Money-Cultural café, in which we have a speaker who talks informally about his/her subject of research, with discussion afterwards. The informal atmosphere is very important because it leads to easy accessibility for all kind of interested parties.

As you can see, we hope this department can be the connecting link between the traditional numismatic science and the more outgoing subject of financial behaviour.

Traditionally, a curator is responsible for the care of collections in all their aspects. However, nowadays physical and administrative elements of care for the collections has been taken over by registrars and collection managers. Since we have seven researchers – not curators- we thought it might be handy to appoint one of the researchers as collection-curator. We wanted the care for the content of the collections in one hand instead of having seven people responsible for seven small parts. So now we have a collection-curator who is responsible for all the business concerning the content of the collections: he is the first contact for all questions with regard to lending, borrowing, acquisition, photo deliveries, inquiries about collection-parts etc. Naturally, in matters where a specialist is needed, he will consult the other researchers. He is the link between management, registrars, the collection manager, the researchers and the public. We chose to entrust this function to Drs. Arent Pol, a man who has worked at the Royal Coin Cabinet for more than 25 years. The researchers therefore, are free from the daily care for the collections, but can be consulted when needed. He also will be supervising registration and database management.

We consider one of our great strengths to be the digital portal on coin finds: called NUMIS. NUMIS originally started out as a database solely to keep a record of our processed identifications of coin finds and hoards. Gradually, we added photos of all processed coins and we noticed it was an increasingly helpful tool in the process of identification itself. We also put it about among archaeologists and it became a success. Last year we developed an internet module in which finders can try to identify their finds by themselves and leave us behind an announcement so we can keep track of all Dutch coin finds. We also joined a European project in or-

der to develop a European portal for mainly ancient coin finds. For this particular project we hope to get funded by the European Union. The NUMIS –project is so successful, we can barely manage to keep up with the amount of coin find reports we get. It can not be excluded that we will have to ask for money for this service in the future, although that entails the risk of people not reporting their finds anymore. We are yet not sure what to do. If anyone here has a suggestion, I will be very glad to hear it.

On the subject of interdisciplinary cooperation with other sciences, we have taken some steps for improvement: We organise, on a yearly basis, a lecture on an interdisciplinary subject, called the Van Gelder –lecture, named after a former director of the Royal Coin Cabinet. We started the series in 2002, with an expose about the flows of private money within the VOC-monopoly, held by a historian. In 2003 we had a lecture on the pitfalls and theoretical aspects of coins find interpretation, by an archaeologist. Last year it was called: ‘Numismatics and heraldry: a colourless history’ in which a specialist in late medieval literature explored heraldry on coins. This year we will have a historian about symbolism on medals from the Eighty Years War. As you can see, the subjects are numismatical, but they are being explored by specialists in other fields. Of course, we publish these lectures every year.

Conclusion: in order to survive, our traditional numismatists will have to adapt to the demands of modern society, expand their view, network, and make it clear what it is that they do and make sure that other scientists in other fields see the benefits that numismatic research can add to their studies.

Christel Schollaardt

Manager of the Department of Collections
and Research of the Money Museum in
Utrecht, the Netherlands

National Bank of Greece Historical Archives OPEN DOORS

The activities of the National Bank of Greece Historical Archives (NBG/HA) are not only restricted to banking interests. In its eagerness to produce social and cultural work the NBG/HA is active in a plethora of projects: exhibitions, publications, conferences, research programs, participation in scientific and sectorial societies and companies, educational activities and transfer of know-how.

Over the past two years the NBG/HA has organized educational visits and viewings for secondary school students –be it from Attica or other provinces of Greece- as well as for university students. The goal of this is to present the students with an active scientific organisation capable of motivating their interests in history, economy, society and ultimately the civilisation of their country.

The objectives of the educational programs of the NBG/HA are:

§ To familiarise students with archival material of historic importance and with the methods of its processing.

§ To render them sensitive to the usefulness of archiving and the multiple uses of the various collections.

§ To re-instate a dynamic interaction between the students and the historical & social environment of their country while at the same time letting them learn and understand the mutual relationship between economic and social history.

The visits of students at the modern installations of the NBG/HA not only establish a contact between them and Archival science, the science of History and their importance in maintaining the collective memory of a country; they support the teaching of various cognitive subjects. This is why the contents of a visit are customised and follow the requests of the professor heading each student group. Hence, the viewing is adapted to the age, educational level and the goal of their visit: supporting their History, Occupational Guidance, Technology and Political Economy courses or their inter-disciplinary projects.

Schools are given a number of options:

1. Visit of the modern installations, refurbished in 2002

The students can visit the researchers' room, the library, the micro-photography and digitisation laboratory, the clearing and initial sorting room, as well as the area of final storage and archival processing of the material.

2. Visit and viewing of the exhibition areas

Exhibition areas have been created in the ground floor area of the NBG/HA, in which two permanent exhibitions are hosted as well as temporary ones.

The exhibition of archival material and other items allow the NBG/HA to present the variety of its collections. It is through these collections that the students are given the opportunity to get acquainted with original items, to appreciate their value and realise the richness of information included in them, so as to become more interested in archiving. The exhibitions at present are:



Visiting and viewing a permanent exhibition

a. Permanent Exhibition: The historical journey of NBG through its archival items and its collections

The goal of the permanent exhibition is to present in a concise and implied way the history of NBG since its foundation, but also its role in the economic, political, social and cultural life of the country. The choice of the items exhibited is specifically designed in order to promote the eclectic information existing within the archival material and the items which NBG has salvaged and which one would hardly believe they could actually exist within a bank's archive.

b. Permanent Exhibition: Typographic machines

The main exhibition contains typographical machines, most of which once belonged to the Aspiotis-ELKA Graphical Arts Company (1873-1996), as well as interim products from the various phases of production of typographic materials, especially of high security ones, such as banknotes, coin notes, pass books, cheque books, letters of guarantee, bills receivable etc. All of the above is accompanied by vast photographic and archival material.

c. Periodical Exhibition: Greek Banknotes – A Journey 1822-2002

The recently inaugurated exhibition on the Greek banknotes is made-up by the collection of the Welfare Foundation for Social and Cul-

tural Affairs (KIKPE), one of the most important and complete collections of Greek banknotes, and that of NBG, which includes unique specimens of its own first editions.

Visitors of this exhibition can observe not only the banknotes of the five Greek Banks who had the right to issue banknotes in Greece in certain periods (National Bank of Greece, Ionian Bank, Privileged Bank of Epirothessaly, Bank of Greece and The Bank of Greece itself), but can also discover banknotes and other means of transaction that circulated during the Greek Revolution (1821), the Capodistrian years and the periods of Occupation when both occupants and revolutionaries circulated their own banknotes.

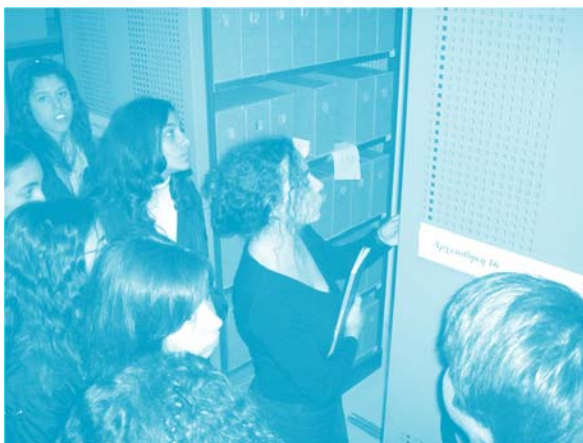
The totality of these items make up the most complete collection of Greek banknotes ever presented in public.

The viewing of this exhibition will bring important periods of the history of the modern Greek state to the visitors' memory while at the same time it will provide them with information on history, public finances, economic and artistic trends, printing techniques etc.

Each of the above areas (a-c) will soon be available for a virtual visit through a CD-ROM.

3.Presentation of the System of Archival and Historical Information of the NBG/HA

The database of Archival and Historical Information of the NBG/HA is based on the International Standard of Archival Description of the CA. The aim of this project is to present to students the information fields concerning the documents and the collections of the NBG/HA (banknotes, office machines, architectural designs etc.)



Visiting the storage rooms

Future goals of the NBG/HA are:

- a. The creation of specific educational projects
- b. The extension of activities now only offered to students of secondary and tertiary education, to students in primary education too.
- c. The production of supportive educational material (leaflets for use before, and/or during the viewing, memorabilia and educational material for parents and teachers)
- d. Last but not least is the aim to provide students with computer facilities in order to search the digitised collection and documents of the archive system of the NBG/HA.

The NBG/HA is not an isolated institution providing specific knowledge. It is a part of the totality of Greek museums-archives that have realised the importance of opening their collections to the public in a new way, in order to provide an imaginative trip to the past and inspire the visitors in a creative way that will be useful in their every day life.

Maria Lebessi
Historical Archives of NBG



Introducing the NBG-HA to students in the conference room



Visiting the areas of arranging the archival material



Study and research facilities of the NBG/HA

Changes within the EABH Boards

First of all the EABH is delighted to welcome Mr. Jean-Claude Trichet, President of the European Central Bank as our new Chairman of the Board of Management, following his official registration in the Frankfurt Charities Register. As Chairman, Mr. Trichet kindly hosted the 8th Board of Management Meeting on the 27th March 2006 at the European Central Bank in Frankfurt at which some important decisions about the future of the EABH were reached.

At this meeting the Members of the Board of Management accepted the resignation of Mr. Javier Santillán who has decided to step down as Treasurer of the EABH after many years of successful cooperation. The EABH would like to thank Mr. Javier Santillán for his wonderful collaboration since his appointment in 2000. Dr. Luís Nunes has agreed to take over the position of Treasurer and, in order to avoid any conflict of interest, Dr. Nunes left the Academic Advisory Council. Dr. Nunes' withdrawal allows a well-known colleague, Roger Nougaret, Crédit Agricole SA, Paris, who is a long standing member of the EABH, to rejoin the AAC.

The EABH would also like to welcome three new members to the Board of Patrons. Mr. Takis Arapoglou, National Bank of Greece, Dr. Carlos Santos Ferreira, Caixa Geral de Depósitos and Mr. Michel Pébereau, BNP Paribas have agreed to join the Board.

Forthcoming events

Lisbon Workshops

The EABH will hold two workshops at the forthcoming Conference kindly hosted by the Caixa Geral de Depósitos.

An archives workshop will take place on Thursday 25 May at the Caixa Geral de Depósitos on the theme of *Banking and Financial Archives: Priorities for the Future*. The committee responsible for the programme is composed of Edwin Green (HSBC Holdings plc) and Francesca Pino (Banca Intesa). We have had a wonderful response to this workshop and we trust it will be a great success.

The second workshop on *Art and Cultural Activities in Financial Institutions* is a new endeavour for the EABH and will run concurrently to the EABH conference on 26-27 May. The workshop will provide a platform for discussion among curators of the most prestigious corporate art collections in financial institutions in Europe and it will also give the chance to the representatives of institutions which have not set up a collection, or which are currently in the process of doing, to profit from the experience of experts in this field. The workshop will provide an insight into the cultural activities of leading institutions in Europe.

Lisbon Conference
The State and Financial Services: Regulation, Ownership and Deregulation
26 – 27 May 2006
Caixa Geral de Depósitos, Lisbon

Friday, 26 May 2006

Welcome Address

Carlos Santos Ferreira, Chairman, Caixa Geral de Depósitos, Lisbon

Jean-Claude Trichet, President of the European Central Bank, Chairman of the EABH e.V., Frankfurt am Main

Opening Session

The Portuguese Financial System since WWII

João Salgueiro, The Portuguese Bankers Association, Lisbon

Panel Discussion on Finance and Regulation

Moderator: Manuel Jacinto Nunes, School of Economics and Management, Lisbon

Clemens Börsig, Chairman of the Supervisory Board, Deutsche Bank AG, Frankfurt am Main

Vítor Constâncio, Governor, Bank of Portugal, Lisbon

Malcolm Knight, General Manager, BIS, Basel

Gertrude Tumpel-Gugerell, Member of the Executive Board, ECB, Frankfurt am Main

Before the Reversal: The Political Economy of Finance in the 19th Century

Chair: Jaime Reis, University of Lisbon

Conservative Abroad, Liberal at Home: British Bank Regulation in the 19th Century

Philip L. Cottrell, University of Leicester

The State, Economic Institutions and the Efficiency Issue: Bankruptcy Laws and Procedures in Italy, England, and the US, ca. 1870-1939.

Paolo Di Martino, University of Manchester

The Emergence of Central Banks and Banking Regulation in Comparative Perspective

Richard Grossman, Wesleyan University

The Defining Moment: The Great Interwar Reversal of Financial Development

Chair: Stefano Battilossi, Carlos III University of Madrid

The Cost of Banking Regulation

Luigi Zingales, University of Chicago

When Small was Beautiful: Banking Regulation and Small Firms in Interwar Europe

Francesca Carnevali, University of Birmingham

Regulation and Supervision: The Rise of Central Banks' Research Departments

Maria Teresa Tortella, Bank of Spain, Madrid

& Pablo Martin-Aceña, University of Alcalá, Madrid

Saturday, 27 May 2006

State Ownership and Regulation in the 20th Century: Comparing Western Europe and the USA

Chair: Gerald D. Feldman, University of California, Berkeley

Regulation and Governance: a secular Perspective

Eugene White, Rutgers University

The London Stock Exchange and the British Government in the 20th Century

Ranald Michie, University of Durham

The Role of the State in the French Financial System during the 20th Century: A Specific Case?

Laure Quennouëlle-Corre & André Straus, CNRS, Paris

Overcoming the Legacy of the Great Reversal: Financial Reforms at the End of the 20th Century

Chair: Nuno Valério, School of Economics and Management, Lisbon

Banking Crisis in the North. A Comparative Analysis of Finland and Sweden in the 1990s

Peter Englund, Stockholm School of Economics

The Efficiency of the Banking Sector in the EU: a Cross-Border Comparison

Dalia Lasaite & Sigita Skuodas, former Stockholm School of Economics in Riga

The Missing Link. International Banking Supervision in the Archives of the Bank for International Settlements

Piet Clement, BIS, Basel

The Regulation of International Banking from the 1950s to the 1990s

Catherine Schenk, University of Glasgow

Panel Discussion on Basel II, Prudential Regulation and Deregulation of Banking, Merging of Capital Markets

Moderator: David Marsh, David Marsh & Co. Ltd., London

António Borges, Vice Chairman, Goldman

Sachs International, London

David T. Llewellyn, Professor, Loughborough University

Liliana Rojas-Suarez, Senior Fellow, Centre for Global Development, Washington

Richard Sylla, Professor, New York University

New Members

Corporate Members

Sveriges Riksbank

(joined the EABH in April 2006)

The Riksbank is the central bank of Sweden and an authority under the Riksdag (the Swedish parliament). The bank's objectives are to safeguard the value of money (inflation target 2%) and to promote a safe and efficient payment system. The Riksbank was founded in 1668 and is the world's oldest working central bank. It is managed by an Executive Board with a Governor, Stefan Ingves, and five deputy governors. The Riksbank is a member of the European System of Central Banks (ESCB) but Sweden has not adopted the euro (currency:krona). The Riksbank is located in Stockholm and has 400 employees

Individual Members

Adrian Tschoegl

(joined the EABH in January 2006)

Dr. Tschoegl has a PhD in International Business from the Sloan School at MIT, and a Masters in Public Administration and a BA in Political Science, both from UCLA. He currently teaches as Lecturer in Management at the Wharton School of the University of Pennsylvania, and is the Management Department Undergraduate Advisor. His research interests center on international banks – who they are, where they go, when they go there, what they do there, how they go, and why they go. Dr. Tschoegl has published numerous monographs and articles in scholarly journals on international banking, Japanese finance, gold prices, and international trade and business. Prior to teaching at Wharton, he worked for the Tokyo branch of SBCI Securities, a subsidiary of then Swiss Bank, as a macro-economist following the Japanese economy. Prior to working in Tokyo, Dr. Tschoegl taught at the University of Michigan Business School. We are delighted to welcome him as an individual member.

Catherine Eagleton

(joined the EABH in April 2006)

Catherine Eagleton is Curator of Modern Money at the British Museum, a role which involves looking after more than 100,000 coins, banknotes, credit cards, and many other kinds of objects relating to money from 1700 to the present day. Her research currently focuses on money in Africa, and on money and empire, and she also has a strong interest in the history of collecting. At present, she is working on a revised and updated new edition of the book *Money: A History* and on a number of articles, exhibitions, and educational programmes. We are delighted to welcome her to the EABH.

Financial History Review
Volume 13, Issue 01
April 2006

Published in April, the first part of Volume 13 of the Financial History Review is a special issue on the formation of an American monetary union, offering readers a fascinating choice of articles complemented by a substantial review section.

Abstracts

David F. Weiman: Introduction

Research Articles

Ronald Michener and Robert E. Wright, 'Development of the US monetary union'

Farley Grubb, 'The US Constitution and monetary powers: an analysis of the 1787 constitutional convention and the constitutional transformation of the US monetary system'

Richard Sylla, 'The transition to a monetary union in the United States, 1787-1795'

Peter L. Rousseau, 'A common currency: early US monetary policy and the transition to the dollar'

Archive Review

Gary Richardson, 'Records of the Federal Reserve of Governors in Record Group 82 at the National Archives of the United States'

Book Reviews

Mira Wilkins, *The History of Foreign Investment in the United States, 1914-1945* (reviewer: Albert A. Broder)

Michael P. Costeloe, *Bonds and Bondholders, British Investors and Mexico's Foreign Debt, 1824-1888* (reviewer: Albert A. Broder)

Bernard Desjardins, Michel Lescure, Roger Nougaret, Alain Plessis and André Straus (eds.), *Le Crédit lyonnais (1863-1986)* (reviewer : Giuseppe Conti)

Kozo Yamamura and Wolfgang Streeck (eds.), *The End of Diversity? Prospects for German and Japanese Capitalism* (reviewer Sebastien Lechevalier)

We hope that you enjoy reading this issue.

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The San Francisco Earthquake of 1906: Urban Reconstruction, Insurance, and Implications for the Future

The Institute of European Studies and the European Association for Banking and Financial History were pleased to sponsor an International Panel presenting some new perspectives on the *San Francisco Earthquake and Its Implications* on Wednesday, March 22, 2006

This panel brought together three German experts to provide a historical and contemporary perspective on the 1906 earthquake.

Dr. Christoph Strupp, German Historical Institute, Washington: "Dealing with Disaster: The San Francisco Earthquake of 1906"

·Barbara Eggenkämper, Head, Center for Corporate History, Allianz AG, Munich: "The San Francisco Earthquake of 1906 and its Effects on the European Insurance Business"

·Gerhard Berz, Munich Reinsurance Company and Head of the Munich Re Geoscience Group: "Natural Disasters and Climate Change: Concerns and Possible Countermeasures of the Insurance Industry"

Dr. Strupp has conducted original historical research earthquake and has produced an original study of the management and recovery from the disaster. Although it is not generally well known, European insurance and reinsurance companies were hard hit by the San Francisco earthquake and, as Barbara Eggenkämper showed using sources from Allianz and Munich Re archives, this led to important changes in the organization of the industry and its policies. Finally, Gerhard Berz, a leading figure in the international insurance business, who has been heralded as the "master of disaster," discussed the role of the insurance business in the present situation.

Non-EABH Announcements and Forthcoming Events

Association of Business Historians 2006 Conference 'Globalization and Business History' will take place on 16-17 June 2006, at Queen Mary, University of London. The importance of the topic has made it a widely studied subject by scholars in many academic fields. The primary aim of this conference is to encourage specific business history contributions to the subject. The conference programme and more information is available at www.busman.qmul.ac.uk/abh.

The tenth annual conference of the **European Business History Association** will take place in the Copenhagen Business School, Copenhagen August 17-20, 2006. The conference will be concerned with the dynamics of capitalism and business enterprises. You are welcome to submit proposals for papers or panels dealing with the three conference-themes. Papers dealing with other issues are also welcomed. The conference is organised by Centre for Business History, Copenhagen, Centre for Business History, Aarhus, and Department for History, International and Social Studies, Aalborg. More information is available at www.ebha.org.

The 26th **Société Universitaire Européenne de Recherches Financières (SUIERF)** Colloquium will take place in Lisbon on 12-14 October 2006 "Money, Finance and Demography: the Consequences of Ageing" It is a 2½ day Colloquium in co-operation with the Universidade Nova de Lisboa jointly organized with and sponsored by the Banco de Portugal and by Millennium bcp. The Call for Papers and further information is available on the SUIERF website www.suierf.org

The **Institute for Corporate Culture Affairs (ICCA)** will be holding a workshop on "**The History of Brands**" to take place at the Leon Kozminski Academy in Warsaw 19 – 20 March 2007. This event will be aimed both at academics as well as management and opinion formers working in this field. Companies and brands to be presented and discussed will include those from luxury goods

such as Champagne to industry and will include larger global companies such as Siemens and Philips to small highly specialised Niche brands. ICCA welcomes those interested in attending, participating or holding presentations at this event to contact Nick Tolhurst at n.tolhurst@cca-institute.org for further information or to regularly consult ICCA's website at www.cca-institute.org for information updates.

On September 9 – 10, 2005, the Ottoman Bank Museum hosted the **European Historical Economics Society Conference**, organized by the **European Historical Economics Society**. Approximately 150 economic historians - among them several Turks - participated in the conference, which was moderated by the president of the society, Prof. Sevket Pamuk. The two-day conference, at which a total of 100 individual papers were submitted and the results of the doctoral dissertation competition announced, was held in 6 sessions. Among the academics, attending the 6th European Historical Economics Society Conference, were internationally renowned economic historians as, Robert Allen (Oxford University), Jeffrey Williamson (Harvard University), Patrick O'Brien (London School of Economics), Marc Flandreau (Paris), Giovanni Federico (Florence) and Leandro Prados de la Escosura (Madrid). These international conferences are held once every two years, at different locations. The conference has previously been held in Spain, the United Kingdom, and Portugal. By encouraging research in European economics and economic history, the European Historical Economics Society aims to promote education in European economic history and make it more accessible. The society's goals include the organization of conferences and summer schools and the publication of periodicals to further study and research on the topic. Information about the program, the papers to be presented and other details concerning the conference, can be obtained at the following link: http://www.ata.boun.edu.tr/ehes/ehes_frame.htm

The Ottoman Bank Museum is hosting a series of monthly seminars entitled "Economy and Society on Both Shores of the Aegean", organized in collaboration with Alpha Bank and the History Department of Boğaziçi University. The first seminar was held on October 22, 2004. The first seminar started with the opening speeches of, Mr. Hector Verykios, Prof. Ayşe Soysal and Prof. Selim Deringil. The three papers presented were as follows: Dr. Alexis Alexandris, Consul General of Greece in Istanbul, discussing new perspectives in Greek-Turkish relations; Prof. Kostas Kostis from the University of Athens telling about the Ottoman and Turkish history studies conducted in his country; Prof. Edhem Eldem from Boğaziçi University giving details on the Modern Greek studies carried out in Turkey. This first seminar ended with the closing speech of Tolga Egemen and the screening of a short film, "Double Memory", a film about the political conjuncture of the two countries and their cultural similarities. Focusing on the Greek-Orthodox populations during the late Ottoman period and the first decades of the Republic, the seminars address issues concerning ethnic and civic identity, inter-communal relations, urban culture, educational policies, commercial activities, social networks, the exchange of populations, and the Patriarchate. Since November 2004, the Ottoman Bank Museum hosted Assoc. Prof. Athanasia Anagnostopoulou from Panteion University, Prof. Selim Deringil from Bogaziçi University, Prof. Haris Exertzoglou from the University of the Aegean, Assoc. Prof. Arzu Öztürkmen from Bogaziçi University, Assist. Prof. Socrates Petmezas and Dr. Antonis Anastasopoulos from the University of Crete, Assist. Prof. Elçin Macar from Yıldız Teknik University, Assist. Prof. Akis Papataxiarchis from University of the Aegean, in Mytilene, Prof. Filiz Yenisehirlioglu from Baskent University, in Ankara, Prof. Alexandra Yerolympou, from the School of Architecture at the Aristotelion University of Thessaloniki, Assist. Prof. Meltem Toksöz from the Bosphorus University and Dr. Dimitrios Stamatopoulos from Aristotelion University of Thessaloniki, who provide comprehensive information on the historical past of the region. The seminars will last until the end of 2006 and conferences will be published in 2007. Information about the details of the seminars can be obtained at the following link: <http://www.obarsiv.com/english/news.html>

Winners of the Prize Competition for Research on the History of Banking and Finance Announced

The results of the third Prize Competition for Research on the History of Banking and Finance, sponsored by Garanti Bank and organized by the Ottoman Bank Archives and Research Center in collaboration with the European Association for Banking History and the History Foundation (*Tarih Vakfı*), were announced on December 27 at an awards ceremony held at the Museum. Among those honored at the ceremony were **Assoc. Prof. Erol Özvar**, winner in the best monograph category, **Filiz Dýöýrođlu**, winner of the prize for best master's thesis, and **Uri M. Kupferschmidt** and **Mustafa Erdem Kabadayý**, joint recipients of the prize for the best scientific paper. **Assoc. Prof. Tahsin Özcan** received an honorary mention in the monograph category and **Hüseyin Al** was awarded one in the Ph.D. thesis category.

Assoc. Prof. Erol Özvar's study, *Osmanlý Maliyesi'nde Malikane Uygulamasý*, in which he examines the *Malikâne* tax farming system used in the Ottoman Empire, was awarded the prize for best monograph. Filiz Dýöýrođlu received the best master's thesis prize for her dissertation, *Reji'nin Karadeniz Bölgesi'ndeki Uygulamalarý*, describing the activities of the Reji company which held the monopoly on tobacco in the Ottoman Empire.

Uri M. Kupferschmidt, one of the recipients of the prize for the best scientific paper, relates the rise and fall of the 19th century middle eastern department store chain, Orosdi-Back, in his article, *European Department Stores and Middle Eastern Consumers: The Orosdi-Back Saga*, while co-recipient Mustafa Erdem Kabadayý, drawing on state archival material, retraces the successful career and abrupt decline of the moneylender Mikirdiç Cezayirliyan, who lived in Istanbul between 1805 and 1861, in his study, *The Sharp Rise and Sudden Fall of an Ottoman Entrepreneur: The Case of Mikirdich Cezayirliyan*.

Assoc. Prof. Tahsin Özcan was awarded an honorary mention in the monograph category for his work, *Osmanlý Para Vakýflarý: Kanuni Dönemi Üsküdar Örneđi*, which focuses on the Ottoman cash waqfs that functioned as the period's credit and social security institutions. Hüseyin Al was another recipient of an honorary mention for his Ph.D. thesis, *Ondokuzuncu Yüzyýlda Ülke Riski, Finans Politik, Ýngiliz Tahvil Sahipleri ve Babýali*, a comparative analysis of state borrowing in the beginning of the 19th century.

The three winning papers and theses of the 2002-2003 prize competition were published this year and are available both as single publications or in packs of three. The books are obtainable at the Museum or can be purchased from bookstores.

PRIZE FOR BEST MONOGRAPH

Erol Özvar

Osmanlı Maliyesi'nde Malikane Uygulaması
Kitabevi, İstanbul, 2003.

PRIZE FOR BEST MASTER'S THESIS

Filiz Dýðýroðlu

Reji'nin Karadeniz Bölgesi'ndeki Uygulamaları (1884-1914)

Master's thesis, Institute of Turcology Research, Marmara University, İstanbul, 2004.

PRIZE FOR BEST SCIENTIFIC PAPER

Uri M. Kupferschmidt

European Department Stores and Middle Eastern Consumers: The Orosdi-Back Saga
September, 2005.

Mustafa Erdem Kabadayý

The Sharp Rise and Sudden Fall of an Ottoman Entrepreneur: The Case of Mýkýrdich Cezayirliyan,
September, 2005

HONORARY MENTION

MONOGRAPH: Tahsin Özcan

Osmanlı Para Vakýfları: Kanuni Dönemi Üsküdar Örneði
Türk Tarih Kurumu, Ankara, 2003.

PH.D THESIS: Hüseyin Al

Ondokuzuncu Yüzyýlda Ülke Riski, Finans Politik, Ýngiliz Tahvil Sahipleri ve Babýali
Ph.D. thesis, Department of Economic History, Institute of Social Sciences, İstanbul University,
İstanbul, 2005.

JURY

Prof. Ali Akyýldýz, Prof. Edhem Eldem, Prof. Murat Çizakça, Prof. Seyfettin Gürsel, Prof.  evket Pamuk,
Ergun  zen.

PUBLICATIONS AND AWARDS OF THE SECOND PRIZE COMPETITION

Yavuz Selim Karakýpla, *Women, War and Work in the Ottoman Empire: Society for the Employment of Ottoman Muslim Women (1916-1923)*, Best Ph.D. Thesis Prize.

 . Faruk B l kbaþý, *Tezyid-i Varidat ve Tenkih-i Masarifat, II. Abd lhamid D neminde Mali Ýdare*, Best Master's Thesis Prize.

Aliye F. Mataracý, *Trade Letters as Instances of Economy, Ideology and Subjectivity*, Honorary Mention in the scientific paper category.

Book Releases

Hubert Bonin, *Les banques du grand Sud-Ouest. Système bancaire et gestion des risques (des années 1900 à nos jours)*, Paris, p.l.a.g.e, 2006 (524 pp.).

Hubert Bonin, *Les coopératives laitières du grand Sud-Ouest (1893-2003). Le mouvement coopérateur et l'économie laitière*, Paris, p.l.a.g.e, novembre 2005 (350 pp.).

Isabelle Cassiers and Philippe Ledent (2005), *Politique monétaire et croissance économique en Belgique à l'ère de Bretton Woods (1944 - 1971)*, (Brussels: National Bank of Belgium). <http://www.nbb.be/pub/Banners/20051124+Bank+Frank+Euro.htm?l=en&t=ho>

Isabelle Cassiers and Philippe Ledent, 'Belgian monetary policy under Bretton Woods', in M. Muller (ed.), *Small European Countries Responding to Globalisation and De-globalisation* (Peter Lang, Forthcoming).

Herbert H. Kaplan, *Nathan Mayer Rothschild and the Creation of a Dynasty- The Critical Years 1806-1816* Stanford, Calif. : Stanford University Press, 2006

Ledent, Philippe & Isabelle Cassiers. *Learning to manage external constraints: Belgian monetary policy during the Bretton Woods era (1944-1971)*. Paper presented at the Sixth conference of EHESS, downloadable on: http://www.ata.boun.edu.tr/ehes/ehes_frame.htm

Corry van Renselaar (DNB) has defended her thesis. This study has been published in a book, entitled *Partij in de Marge. Oorlog, goud en De Nederlandsche Bank*, Boom-Amsterdam, 2005. (with an English summary.)

Wim Vanthoor (DNB) has published his English edition of the history of the Dutch central bank, also Boom publishers. Now the history of the bank is also accessible for an international audience.

Klaus Weber *Far-sighted charity: Adolphe and Julie de Rothschild and their eye clinics in Paris and Geneva* <http://www.rothschildarchive.org/ib/articles/AR2005Fondation.pdf>

Klaus Weber *One hundred years of the 'Bluff Rothschildien': housing the poor in Paris* <http://www.rothschildarchive.org/ib/articles/AR2004Bluff.pdf>

Forthcoming Publications

Archives and Corporate Culture

Workshops' Proceedings

The EABH organised two workshops in 2004 and 2005, specifying on the relationship between history, corporate culture, and archives. Publication of the workshops' proceedings is scheduled for May 2006. The EABH trusts that archivists will derive fresh ideas and encouragement for their tasks from the forthcoming book.

Max Steinthal (1850-1940) - a forgotten banker

In late summer 2004 the Jewish Museum Berlin presented the special exhibition “Max Steinthal: A Banker and his pictures”. A fascinating group of paintings, prints and documents had been found - quite unexpectedly - during the removal of material from the basement of the Dresden Gemäldegalerie at the time of the devastating Elbe floods of 2002. Its history was subsequently traced back to the Steinthal family and the extraordinary sequence of events that led to its being deposited in Dresden was thereby unravelled. The collection comprised Old Master, 19th-Century and Impressionist pictures and prints, as well as decorative works of art and documents. Chief among the highlights of the collection was an important 19th-century work - Las Tras Velas (The Three Sails), by the Spanish artist Joaquín Sorolla y Bastida, painted in 1903. Another outstanding object was the first share certificate of Deutsche Bank from 1871, with the number 00001.



Max Steinthal, 1903 (1850-1940)

Who was the man behind the collection? Who was Max Steinthal? Along with Georg von Siemens and Hermann Wallich, Max Steinthal was one of the most important figures from the first decades of Deutsche Bank existence. All and all he was linked to the bank for more than six decades. He was born in Berlin on Christmas' eve 1850 the son of a Jewish merchant. In the ninety years of his life he never left the city for longer than four weeks. After school followed a banking apprenticeship with Bankhaus A. Paderstein. An intelligent, hard-working young man, he rose quickly through the ranks. After the liquidation of Paderstein as a result of the so called “Gründerkrise” in 1873, he was left searching for a new job. At this time he made the acquaintance of Hermann Wallich, manager of an up-coming joint stock company which had been founded only three years previously and which had survived the economic crisis – Deutsche Bank in Berlin. Wallich, also a Jew, liked the young man and thought about whether there might not be a function for him within Deutsche Bank. When Georg Siemens, first spokesman of Deutsche Bank, first met 23 year old Steinthal he asked him: “So, you want to become head clerk here?” Steinthal replied self-confidently: “Not at all, I want to be a director.” And so it was that Steinthal was made a board director of Deutsche Bank. One of Steinthals earlier tasks in the late 1870s and 1880s was to push Deutsche Bank's foreign exchange business into a better position. At the same time he became responsible for the bank's stock exchange transactions and cared for the domestic financing business. The major role of the arbitrage business in Berlin was also a result of Steinthal efforts.

Continue on page 81

Continue from cover page

In 1889 he married Fanny Lindenthal, a young Viennese of Jewish origin. After two decades of existence Deutsche Bank began to expand its position as an investment bank by financing big industrial firms. Steinthal's time was mostly occupied as head of industrial syndicates at this time. One of his major projects was the transformation and reorganisation of the Mannesmann Röhrenwerke into a joint stock company. He played a decisive role in pushing the extension of the Berlin underground and elevated railways. He combined the financing of the urban railway system with the development of new residential quarters by founding several property companies. Later on he was called "Father of the Berlin underground". He was further engaged with the Goerz-Companies (South-African gold-mining), the Deutsch-Ostafrikanische Eisenbahngesellschaft (German-East African Railway Company), and the Bayerische Stickstoffwerke (Bavarian Nitrogen Industries).

Steinthal was often characterized as a man with enormous persistence. He was able to manage difficult tasks over decades. While his colleagues travelled all over the world to check Deutsche Bank's major engagements on the scene, Steinthal kept the bank on course "at home".

Steinthal left the Management Board of Deutsche Bank in late 1905 and was appointed to the Supervisory Board, from 1923 until 1932 as its chairman. But that official change did not mean that he really reduced his workload for Deutsche Bank, it was more that he could better concentrate on some of the most important projects.

Beside his numerous activities as a banker, Steinthal made significant donations for philanthropic purposes and began to set up a private art collection (for which his wife Fanny was primarily responsible). But he was also a promoter

for Deutsche Bank's corporate culture. The choral society and the orchestral society, as well as the fencing club of Deutsche Bank were founded on Steinthal's initiative. He remained a loyal sponsor over the years and often made generous donations.

Finally, in May 1935, when he was 85 years old, his Jewish faith became a political embarrassment. Steinthal resigned from the Deutsche Bank's Supervisory Board with the words: "I don't want to make any trouble for the bank". Emigration wasn't a real option for a man of his age even though the living conditions for him and his wife became worse and worse. After the so called "Reichskristallnacht" he was urged to sell his fashionable villa in Berlin-Charlottenburg and his idyllic property at Maxsee east of the German capital. On 8 December 1940 two weeks before his 90th birthday he died in Berlin in a hotel-room, Fanny Steinthal survived her husband by only ten months. Most of their seven children had already emigrated from Germany, but one son died in a concentration camp.

Max Steinthal did not leave memoirs and when he died in 1940 it was unthinkable to publish an obituary for a Jewish banker. This remained so until 2002, when the Berlin municipality restored a commemorative plaque for the "Father of the Berlin underground" at the Alexanderplatz station, which had been replaced after 1933, and in 2004 – corresponding to the above mentioned exhibition – a publication came out which introduced Steinthal as a banker and collector.

Reinhard Frost

Historical Institute of Deutsche Bank