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bulletin



Newsletter from the EABH

2/2000



European Association
for Banking History e.V.

"On November 29, 1990, after two years of preparation, 23 banks and institutions from 11 European countries founded the *European Association for Banking History e.V.* in the German city of Frankfurt am Main.

All nations of Europe are continuously growing together – politically, economically and culturally. This integration process has been furthered in many ways over the last few years. A knowledge of history and the individual characteristics of the various national economies and banking systems, their transparency and broad representations can make a considerable contribution to bringing the peoples of Europe closer together. [...] The members of The European Association for Banking History e.V. intend to encourage and promote research into banking history and to support the preservation of historically valuable archive material. Our young Association wants to document and publicise the banking cultures of the individual European countries on the basis of their history.[...]"¹



On the occasion of the Association's 10th Anniversary, I am proud to state that we have reached our goals. I wish to take this opportunity to thank you for your constant engagement, support and hospitality shown in the course of the last ten years. I count on this co-operation with the EABH to be even more fruitful in the future.

The publication of the Bulletin has also been a nice contribution to our growth because it effectively communicates new activities and publications. The Bulletin's Survey focused once again on the burning question: "How are archives preparing for an overflow of electronic information in terms of its selection, storage and manipulation?" Your responses reflected that archives are not only coming to terms with the overflow of electronic information, but are also taking advantage of these new technologies. Therefore, the EABH wishes to further encourage and support training courses as well as workshops and new projects in this field. As matter of fact, at the last General Members' meeting, which took place in Warsaw, it was announced that the year 2003 will be dedicated to archives. Considering the ongoing changes regarding archives due to new technologies, I strongly believe that the main emphasis will be put on this topic. Moreover, a short-term project, combining archives with the internet, is in the process of being planned. It will involve the European Central Banks. Further details will follow as the plan takes shape.

This edition of our Bulletin also provides a list of current conferences and seminars related to business history. The well known Bocconi University in Italy, for example, encourages students to attend its seminars on Economics or Business History. With great success, the EABH's sister Association *The Society for European Business History e.V.* organised a conference last September on "*The Power of Media*". It focused on encompassing historical and archival dimensions of different forms of media – ranging from newspapers to the Internet.

But let me not display the entire content of this comprehensive edition of the Bulletin right here. You will certainly enjoy it more if you discover it on your own!

Manfred Pohl

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The world of information has been changing profoundly thanks to the development of computer technology. It will have a fundamental influence on the area of banking archives. A course for European business archivists, held in London during April of this year, stressed many of the problems that are connected to this development and offered many useful solutions. However, there is always a gap between "fact and fiction". In our survey, we would like to assess how the introduction of IT at banking archives works out in practice.

- How is your archive preparing for an overflow of electronic information as far as its selection, storage and manipulation is concerned?
- Which are the most urgent needs regarding knowledge, technology and investments?
- Which are financial and organisational barriers at your bank and archive?

BANKA SLOVENIJE

Getting ready for archiving electronic information

The Bank of Slovenia has become aware of the need to set up an archive of electronic information.

Legal background

Archiving is regulated by the Law on Archives enforced in 1997. The Law on Electronic Operation and Electronic Signature, which was enforced this year, provides additional guidance. Any archiving rules and regulations adopted recently no longer distinguish between archiving hard copy and electronic documents and information. However, as far as archiving of electronic information and documents is concerned, there is little experience.

At the Bank of Slovenia incoming and outgoing electronic documents and files are archived by the IT Department in co-operation with designated

IT responsible staff from individual departments in accordance with internal rules.

The Bank has piloted a scheme which has been running for about three years (since September 1997). This scheme dealt with a special application that had been developed for archiving incoming documents. It currently comprises about 26 GB of data. Users from the Bank have access to the application. During the first two testing years, the Bank tried to identify the benefits and shortcomings of the application. Such information will be valuable for designing the new archiving system on electronic media.

Towards the end of this year, the registration of all new documents and the updating of the existing records is planned to take place in co-operation with the Archives of the Republic of Slovenia (ARS). In compliance with the law, ARS provides expert assistance and helps evaluate those documents that are to be included in the archive. ARS will also help to draft instructions for the selection of documents and information for the Bank's archive. ARS and the Bank are expected to sign a protocol that will regulate the future co-operation of these two institutions and their relations with the public.

Standardisation of office work

The Bank intends to introduce standard rules of procedure in order to facilitate archiving of documents and information.

Our needs for knowledge, technology and investments. We have acquired the knowledge from the experience that some government institutions and companies have already made based on different seminars, presentations and the Internet. Our own experience with the pilot scheme also seems to be very helpful and valuable. Technology seems to be readily available and investments are not a major problem so far. It appears that – as in most cases – human resources will be the key issue concerning the development of an appropriate and suitable electronic archiving system. They will need to understand and comply with the instructions.

The archivist of a new era

The new archivist will no longer be the "dusty bureaucrat" but rather a technologist, an engineer. He or she will have to make sure that the electronic documents are readable, audible, and visible. Furthermore, the archivist will have to take or introduce any necessary security measures. Both of these new tasks will increase the costs for the employer.

Drago Polajnar

Marjeta Sketa



The Rothschild bank

Up to this point, the Bank has perhaps been slow as far as the shifting needs of electronic information is concerned. But it is now beginning to invest in document management software in order to at least handle and retrieve information. So far, its long-term selection for archiving has not yet been taken into account and at the moment I consider this to be an unresolved problem.

From my point of view, the difficulties for an archivist in this situation are:

1. Issues of authority. The archivist or records manager is rarely going to be positioned in the organisational setting in such a way that will enable his or her views and preoccupations to be built into the systems that are being developed.

2. The fact that software manufacturers in the fields of document and knowledge management are preoccupied with refining searching mechanisms in order to build in some selectivity in searching rather than looking at the 'fading relevance' of documents across time. In other words, their view is: keep everything forever and we will sort out what is important to you by text-search. Archivists know that this is not how life works, but again, there is no sufficient general interest or understanding of the mechanisms so that software manufacturers are not prompted to offer alternative solutions.

3. Quite simply, records management and archives are not what drives business and are therefore never going to be a high priority.

Victor Gray

The Rothschild Archive



**Bank for
International
Settlements
Basel**

Like most banks, the Bank for International Settlements has been caught up by the electronic age. Our banking department has been operating on the basis of electronic exchanges with other banks for decades now. The BIS transmits and receives thousands of transaction messages, dealing with confirmations and balance statements through the worldwide S.W.I.F.T. network on a daily basis. During the past decade, large parts of internal and external communications outside the banking department have fallen under the spell of the IT revolution as well. The introduction of e-mail and desktop fax has played a crucial role in this. Today, over three quarters of the Bank's official external communications are electronic, while less than one quarter takes the form of traditional paper mail (and that excludes electronic banking transactions!). Internally, too, the tendency is to produce and share electronic documents rather than resorting to paper.

However, until now, our filing methods, and therefore the Bank's archive, have hardly been affected by this technological revolution. We still bring all relevant business records together in thematically organised paper files regardless of the medium through which the records were transmitted. This means that currently all relevant electronic records are printed out for archiving. The technological revolution has made an important impact, though, on the way in which we distribute records internally or make them available in reply to internal queries. This is now done mainly by sending those records to the intended recipients via e-mail, either in their original electronic form or as scanned images.

We feel that in the medium term our current filing policy will be untenable. It will have to be replaced, or at least supplemented, by some form of long-term electronic archiving. The reason for this is that it is getting harder by the day to guarantee that our (paper) business files are complete and comprehensive. Our main headache in this respect concerns e-mails and desktop faxes. Each month, tens of thousands of e-mails are sent from and received at the Bank. While, initially, the bulk of these e-mails were of a purely private or routine nature, with little or no relevance for our business files, there has recently been a tendency to use e-mail for important business communications as well. As a result, many of the e-mails (sent and received) ought to end up in our business files one way or another. E-mail is an extremely individualised means of communication. Whereas it is very simple to organise the centralised capture, registration and filing of all relevant paper correspondence, this is nearly impossible to achieve in the case of e-mail. The sheer volume of e-mails rules out a centralised selection and filing of business-relevant items. In any case, it is much more efficient to have the sender or recipient of an e-mail decide whether or not it should be filed. The widespread use of these new individualised, electronic means of communication thus logically entails a shift in filing responsibilities away from the centralised or semi-centralised records section to the members of staff themselves, and we believe this can best be done within the electronic environment.

Precisely in order to help us cope with the overflow of electronic records and to provide staff members with an efficient tool to perform their increased filing responsibilities, the BIS has recently decided to introduce a Bank-wide, comprehensive Document Management System (DMS). A DMS creates a unique, electronic document repository for the whole Bank, in which users check in their documents, identifying them through a unique set of meta-data. Business records that reach the

Bank from external sources are also fed into the DMS repository, either automatically (e.g. in case of electronic S.W.I.F.T. messages) or through scanning (e.g. paper mail). The meta-data linked to each individual document allows easy retrieval by all authorised users. In addition, a DMS shows the status of any given document at any given time ("in review", "authorised for release", etc) and makes it possible to initiate a controlled workflow.

While the benefits from a user's point of view are obvious, the introduction of a DMS also has far-reaching implications for the archives. In the first place, the actual creation of our "official" business archives will be each staff member's individual responsibility to a much larger extent than it is the case today. It goes without saying that the central archives section will have to ensure that common rules and procedures for organising and maintaining the DMS document repository are developed and applied Bank-wide. Secondly, DMS brings the current archive directly to the user. Each staff member can perform searches in the DMS document repository directly from the desktop. Enquiries addressed to the archives section and consultation of physical documents from the archives vault are expected to decline accordingly.

We are not planning to do away with paper filing all together. Indeed, for legal and historical reasons, we will certainly continue to archive important documents in paper form. However, paper filing will become much less sophisticated (and less time-consuming) as large chunks of our current paper archives will in time be transferred to the electronic DMS repository (in particular those records that need not be preserved beyond 10 years, such as the S.W.I.F.T. messages or routine correspondence). An important issue that needs to be addressed in this context – and preferably with a sufficiently critical attitude towards "magic" IT solutions – is the preservation of electronic records over the medium to longer term (over five

or 10 years). This raises important questions regarding the longevity of IT systems and software applications as well as regarding the legal (and, for that matter, historical) acceptability of records that are migrated from one data carrier to another every so often.

Of course, the implementation of a Bank-wide, comprehensive electronic Document Management System requires a lot of careful planning and preparation and therefore a lot of time and resource input (we expect that it will take at least one year to roll out the basic functionalities of a DMS to the whole Bank). We believe this to be justified if it helps us to adapt our record management and archiving procedures, which are currently almost entirely paper-based, to the new demands and possibilities of the electronic age.

Dr Piet Clement



Nordbanken has so far not encountered any problems with filing or the fast IT progress. At present, all book-keeping transactions are filed on optical discs and kept there for ten years.

According to the new Swedish book-keeping legislation, which came into force January 1, 2000, it is not necessary to print out filed information. It is, however, important to make sure that in the future it will be possible to read the information that is filed in the software systems.

One disadvantage of the new legislation is the fact that the material printed on paper cannot be converted into data media. Thus it has to be filed the conventional way.

Sam Litzing



Since 1989, current correspondence at the Bank of Italy has been handled with a classification system based on a computerised register and filing plan, and with e-mail for internal communications. So far, however, documents have always remained on paper, even outgoing letters, which are always printed and kept in their file folders, although they were drafted electronically. Therefore the Bank presently has a mixed electronic and paper-based system. That is, we have computerised record management but relatively large traditional archives.

The computerisation of the classification criteria and the connection to the records schedule – which determines for how long each series of documents must be retained – have facilitated the management of semi-current records and the appraisal of documents, thus creating the necessary conditions for a rational transfer to the archives.

Considering how many years it has already been since the introduction of information technology (IT), the first substantial amount of electronically stored documents will only begin to reach the archives of the Bank of Italy sometime in the next decade.

In some cases, the archives have already had to face the problem of acquiring computerised documentation, which was not identifiable because the obsolete hardware and software required were no longer available at the bank. In addition, the corresponding paper print-outs could not be located. This has resulted in providing copies of important material for a more careful conservation of records.

At present, the archives – which in any case will primarily be handling paper documents for many years to come – are taking steps to ensure that we will not be caught unprepared for the emerging situation.

On the theoretical level, the archives are gathering information and appraising experiences by participating in the international discussion promoted by the *Inter Pares* working group, which was formed based on a government initiative in order to study the nature and techniques of storages as well as the problems of electronic documents.

On the practical level, for some time now, the archives have been using modern information technology for the management and inventory of their holdings. For twelve years, we have been building a database with analytical descriptions of the files. And for four years, optical disks have been used for reproducing and consulting individual documents. Consequently, the archives have developed the know-how and IT instruments that will enable us to take in the new generation of documentary materials without any problems.

Ufficio Ricerche Storiche

M. Russo

F. Cesarano



European Central Bank

In 1998, the European Central Bank took over the central archives structure that had been developed by the European Monetary Institute. Until now it has been a central registry, storing all the documents it receives from the different business areas of the ECB.

Since 1998, the ECB has grown exponentially from its roots in the EMI in more than one way: as an organisation, its staff has more than doubled in just over two years, and as an institution its responsibilities have been extended and developed.

The ECB Archives staff are currently reorganising the flow of documents. On account of the central registry function that Archives have

been performing, the volume of documents for processing is now approaching its upper limit. The staff are elaborating a documents policy plan in order to reduce the volume of documents to be handled daily.

This plan mainly addresses the general organisational structure and the types of document to be archived. It also defines stages in the document life cycle as well as the role of the different business areas within the ECB.

Both paper documents and electronic records have been considered in the draft guidelines defined by ECB Archives for all the bank's business areas. To limit the volume of documents to be handled by Archives, all preliminary or draft versions are to be held and handled by the responsible business area, and only final versions will be forwarded to Archives.

The filing is to be decentralised, i.e. the business areas will have primary responsibility for filing their documents. Archives will only receive complete files at the end of their administrative life and these will be available to internal and external users of the archives for legal and historical purposes.

A clear definition of the retention periods and a hierarchy of the storage media (and access speeds) help to strengthen the ECB's organisation of its document flow. Archives aim to meet the ECB users' needs in respect of the fast retrieval of documents required for day-to-day work, as well as carrying out archiving procedures efficiently.

The ECB, like other organisations, has understood the importance of an automated solution to, and support for, the document management process.

ECB Archives will play a part in the introduction of a Document Management System (DMS) for the bank as a whole, although this project will be managed by another business area.

The ECB will launch a programme to analyse its options regarding the use of a DMS and to define its needs and requirements. This programme will combine the needs of the various business

area users with those of the central archives users, and will involve the ECB's IT experts in order to build on existing skills, capabilities and infrastructure as much as possible.

The main benefits of an integrated DMS, seen from the perspective of Archives, are:

- efficient request, response and retrieval times
- improved handling of the flow of documents and files
- greater efficiency and co-ordination in the overall filing and document management of the ECB
- reduced overheads
- higher transparency of business processes
- better information management
- creation of the basis of a knowledge management system.

Given that no common standard exists for DMS, the ECB will have to choose a commercially available system that best meets its needs.

I would like to conclude this survey by quoting Jeff Rothenberg: "It is widely accepted that information technology is revolutionising our concepts of documents and records in an upheaval at least as great as the introduction of printing, if not writing itself. The current generation of digital records therefore has unique historical significance; yet our digital documents are far more fragile than paper. In fact, the record of the entire present period of history is in jeopardy. The content and historical value of many governmental, organisational, legal, financial, and technical records, scientific databases, and personal documents may be irretrievably lost to future generations if we do not take steps to preserve them."¹

¹ "Ensuring the Longevity of Digital Documents", Jeff Rothenberg, *Scientific American*, January 1995 (Vol. 272, No. 1), pp. 24-29.

Maria Isabella Asaro

Documentalist



Bank of Finland

The Bank of Finland is responsible for registering and putting all files into the archives. It is also obliged to make all the material, which is not defined to be secret, available to the public.

The Bank of Finland has always worked in close co-operation with the National Archives, in accordance with their general guidelines, and has relied on their guidance and expertise whenever necessary.

We have only two file archives:

1. The department archives (for files that are still in active use)
2. The central archives (for files to be archived temporarily or eternally)

At the Bank of Finland Central Archives, there are both temporary and eternal deposits.

The temporary deposit files are being kept centrally. The departments send files – of any kind – to the Central Archives about once a year (plus some material, such as letters, etc. which go immediately to the Central Archives). If the material is either of temporary or eternal matter it must be sent to the Central Archives according to the Archives Act of BoF.

The same programmes that are used for external deposits manage the temporary deposits. At the central archives we now use two programmes:

Access - for files in general (with the help of Access we are able to manage and search historical data on folder levels) and

AMWF - (Auto manager) for real estates and building archives.

For registration we use Tripplan.

At the Bank of Finland the files are being placed both by departments (active files) and by the central archives (temporary or eternally archived files). We do not have any central dynamic files department. The departments themselves manage the files that are still in active use.

All the departments have active, dynamically used files in their department archives. The persons who run the department archives are usually the secretaries. We have 19 departments/units, which have between 40 and 50 secretaries all together. At the department archives, the secretaries usually work with our e-mailing system, Microsoft Exchange and our electronic archives. They do not yet have any specific database programme in order to manage their department archives.

However, starting in 2001, the Bank of Finland will start to use a new data-managing programme called Documentum. It will be used both at the department dynamic archives and the central archives. The archives of real estates and buildings will still be managed based on AMWF.

After that the secretaries will have an automated system for department archive management.

The new programme, Documentum, will offer the following services for the department's database management:

- the secretaries will be able to register posts by themselves (so far we have used centralised registration)
- all papers and files with the same contents will be collected under a single register number
- the archives list will enable file-by-file search and printing (with the present system, the central archives does it folder-by-folder)
- it is integrated in our e-mailing system Microsoft Exchange and basic office programmes such as Word, Excel etc.

Due to the new data-programme Documentum, we have putting a lot of effort into setting up a new plan of registration throughout this year. The project group that prepares the Documentum-system is made up of ten people of the Bank of Finland. From the central archives there are four people who have been working more or less fulltime with this project group.

We will not convert our historical archives to the new Documentum system (except for some material such as minute books of the Board etc). In the future we will call up the computer lists of our historical archives and save them into Documentum as files.

The Association for the History of Banks and Savings Banks in Central Europe

The purpose of the Association:

The Association for the History of Banks and Savings Banks was established at the University of Bielefeld, Westphalia (Germany) in the autumn of 1993. The purpose of the Association is to continue some research projects on "Banking History in Central Europe" which are currently in process and to co-ordinate research programs on this topic. Furthermore, it intends to build up a discussion forum where the exchange of results and experiences will take place for those scholars who study the history of the banking systems and financial markets in Central Europe and who had to work separately up to now. Professional bankers, stock brokers or other persons who are involved in financial systems should be integrated in the work of the Association in order to stimulate the discussion on our main focus: Central European banking systems. Moreover, a close contact should be maintained with other institutions that deal with banking history as well as with the European savings banks.

A common feature and basis for the research on "Banking History in Central Europe" is the assumption that in almost all of the countries that we look at highly different financial systems had been developing until the outbreak of World War II. In the mids of these systems there were only a few large universal banks. For decades, they have prospered in a great number of countries of Central Europe. That was especially the result of economic backwardness. Other financial institutions, such as private banks or savings banks, completed the financial systems, thus offering a distinct set of functions for different social groups which had not become the clientele of the universal banks.

After the collapse of the socialist regimes in some Central European countries between 1989 and 1991, the process of economic transformation got started. Closely linked with this development, the "old and traditional" financial systems were re-established as well. Therefore the analysis and research of the functioning of the different elements of these financial systems and their effects on the economic development in these countries in the past and present are target issues for the Association for the History of Banks and Savings Banks in Central Europe. A comparison of the different banking histories of these Central European countries is supposed to point out the results and experiences as far as the functioning of Central European financial systems is concerned. It should also outline and examine the chances and risks of the universal banking system in general. Considering the necessity to re-establish efficient financial markets, due to the transformation of Central



European economies, the knowledge of past experiences can be a useful basis for decision-making within the banking systems. The results of the research on these topics will be discussed on workshops which will be organised by the Association. Later, publications will follow in the German journal Geld und Kapital. Jahrbuch der Gesellschaft für mitteleuropäische Banken und Sparkassengeschichte, which is edited by the Association.

The organization of the Association:

The Association is registered in the German city of Bielefeld and in Vienna, Austria. Responsible for its organization and work is the executive committee which consists of two Chairmen (Prof. Dr. Alois Mosser, Wirtschaftsuniversität Wien and Prof. Dr. Richard Tilly, Westphälische Wilhelms Universität Münster) and the Manager (Dr. Harald Wixforth). The Honorary Chairman of the Association is Prof. Dr. Alice Teichova (University of Cambridge and Wirtschaftsuniversität Wien).

The publishing of the journal Geld und Kapital is the task of a special publishing committee.

Membership:

Eligible for a membership of the Association are scholars or persons, who engage in the banking or other sectors of the financial markets; companies; economic or social institutions; and other juridical persons. Sponsors are a welcome support for the work of the Association. The annual membership fee amounts to 25 DM for each member or 10 DM for members from the former socialist countries. The Board of Directors might fix a higher annual membership fee for companies, economic or social institutions, or juridical persons.

Publishing activities

The Association publishes a scientific journal called Geld und Kapital. Jahrbuch der Gesellschaft für mitteleuropäische Banken und Sparkassengeschichte with the Steiner Verlag in Stuttgart (formerly with the Bohlau © Verlag in Vienna).

Each Yearbook deals with a certain substantial problem of banking history in Central Europe which then is the topic of the whole volume. By comparing the situation of this problem in several Central European countries, the significance of its specifics should be elaborated. Moreover, the development of the financial markets in Central Europe and their significance for a distinct historical situation should be analysed in order to investigate chances and risks of bank-orientated financial markets which operate under certain, possibly



extreme, circumstances. The Council of Editors consists of Prof. Dr. Teichova, Prof. Dr. Alois Mosser and Prof. Dr. Richard Tilly. In addition, each member of the Association is allowed to edit a volume of Geld und Kapital.

Up to now three volumes have been published:

Alice Teichova (ed.), *Banken, Währung und Politik in Mitteleuropa zwischen den Weltkriegen* ("Banks, Currencies, and Politics in Central Europe in the years between WW I and II"), Wien 1997 (Geld und Kapital, Vol. 1.);

Harald Wixworth (ed.), *Sparkassen in Mitteleuropa im 19. und 20. Jahrhundert* ("Savings banks in Central Europe during the 19th and 20th century"), Wien 1998 (Geld und Kapital, Vol. 2);

Richard Tilly (ed.), *Bankenkrisen in Mitteleuropa im 19. und 20. Jahrhundert* ("Banking crisis in Central Europe during the 19th and 20th century"), Stuttgart 2000 (Geld und Kapital, Vol. 3).

The forthcoming fourth volume of Geld und Kapital consists of a collection of articles regarding the role and significance of banks and insurance companies in Central Europe during the the Nazi period. It will be edited by Prof. Dr. Alois Mosser.

Further activities:

A symposium on the subject "Banken und Versicherungen in Mitteleuropa während des Nationalsozialismus" ("Banks and insurance companies in Central Europe during the period of National Socialism") will be organised in Berlin in the summer of 2001. During this symposium, results of the different teams of scholars, dealing with the history of banks in the Nazi Period, will be presented and discussed.

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The Activities of US banks in Germany, 1960-1990

This essay deals with the activities of US banks in Germany from 1960 to 1990. It distinguishes two periods. The first one refers to the years from 1960 to 1973, when American banks in Germany just started growing and when strategic changes hardly occurred. During the second period (1974-1990), they paid more attention to their competitive advantages on this foreign market, changed strategies more often and slowed down their expansion in Germany. Major exceptions to the latter development were the Kundenkreditbank (KKB) – a branch of the German Citibank –, which was expanding continuously, and the American investment banks, which did not found subsidiaries until 1985. Their intention then was to build up investment banking services in Germany.

In the 1960s, US banks became pioneers of multinational banking – a concept which suggests

that a bank should also open branches outside its domestic market. US banks entered the German banking market, attracted by its liberal banking regulations and the large number of companies with international business relations, including the German subsidiaries of US corporations.

The first branches of US banks in Germany were set up in 1960 by the First National City Bank (later Citibank), the Chase Manhattan Bank and the Bank of America. Prerequisites for establishing a full scale bank included the lifting of the foreign exchange laws in 1958 and the introduction of the "Kreditwesengesetz" (KWG), which refers to the German crediting law, four years later. Before, the American banks ran representative offices in Germany, with Chase Manhattan, for instance, founding an office in Frankfurt in 1947. Chase Manhattan and Citibank had offices in Germany even before the WW II.



Citibank acquired KKB, a very successful German retail bank, in 1973

Throughout the 1950s and 1960s, the main reason for a US bank to be present in Germany was to follow the investments of US multinationals. These customers wished to continue proven banking relationships beyond US borders. Morgan Guaranty (later J.P. Morgan) founded a branch of his financial institution in Frankfurt in 1965.

The four banks, that we have mentioned so far, were the leaders of multinational banking. Citibank was the most innovative and had the most comprehensive global strategy. A dozen other large banks followed them.

These banks typically conducted commercial banking, especially focusing on commercial lending and wholesale financial business. These areas include three major "products": short-term credits, foreign exchange and the financing of foreign trade. Apart from this, Chase Manhattan and American Express had the status of a military facility in Germany, thus providing banking services for the Army and for the families of people who were employed by the Army.

A favorable legal and economic framework was an important characteristic of the operations of US banks in Europe during the time between 1960 and 1973. They could expand successfully because they profited from the dominant position of the American economy in Germany after WW II. The dollar was the key currency worldwide. It was also used on the Euro-dollar market, where it was strong compared to the German mark. In addition, the growth of the US banking sector in Germany was also pushed forward by the close relationships between US multinationals and US banks.

An important motive for further expanding in Europe was to "escape regulations". Clearly, there were constraints on expansion on the home market. Contributing factors to the wave of multinational banking were, for example, the restrictions on territories, business fields and interest rates as

well as those on capital transactions, which started to be introduced by the US government in 1963 and which were in place by 1974. The Interest Equalization Tax of 1963 was assessed by the head of Morgan Guaranty as follows: "This is a day that you will remember forever. It will change the face of American banking and force all the business off to London. It will take years to get rid of this legislation".

Other important reasons for the fact that US banks wanted to be present in Germany were the diversification of risks and profits, prestige, the imitation of the strategies of competitors and the transfer of expertise and personnel.

Between 1960 to 1973, US banks in Germany were truly international banks or even "European banks" since they could also easily transfer money from one European country to another. German banks, for example, could not do that on their own because they had to give up their foreign branches after WW II (except for a few single locations). By the time of the mid 1970s, German financial institutions still relied on relations with other banks in order to correspond beyond the bonds of the nation.

Before 1973, the Bank of America was the only US bank in Germany to engage in retail business in addition to its commercial banking. In 1967 it acquired a small bank for consumer credits called Bankhaus Centrale Credit.

The Euro-dollar market was a significant stimulus for the expansion, too. This market, mainly located in London, was unregulated and free of minimum reserves so that US banks built it up as their platform for multinational banking. By 1973/74, the Euro-dollar market served as a source of funding for the German branches of US banks. Then the Deutsche Bundesbank took measures, such as the so-called "Bardepot" ("cash deposit") and higher minimum reserves, in order to stop funding via the Euro-dollar market. How-

ever, banks found ways to circumvent these measures. The American institutions lacked savings deposits, much like most foreign banks in Germany did.

The Euro-dollar market, in particular, enabled German banks to participate in a consortium of banks which were set up to provide large international syndicated loans and to acquire the expertise needed for international banking. But the consortium of banks, which were formed in the mid-1960s (basically as a reaction to the US banks' invasion of Europe), was disbanded in the second half of the 1970s, when most banks wanted to conduct international banking on their own.

From 1967 to 1973, the number of US branches in Germany – excluding regional offices – rose from 9 to 27. This period marked the heyday of US banks in Germany, with banks from Chicago or Boston also moving to the country. These large regional banks argued that they would lose business to the money centre banks of New York City, if they did not establish branches in Germany. In 1975 the thirteen biggest US banks managed to reap 48 per cent of their profits from their operations in Europe. As a symbol of the growing influence of US banks in Germany, Chase Manhattan constructed a multi-storey building in downtown Frankfurt in 1972. It was one of the very first multi-storey buildings in Frankfurt.

Things changed after 1974. German banks began to establish foreign branches, too, and increasingly took part in international banking, while US banks were experiencing higher funding costs as well as a decline of American investments in Germany in the wake of the dollar's loss of value compared to the German mark. This mainly resulted from high minimum reserve requirements and extended supervision of banks in Germany.

In the 1980s, American banks suffered most during the LDC debt crisis and additionally had to

face major problems at home, for example, in the real estate sector. Therefore they reviewed the profitability of their operations in Europe and consequently withdrew from their foreign locations or at least reduced their capacities there. However, only a few banks withdrew from Germany. The Bank of America reduced its assets and pulled back from retail banking by selling its German unit in 1987. The Mellon Bank, the First Bank of Chicago and the Continental Bank also left Germany in the second half of the 1980s. By contrast, the Manufacturers Hanover and the Security Pacific built up new fields in Germany, such as investment banking or, in the latter case, also retail banking.

In general, US banks tried to increase business with German firms or find niches instead of dealing with German subsidiaries of US multinationals. The market share of US banks compared to the total of all banks in Germany fell from two per cent in the early 1970s to one per cent in 1990. The cut back on loans and the increasing use of off-balance business, such as derivatives, but also the weaker position in general are reasons that explain this development. In the early 1980s, financial innovations, such as cash management, proved to be nothing more than short-term competitive advantages, since cash management was soon imitated by German banks.

During the 1980s, the Citibank, Chase Manhattan and the Chemical Bank were strong in the field of foreign exchange. The First National Bank of Boston was one foreign bank with a strong position in Germany's leasing business. On the other hand, however, an attempt by the Citibank to enter the lucrative, but also risky, middle market in Germany failed.

As regards to retail banking, the Citibank managed to acquire the KKB Kundenkreditbank in 1973. That was a well-managed consumer bank with the focus on IT and marketing. In the same year, Chase Manhattan built up a new retail bank

from scratch. It was called Familienbank. Unfortunately, it soon burdened Chase with losses of as much as 50 million German marks and was liquidated after only five years of operating. The KKB Kundenkreditbank, however, was very successful and became the cornerstone of the Citibank's retail banking strategy throughout Europe.

The so-called "Restliberalisierung", initiated by the Deutsche Bundesbank in 1985, was thought to be a stimulus for US investment banks in order for them to expand into Germany. But it did not represent a breakthrough for investment banking in Germany. The new regulation allowed, among other things, foreign banks to become leading managers in bond issues. The awesome placing power of German banks, however, left institutions such as Salomon Brothers in the cold. Mergers & Acquisitions, which is a very profitable and popular business in the United States and Britain, was widely promoted in Germany in the 1980s, only with little success. Even J.P. Morgan, which underwent a transformation from a commercial bank to an investment bank, considered it tough to keep going, despite the fact that it had longstanding relationships with German companies.

To sum up, for the large US banks the period from 1960 to 1973 was one of rapid growth in Germany. They engaged in multinational banking in order to accommodate and retain domestic customers in Europe and because of the fact that the opportunities to expand on their home market were limited. US banks were truly international banks, supported by a strong US economy and a strong dollar. They had competitive advantages in fields such as foreign exchange or short-term credits. Nevertheless, the period from 1974 to 1990 was one of slower growth in Germany. During that time, German banks finally established foreign branches. In an attempt to focus on more profitable business, most US banks reduced their operations in Germany. The competition of numer-

ous well-established German banks, including, for example, savings and loan associations, was tough and in fields such as the loan business, US banks had no competitive advantage whatsoever. Germany was "overbanked". Because of the limited ability to spread and high costs of running a branch, the earnings of a US bank in Germany depended significantly on trading for one's own account and on the willingness of the management to take risks.

Carsten Hartkopf

Literature: Carsten Hartkopf, Die Geschäftspolitik amerikanischer Banken in Deutschland, 1960-1990 (Frankfurt: Peter Lang, 2000).

Carsten Hartkopf is a "Bankkaufmann" and studied Management Science and Politics at the Universities of Erlangen-Nuremberg and Southampton from 1989 to 1994. He received his PhD from the Free University of Berlin in July 2000. His supervisor was Professor Carl-Ludwig Holtfrerich.



Bocconi University

The Study of Business History

The Institute of Economic History at Bocconi University in Milan (Italy) offers a Ph.D. programme for Economic History. Similar institutions in Italy, including the Universities of Milan (Statale), Venice (Cà Foscari), Bologna, Pavia, and Parma are also part of this initiative.

The co-ordinator of the programme is Marco Cattini, who is professor at Bocconi University.

In recent years, Business History has become increasingly important in our programme. About one half of the dissertations currently focus on various aspects of this field.

Research projects in Business History include a reconstruction of the history of "urban elites" (for example, Milanese bankers in the 19th century), a special focus on Italian entrepreneurs (for example, a thesis on Giovanni Battista Pirelli, founder of the well-known rubber company) and on the evolution of industrial districts. There is also research on pre-industrial institutions, such as the Italian Renaissance courts, which were considered to be business units.

At the Economic History Institute at Bocconi, the researchers who are the most active in the field of Business History are Franco Amatori (Italian big business), Andrea Colli (small firms and family business, industrial districts), Stefania Licini (wealthy Milanese in the 19th century), Guido Guerzoni (Renaissance courts), Elisabetta Merlo (history and organisation of the fashion industry), and Marina Romani (Banking History).

The core task of the three-year-programme is the candidate's preparation of a dissertation. However, based on a personalised path worked

out individually with each student, participants are encouraged to follow seminars in Economic and Business History, in Economics (including quantitative methods) and in Sociology. Most courses are offered at Bocconi University, some are offered at the other universities that are also participating in the programme. The seminars in Business History are quite relevant. They are organised by Bocconi University in co-operation with the Italian Association of Business Historians (ASSI) and take place during the each spring semester.

Testing for admission usually takes place in January or February. It consists of a written essay plus a discussion of a research project. Each year grants are made available for candidates who qualify for this programme.

Anyone interested in applying should contact Mr. Gualtiero Valsecchi, responsible for the post-doctoral programmes at Bocconi,

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Three Dedications to the Reichsbank's President

The 60th anniversary of Hjalmar Schacht

In January 1937, the German Reichsbank produced three publications on the occasion of the 60th anniversary of its president Hjalmar Schacht. Although they were rather different kinds of collections they nevertheless had the same target: to point out the singularity of the person celebrating his jubilee.

1) A catalogue of business histories. Schacht, who, at the beginning of his career, was responsible for the Dresdner Bank archives, had animated such a bibliography some years before. Although restricted to research on the mid thirties, it offers a very useful survey on entrepreneurial histories in general from past to present. It includes more than 2,000 titles. The catalogue's chronological arrangement allows a close look into the be-

ginnings and highlights of German business history of several industries and even includes a short survey on business history abroad.

2) A collection of quotations, which includes Schacht's essential statements during a period of 40 years as the president of the Reichsbank, a leading economist and politician. Nowadays, historians consider this collection to be a reliable source for finding a Schacht quotation for any occasion. Its original publication already showed Schacht's great eloquence in his comments.

3) A catalogue of caricatures called "Schacht in der Karikatur". This publication seems to be a rare curiosity. It is a remarkable collection of caricatures and cartoons taken from newspapers, published between 1923 and 1936, showing



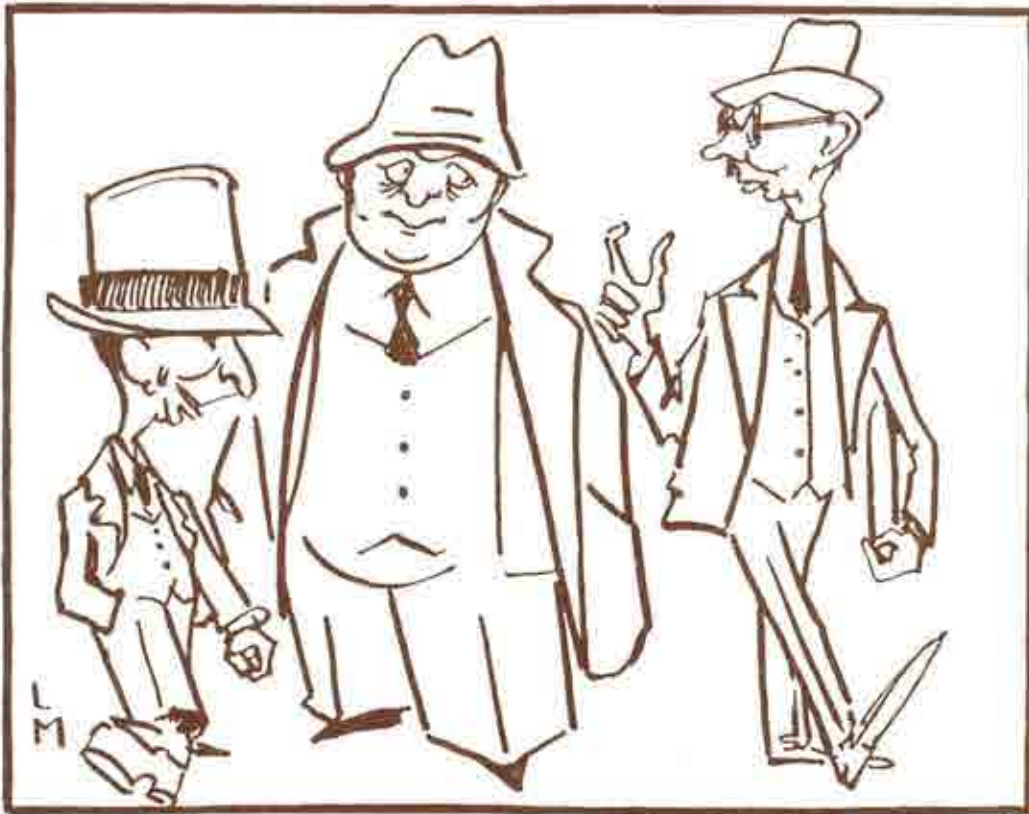
Hjalmar Schacht

SCHACHT IN DER KARIKATUR

Im Auftrage
des Reichsbankdirektoriums
zusammengestellt in der Volkswirtschaftlichen
und Statistischen Abteilung
der Reichsbank

Zum 22. Januar 1937

Berlin 1937 - Gedruckt in der Druckerei der Reichsbank



Schacht, Göring and Goebbels went out in a restaurant recently. Nobody recognised them, because Goebbels remained dumb, Göring wore plain clothes and Schacht – paid ("Arbeiter-Zeitung", Bale, 14.12.1935)

Schacht and other major potentates of the Reich, including Hitler. These mostly very sarcastic visual comments on the Weimar Republic and on the then following National Socialist financial policy were printed on behalf of the "Reichsbankdirektorium". That might be quite amazing at first glance. Hitler, Göring, Goebbels and, of course, Schacht are shown in a rather unfavourable manner – as usual in this genre. Understandably enough, the culture of political caricature was nearly banned from newspapers in Germany after 1933. For that reason, a lot of exile publications are mentioned in the Schacht-collection. The comments of the non-German newspapers have all been translated.

One can assume that this comprehensive collection was not really produced for a public readership. Therefore, only a few copies have probably left the inner circles of the Reichsbank.

Due to the fact that the collection was only slightly edited, there are at least two aspects which might be surprising about today's publication:

On the one hand, there is Schacht's well-known and openly pronounced vanity, which, without doubt, is flattered by such a collection. Horace Greeley Hjalmar Schacht – his first two names were chosen by his father, who spent some years in the US, in honour of a democratic presidential candidate – had already been rated to have great potential in his graduation certificate: "*Gut veranlagt, hält sich zu Großen bestimmt*".

Although Schacht kept an eye on the making of a collection of Hitler caricatures – which Ernst Hanfstaengl, one of Hitler's close friends of the early days, was going to arrange – it was clear that Schacht found such a collection quite appropriate for himself.

Schacht also made an official comment on the significance of political caricature which surely was not in accordance with his true opinion. However, this comment was enough to justify the making of "Schacht in Caricature". The overwhelming successes of Nazi Germany disproved all international carping criticism: *"Auf die Dauer wird auch die politische Karikatur des Auslandes durch die tatsächliche Entwicklung um ihre Wirkung gebracht werden. Auch die Lügen eines Karikaturisten haben kurze Beine, und die Zeit arbeitet für Hitler und Deutschland"*. ("In the long run, the actual development in Germany will take away even the effectivity of the political caricatures of the international press. Truth will out for caricaturists, too, and time works for, not against, Hitler and Germany.")

These three dedications to Hjalmar Schacht show the efforts of "his" Reichsbank to point out the high cultural level of its president. He had always been convinced of his superiority in comparison to other National Socialist leaders. Even during the Nuremberg trials, facing major war criminals, Schacht felt great pleasure when he reached the highest IQ among all defendants.

Horace Greeley Hjalmar Schacht

* 22.1.1877 Tingleff/Northern Schleswig (now Danmark),
+ 3.6.1970 Munich.

Schacht was one of the most outstanding and also most disputed person in the German financial history of the 20th century.

1923-1930 and 1933-1939: president of the Reichsbank.

In 1923/24 he earned a lot of appreciation for his efforts to contain the hyper-inflation in Germany and to stabilise the new German currency, the Reichsmark.

1934-1937: the Reich's Minister of Economy.

Although he played a key role in financing Germany's rearmament after 1933, he became more and more an opponent especially of the financial and economic development in the nation, but also an opponent of the Nazi ideology in general. By 1939, he had retired from all his official functions. After the attempted assassination on Hitler (20.7.1944), he was imprisoned and spent the rest of the war in several concentration camps. Nevertheless, he was also accused at the Nuremberg trials. But then he was finally discharged. In his last decades, he was active as private banker, financial adviser and writer of memoirs.

The Dictator



The Dictator ("Record", Philadelphia, 6.8.1934)

Reinhard Frost

Deutsche Bank AG

Historisches Institut

BANKS AND TRADE UNIONS

Since Herman van der Wee's opening statement at the First Academic Colloquium of the European Association for Banking History (1992), little research has been done on the social history of banking.¹ For example, the history of working conditions at banks is more or less an untrodden field of research, even though these conditions are important to anyone working at a bank. For decades now, everywhere in Europe trade unions have contributed to the shaping of working conditions at banks. Among them is the independent Association of Employees of the Dutch Central Bank, the *Vereniging van Werknemers van De Nederlandsche Bank NV*, which celebrates its 30th anniversary in October 2000. This article ends with a glimpse into history.

Integration and unions

Working conditions are often regarded as a national matter. The same goes for unions. Their existence, identities, goals and actions are closely interlocked with the political economy of a national state. In Europe however, the post-World War II development of economic and monetary integration also started a process of bringing the central bank unions together. The Treaty of Rome of 1957, which created the European Economic Community (EEC), was the first step in the integration process of Western Europe. Its aim to establish a common market would in the long run also affect the working conditions in the six member states of the EEC (France, Germany, Italy, Belgium, Luxembourg and the Netherlands). Subsequently, in the early 1960s the first contacts were made by unions involved in the central banks of Italy, France and Germany. This led to three meetings - in Rome (1964), in Paris (1965) and in Frankfurt (1968) - at which general information relating to the national

situation and to the activities of the three central banks involved was exchanged. During the next years the number of participating unions and countries slowly increased. In 1968, unions of Belgian and Dutch central bank employees also sent representatives and one Austrian union sent an observer. Then, for seven years, these contacts stopped.

By 1975 the old contacts revived and, above all, got an even more permanent footing with the creation of the so-called Standing Committee of European Central Bank Unions. This Committee consists of various union organisations of the EEC-central banks. In general each central bank is represented by several trade unions and staff associations. Some of them were sections of general trade unions of the member countries of the European Economic Community. Others were non-affiliated unions, such as the above mentioned *Vereniging van Werknemers van De Nederlandsche Bank NV*. Again the number of participating unions and countries expanded. In 1978 it was decided that a permanent bureau of the Standing Committee would be established. This Executive Bureau consists of a president, two vice-presidents and a secretary. The Banque de France was in charge of it till 1981. Afterwards it moved to the Banque Nationale de Belgique and lately it returned, after several years, from Brussels to Paris. Its task was, among other things, to co-ordinate the members and to spread information.

As time went by, the Standing Committee expanded in line with the extension of the EEC. Within the Committee various topics relating to the ongoing European integration as well as the consequences of important developments at central banks, such as automation and closing down of

branches or converting them into smaller offices, were discussed. In December 1988, the Standing Committee presented a memorandum called 'Réflexion sur les activités futures des banques centrales' to Mr J. Delors – who was the president of the European Commission at that time. In the 1990s the European System of Central Banks (ESCB), which got one step closer to realisation after the Maastricht Treaty in 1991, was on the agenda of the Standing Committee as well as its repercussions on a national level. These topics were also discussed vividly at the Dutch Association of Central Bank Staff.

The Dutch Vereniging

One of the members of the Standing Committee of European Central Bank Unions is the Dutch *Vereniging van Werknemers van De Nederlandsche Bank N.V.* This rather small union, founded in 1970 by the employees of the Dutch central bank, is not the only one representing the staff of this bank. Yet, it is the only Dutch member, while other countries are represented by more than one union in this international consultative structure.

The roots of the *Vereniging* lay in the post-1968 unrest. With its foundation, the employees of the bank hoped to keep the national unions out, as they were quite happy with the situation as it was. The fact is that in the summer of 1945 a small representation of staff was formed which was heard by the governing Board on issues concerning wages, working conditions etc. The unions were not part of this. But by the end of the 1960s, this informal frame of representation was outdated and was therefore transformed into an employees' association. From its founding in 1970 to the present day the *Vereniging* has been representing between 65 and 85 percent of the Bank's employees. This makes it rather special both within the

Bank and the Standing Committee of European Central Banks. From its start the *Vereniging* had a dominant position in negotiating the terms of employment with the governing Board of the Bank. With respect to wages and general employment conditions the Dutch central bank as well as the four unions involved usually follow the national agreement of working conditions of the banking sector. As a central bank, however, the *Nederlandsche Bank* is not restricted to this national agreement and can more or less set its own conditions. Nevertheless, in practice, both bank and unions choose to follow the general agreement. In addition to this, the Bank and the *Vereniging* negotiate their own special bank conditions, such as health insurance, pensions and pensionable age or the amount of paid holidays, on a regular basis. It is those aspects for which the *Vereniging* has made itself useful for the past three decades. And it is for this reason that this union has decided to commit its ups and downs to paper.¹

From the beginning the *Vereniging* has been an active member of the Standing Committee. Over the past three decades, two of its chairmen have also acted as vice-presidents of the Standing Committee. Furthermore it has organised the annual meeting of the international organisation twice, last time being May 1992. On that occasion no less than 42 unions from fourteen countries (the twelve EU-countries plus Norway and Austria) met in the Netherlands to discuss the implications of the Maastricht Treaty for the employees of the central banks of the EU. At that time, there was a lot of uncertainty about the amount of staff of the future European Monetary Institute and its successor the European Central Bank.

Within the framework of the supranational organisation one would expect that decisions relating to, for example, labour conditions would also be an issue at the supranational level. However, no such thing has happened so far. The labour

conditions of the national central banks remain a national matter even though the international influence makes itself noticed within the national central banks, as for example concerning the change of business hours. This is only one detail. On the eve of the introduction of the Euro, the central banks are facing similar problems regarding their future organisation in relation to the fast expanding European Central Bank in Frankfurt. For the *Vereniging*, as for the other unions, there remains a lot to be discussed during the next decades.

Joke Mooij

¹ J. Mooij, *Voor elkaar: Vereniging van Werknemers van De Nederlandsche Bank NV, 1970-2000*, Amsterdam, 2000.

The bank's buildings were usually of insignificant value, compared to the value of total assets. But in the eyes of ordinary customers, the bank's building represented something solid. In older adverts of banks, the addresses with note "in their own buildings" could also be found. So, banks had good reasons to invest in nice, attractive buildings.

It seems that banks played an important role in the development of architecture, at least in the area of business building architecture. However, this does not seem to be researched on that much.

We would like to start a new rubric about the architecture of banks and its development. Is there anybody who would like to take over this rubric or contribute in any way to this topic?

If you are interested, please do not hesitate to contact us.

Imaging of historical records in the Archives of Credit Suisse Group¹

Abstract

In order to analyse the history of our bank during World War II and under the pressure of the impending US class actions against Swiss banks, the Credit Suisse Group and all of its affiliates had to arrange and organise their archives as soon and efficient as possible. In spite of the strong time pressure caused by the investigation requirements of the commissions (Volcker and Bergier) the description of the archives should not be realised "quick and dirty" but meet scientific needs according to the ambitious purposes of the project.

Considering the huge amount of sources, an intellectual description of the documents, using a regulated set of vocabulary, was out of question. Most of the mechanically-readable, historically relevant documents of the period from 1933 to 1945 should be digitally retrievable in full-text. Consequently, would a fuzzy full-text retrieval-system be exactly the right choice to solve the problem of a content-oriented search aid? The article describes the introduction and some three years of experience with digital archives.



Corporate history and publicity

It seems quite recent that the treatment of corporate history has become this important. During the last four years, the subject of "dormant accounts" has created considerable publicity in Switzerland, and even internationally.

Multinational companies are doing business in a global society of rapid information exchange. Under such circumstances especially banks are increasingly exposed to high performance expectations, politics and business ethics. Therefore insensible handling of emotional issues, such as the "Holocaust victims accounts", can suddenly change or harm the economic conditions of a com-

pany. Business credibility may also become an important factor in the context of the companies past.

Professionally managed corporate archives constitute a solid basis of an open-minded and self-critical interaction with the own corporate history to prevent risk-taking regarding the company's reputation.

1. Organisational setting

At the end of 1996, a project called "History of the Group" was started simultaneously with the

transformation of CS Holding into Credit Suisse Group. Initially, we centralised all nationally available archival sources that had been archived beyond their legal retention period of ten years. These measures were taken to organise an archival infrastructure for an effective investigation of dormant accounts (audit firms mandated by the "Independent Commission of Eminent Persons" (ICEP¹) and preparation of litigation reports) on the one hand, and, on the other hand, to support the analysis of the federal commission of independent experts (Bergier-Commission²).



It was a great organisational challenge to manage a basic change in archival policy from an old decentralised system to a professionally managed centralised archive. Until 1996, little archival wisdom scattered throughout the agencies, and the departments recorded information quite aside from efficiency and economy.

The new management applied professional criteria to design the archival process. We had to plan and carry out the main tasks, such as records accession, appraisal, archives. That's the first time in Swiss banking that only authorised specialists (archivists and historians) are allowed to appraise the historical value of corporate records.

2. Description programme

After finishing the main centralising activities in Switzerland and the creation of a basic inventory the following volumes were treated:



Totally more than 40 shelf kilometers of fonds older than 1987 were centralised and appraised. About 6 kilometers of these fonds are historically relevant documents (primarily not transaction based material) and approximately 20 kilometers refer to client related data, incl. COM-data. The rest (e.g. EDP-Output) is non-relevant information for possible later destruction; for the moment these documents are off-site, stored till the Federal Decree will be lifted (not before 2002).

The main scope of the archive's project consisted in achieving an optimal transparency throughout all archival fonds within a given time.

Therefore we had to plan the description of the once selected records. The following remarks about the description approach exclusively relate to the historical archives. The description of the customer information archives were simultaneously processed in a separate project⁴.

At the beginning there were some basic decisions to take. The first decision – digitilisation or not - was easy because it would be impossible to meet all investigation requirements with original paper copies only. Consequently, a state-of-the-art evaluation of an efficiently approved imaging sys-

tem had to be done. The most important question was how detailed the description should go? Time was the most important factor. Within a couple of weeks we had to decide which imaging system to choose, how to match the imaging system with our description programme, which records should be imaged first (priorities), how to plan and carry out the production in a most effective way?



Intellectual description or full-text as a replacement of pertinence?

Because of the time constraints, an evaluation of a controlled vocabulary seemed too costly. Qualified human resources would not be available to create an acceptable and consistent index quality; other unfavorable conditions, such as heterogeneity and large scale collections as well as many different languages (problems of synonym control), were strong arguments against an intellectual content description. To keep in pace with the project development, we had to choose a totally new way. We decided to process the text of all relevant and machine-readable historical documents by an optical character recognition (OCR) and make it searchable with a powerful and intelligent full-text search engine (Eurospider⁵). Our OCR-index became automatically a sort of replacement of pertinence. No keywords needed to be indexed. Documents indexed by a thesaurus tend not to deliver better retrieval results.⁶ Eurospider's functions, such as relevance feed-

back and similarity thesaurus, vastly surpass the possibilities of traditional Boolean search systems.



3. Electronic description

The electronic description of the archives has been scheduled on three levels (see Appendix 1):

1. CSG Standard inventory (reference database Oracle)
2. Image processing of prioritised documents with metadata (limited set of attributes, see index below)
3. OCR-processing of machine readable historical relevant documents (Full-text search by Eurospider)

1 Talk given at the annual meeting of Vereinigung deutscher Wirtschaftsarchivare (VdW), Frankfurt 3.5.1999

2 <http://www.icep-iaep.org>

3 <http://www.uek.ch/>

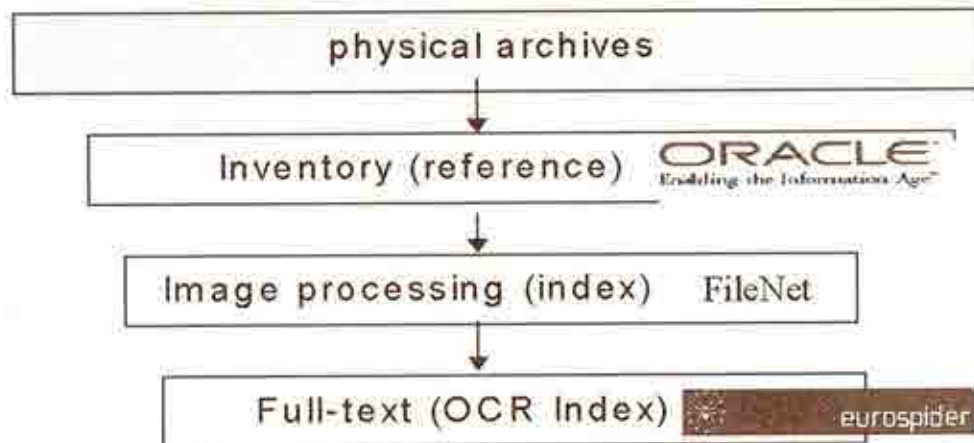
4 Prioritised parts (10 Mio images) of the customer information archive from the relevant period (1933-45) have been digitally processed: account opening forms, customer information files (registry cards), savings books.

5 <http://www.eurospider.ch>

6 „The use of retrieval thesaurus as an indexing device thus remains an act of faith, and while modern technology may make displays of conventional, or unconventional associative, thesaurus structures available for search formulation, how valuable this would be still needs serious investigation.“ Karen Sparck Jones: University of Cambridge, Thesaurus (Encyclopedia of AI), 2nd ed., New York: Wiley 1992)

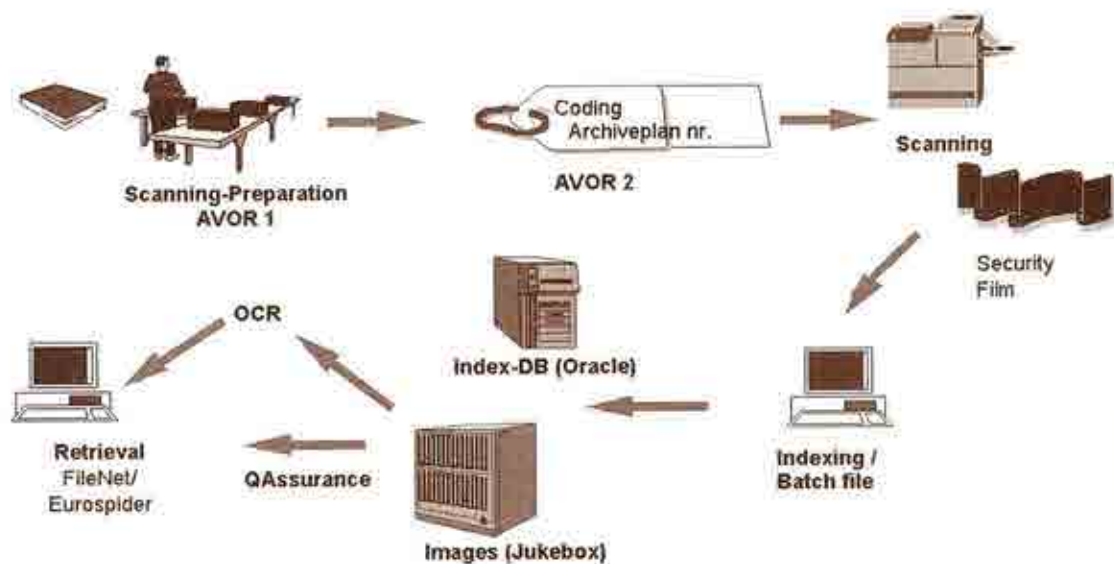
Appendix 1

Finding aids



Appendix 2

Document image processing FileNet



CSG standard inventory (digital catalogue, 1st level)

The inventory is the main search aid of the Central Corporate Archives and gives a full overview of all sources down to the smallest level of files. The inventory is based on the classification plan that follows the principle of provenance.

The inventory gives information about the title of a document or a file, the reported period (date from-to), the type and size of the file or record series and formal aspects (e.g. if the text of the document is mechanically-readable or not because of an evt. OCR-selection). The inventory is continuously updated and accessible for all authorised users via Intranet by a standard browser.

Document image processing (2nd level)

In a second description phase all prioritised documents were scanned and indexed in the File Net System (Panagon):

Index attributes:

- Reference number (format = qqg.xxx.yyy.zzz) corresponding to classification plan
- Title
- Date from
- Date to
- Type of document
- Language
- Provenance (organisational unit) and document transferring unit or person
- Security level (free, for internal use only, confidential)
- Location (shelf)
- Access (corresponding to predefined holding periods in years)

- Notes (formal information, docs mechanically readable or not etc.)

Full-text archive (3rd level)

All mechanically-readable images of the File Net system are OCR-processed (Optical Character Recognition). This means that the text of every image page is converted into a text file. This text constitutes the entity of the OCR-index together with the meta index of File Net which is integrated into the Eurospider system. Subsequently a full-text search can be processed within the whole document collection that allows searching the full textual content of a document and not only within the manually indexed attributes. Special retrieval qualities of Eurospider are discussed in the last section of the article.

During the product evaluation, the Eurospider system turned out to be the best tool matching our professional needs. Main features:

- Cross lingual retrieval, multilingual search facilities (not yet implemented)
- Ability to interpret records of a bad text quality (high tolerance of OCR-mistakes)
- Adaptation of algorithms to document collection (learning system)
- Fuzzy Search -> Probabilistic search methodology
- Search results are ranked by relevance

Prioritisation of historically relevant documents

The selection of relevant documents to be scanned first followed the following rules:

First, we had to select the key-documentation of the bank and all affiliated companies whose

records are stored at the Central Corporate Archives.

The notion "key documentation" describes a set of the most informative records of the corporate history – records that reflect the long term development and turning points in the decision making of the banking business. Examples:

- Minute books of the board and special committees
- Minute books of the board of directors, by-laws, regulations, directives
- Annual reports
- Publications about the own corporate history (celebrations)
- General publications
- Press reviews
- Legal files, legal forms
- Statistical information (development of banking products, interests, fees etc.)
- Audit reports, Controlling reports
- Balance statements, Important accounting records, ledgers

Production "Document Image Processing"

Only few weeks after the project's kick-off, we could already start an imaging pilot. The learning curve was quickly surpassed and the production was developing quite well. There are roughly four different phases in the production process (see Appendix 2):

1. Work preparation 1 (AVOR 1): preparation of scanning (eliminating clips, etc.), making photocopies of the original records
2. Work preparation 2 (AVOR 2): preparing the document units that are defined as one batch

by the coding team, preparing the input of coding information according to the classification plan

3. Scanning of the documents (both sides of the sheet) and filming simultaneously (security film)
4. Indexing of the batches according to coding information given by specialists (historians)

Browsing through the search results (a third frame shows the full image of the document including metadata with green highlighted search terms in the text) leads the researcher from one theme to the next related theme. Thus connections between one theme and the next, which were not clear before, became visible to the researcher, who can modify his or her search accordingly until no new material appears.

Advantages and pitfalls

Full-text retrieval always raises some critical aspects, such as the problem of recall completeness. A content-driven retrieval system never finds all relevant documents (hand written documents are excluded). The aim is to increase the probability that a relevant document will be found (improvement of the OCR).

The search through electronic archives sometimes produces unexpected results, documents are found you would never have dropped on by a normal physical search ("serendipity"²).

It is obvious that an optimised retrieval cannot replace a thorough analysis either. Every researcher has to explore by himself all the context information of provenance and business processes. The heuristic process in an archive can give a lot of useful input by cross-fertilisation through human interaction and communication. "The very fact being in an archive, talking to archi-

vists and other readers in a quasi-social setting, is important for such cross-fertilisation.¹³

Nevertheless the advantages and strengths of a global disposition of digital records prevail:

- Handling
- Greater user populations can simultaneously access all documents from everywhere (globally) every time, quickly disposable by Intranet; control of user entitlements can be centrally managed
- Original paper records are never moved or damaged
- Success factors of a modern information management

By offering archival information services on a modern platform with excellent tools, the corporate archives can reach a better internal positioning and improve their image by well performing archives management.

Though the question of preserving digital access for long term remains unsolved¹⁴. As a matter of fact further technical innovations and developments may be expected. We have to cope with such challenges without neglecting our good old analog paper fonds.

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1 vgl. Wratten, Nigel: Key Documentation, in: European Colloquium on Bank Archives, Vol. 3, Priorities in Bank Archives (17.-18.6.1993), ed. by European Association for Banking History (EABH), Frankfurt/M. 1994

2 The occasional finding of relevant information for which has not been explicitly searched (especially occurring by processing online-searches).

3 see Edward Higgs, in: Electronic Records Management, ICA 1996, p.74

4 see the article in the Frankfurter Allgemeine Zeitung 26.6.1999, p.45: „Wo sind die Virtuosen der Virtualität? Rauschen und Flimmern im Urgrund allen Zweifels: Ein Marburger Kolloquium über digitale Archive; see also: Im Dschungel der Formate, in Spiegel Nr.26/2000 (Wege aus dem Datenchaos – der Infoplanet); e.g. Super-CD mit Diamantschicht (www.horsam.com) or „Paperdisk“-Technique (www.paperdisk.com) or output on paper preservable for a thousand years (www.ojipaper.co.jp).

Guide & catalogues plus Digitalisation on the Internet

The European Association for Banking History e. V. can act as a stimulus for the reaping of benefits from new technologies in favour of the most classical archival tasks.

It is recognised that the archives of European banks are invaluable sources for general history as well as for the history of international business. The Internet guide to business and banking archives is a very useful tool for getting in contact with the archives of a number of corporations and should be further augmented through the addition of new entries. We all can stimulate the growth of this work.

After the first ten years of the EABH, new goals can be reached by disseminating information about the contents and the research potential of each individual archive, for instance by cataloguing the correspondence of some international bankers of the past (and providing remote access to them), or by discovering the treasures of some specialised bank libraries.

If internal staff resources are not so abundant, some special projects could be started and funded, or, they could be implemented with the help of some trainees. You could also introduce this subject as a new doctoral thesis. In any case, we professionals are aware of the fact that a consistent percentage of our timetable has to be spent for preventing the elimination of records, for managing the collections and for compiling inventories.

The Internet is not only a means of PR and marketing, but also of publishing general guides of our collections, complying with international description standards (the so-called ISAD norms). If we computerise both the general and the particular information within our archives, we will be able to improve our standing with our employers, while giving a more concrete idea of the impact of our collections on political, social and economic history at both national and international levels at the same time. And we can also pass on our accumulated knowledge and the proven search tools, that are to be used, to our successors in the management of historical archives.

In this context, we wish to communicate our recent experience at Banca Commerciale Italiana (BCI), in order to inform the public that we shall be on the Internet with:

- the general guide of BCI's historical archives (English version)
- all our inventories (more than forty)
- a pilot experience of digitalised documents (the series Papers of managing director Raffaele Mattioli, 1926-1972, selected by himself as an *epistula posteritati*).

Moreover, new fonds relating to the years 1934-1950 will be opened to the public (globally more than 650 boxes and 480 registers), which include amongst others the Mattioli Papers, the files and reviews of the well known BCI's Economic Research Department and the very exhaustive minutes of BCI's Management Board.

Some colleagues have asked us to describe the new software of BCI's Historical Archives in full detail and we are pleased to do so, since our experience has been truly positive.

The system has been working without any problem for more than a year. All the archival functions are automated, in a client/server application developed with Microsoft standards and a user-friendly layout, which can be easily linked with other applications existing inside the parent company and with very easy procedures for data import and export.

The main functions of our new software are presented in the following outline.

There are three main groups of data.



"Fondo" - The **first** group presents the inventory of our archives. This area will be accessible via Internet, giving researchers a chance to easily take a quick look into our archives. This area contains the following sub-cards:

Inventories with hierarchies:

Fond
Series
Sub-series
Box
File
Sub-file
Item

It is possible to keep research and inventories on the level of the box, thus providing concise information about the inventory without going to the item level

Indexes of minute books, letter-books, with cataloguing by

1. Persons' names
2. Company names

Catalogues for special collections

1. AGM reports
2. Photographs
3. Video and audiocassettes

"Servizio informazioni" - The **second** area is for internal use at the bank and contains the following:

Library catalogue

Information services:

1. Data bases on persons (managers and employees)
2. Companies/subsidiaries/branches

Co-operations (enquiries and special activities)

Storage/statistics of current enquiries into the archives and of special activities (lessons and workshops, loans to exhibits, research articles, advisory services to other archives).

Reference service with automated request for items in the reading room and photocopy service; statistics on users, on research areas, and on the records used.

"Records management" - Very important for the work of our archives is the **third** area of services which is dedicated to dealing with the archives material, or simply speaking, it is the administrative programme of our archives. This service contains:

Register of acquisitions

Topographical maps of the repositories

Transfer lists and provisional lists

Retention schedules

Memoranda and planned acquisitions

Other functions:

There are some specific functions, which have proved to be important during the past year of use.

The most used function is the advanced information retrieval, with Boolean (and, or, not) operators:

- Generic enquiries (all fields in all cards)
- Very specific enquiries (one or more selected fields).
- Links of the electronic catalogue card with digitalised and multimedia items
- Links and cross references between cards
- Dictionary of terms for each field
- History of enquiries for each user (bookmarks etc.)

We recommend to visit our website at www.bci.it. Our services will be available for the public via Internet starting in March 2001.

Dr. Francesca Pino

Head Archivist

*To see an example, take a look at the presentation of a record group at the fond level (the **papers of the managing director Otto Joel**, who co-founded BCI with Federico Weil). This source is particularly interesting for historians for European banking.*

It complies with the ISAD norms. Within the information system, the photos are directly linked to the card "Fond" and the listed bibliography can be obtained by means of electronic links to some cards of the bibliographical catalogue.

PERSONAL AND FAMILY PAPERS OF OTTO JOEL

Identification notes

Fonds title: Personal and Family Papers of Otto Joel

Reference code: P3

Date range: 1872-1925

Size of fond: 2 series

Contents

Records creators and biographical history: Otto Joel.

Below, the Historical Archives has transcribed the biographical description of Joel which appears in the book by Gianni TONIOLO, *One Hundred Years, 1894-1994. A Short History of the Banca Commerciale Italiana*, Milan, Banca Commerciale Italiana, 1994, p. 30:

"Joel is described as a mild-mannered and amiable person, despite the pained expression he often wore, as the result of a frail constitution. He was born in Danzig on 13th May, 1856, into a well-to-do German family of Jewish origin. At the age of fourteen he went to Italy for health reasons and spent the rest of his life there, apart from three years in Frankfurt rounding off his banking training. In 1910 he officially became a citizen of Italy. In 1887 he joined the Banca Generale, remaining there until it was wound up in 1894.

He and Federico Weil were the main catalysts of the principally German interests that brought the Banca Commerciale Italiana into being. At that time, his professional standing and reputation provided a guarantee for those people who put up the capital for the new institution.

Between 1894 and 1908 he acted as senior manager, later becoming managing director. Together with Weil he was the main engineer behind the Bank's rapid growth during the Giolittian era. Following the controversy that broke out at the end of 1914 over the "Italian-ness" of the Banca Commerciale Italiana, he stepped down in 1915, and died in Milan on 25th April of the following year".



It is worth remembering that in 1903 BCI's Board of Directors consisted of 30 members – of which 13 were Italian, 7 German, 4 French, 3 Austrian, and 3 Swiss – and that Joel performed the delicate task of coordinating the meetings and making the diverse opinions match effectively.

Subject areas:

The immense value of the Joel papers has not gone unnoticed with scholars who frequent the reference room of BCI's Historical Archives (more than fifty persons have taken out research material).

In contrast to the traditional use of these papers for researching general and political history as well as the history of the press and international relations, the BCI Historical Archives has noticed an increase in research on financial, and above all, industrial history during the past few years.

First of all, the sources are an essential point of reference for those studying the developments of BCI up to World War I, because it contains information about high level decision-making – which is normally not revealed in papers produced by the Bank's various departments. The other requests to consult the Joel papers (about half of the total number) can be regrouped as follows: 1) research of a biographical nature on the international world of banking, business or politics; 2) research on industrial sectors or individual firms; 3) research on local or regional economic history.

It is possible to learn a lot about the management of a large company from a professional experience such as that of Otto Joel. You can observe his extraordinarily conciliatory and far-sighted methods of conducting business negotiations as well as co-ordinating and supervising the internal organisation of the Bank, particularly in the sector of staff training.



Otto Joel and Bettina Kitt Joel

The family documents are of particular interest and rarity (boxes 20-24). They reconstruct the picture of two families which are very interesting for social studies: the Joels (a Jewish family) and the Kitts (a Swiss family of protestant faith).

From the documents it emerges, among other things, that in the second half of the 1880s, before his marriage, Otto Joel converted to Protestantism.

Finally, the importance of the Goldschmidts (Otto Joel's mother's family) – of which the most illustrious member was the jurist Levin Goldschmidt, Joel's uncle – should be pointed out.

Complimentary sources

Internal:

All fonds relating to the first twenty years of BCI's activity.

Personal letters from and to Otto Joel are also preserved in the General Secretariat (1894-1915) and in the letter-books of the Head Office (1894-1896).

External:

See the diplomatic and banking archives of various European countries, personal archives of politicians, financiers and businessmen. The Historical Archives intends to begin a policy of exchange with other archives at which Otto Joel's correspondence is also kept. This would be a fitting homage to the memory of the man responsible for the Bank's initial success as well as an important source for historical research.

Researchers are invited to collaborate with the Archives on the increase of knowledge and documents related to this exceptionally rich banking experience.

Bibliographical references:

The events of reconstructing the series of family papers are described in **Francesca PINO**, *Dieci anni di lavoro d'équipe: aperti al pubblico tutti i documenti Comit dal 1894 al 1934* (Ten Years of Teamwork: All the Documents of Banca Commerciale Italiana from 1894 to 1934 Opened to the Public), in "Archivi e Imprese", no. 13, January-June 1996, pp. 150-53.

About the use of the Joel papers before the opening of the Historical Archives, see under the profile of general, political, diplomatic and press history:

- **Gino LUZZATTO**, *L'economia italiana dal 1861 al 1914* (The Italian Economy from 1861 to 1914), vol. 1: 1861-1894, Milan, Banca Commerciale Italiana, 1963, in the series "Studi e ricerche di Storia economica italiana nell'età del Risorgimento" (Study and Research on the History of Italian Economy during the Risorgimento), with following reprints by Einaudi Publishers, Turin, and, for Luzzatto's project of a documentary anthology on Joel and BCI, interrupted by his death, see **Francesca PINO**, *Notizie sul riordino dell'Archivio Storico della Banca Commerciale Italiana* (News on the Rearrangement of the BCI's Historical Archives), in "Rivista di Storia Economica", nuova serie, a. 6, n. 2, 1989, pp. 199-210.
- **Gastone MANACORDA**, *Il capitale straniero e le nuove banche* (Foreign Capital and the New Banks), in: **Gastone MANACORDA**, *Crisi economica e lotta politica in Italia, 1892-1896* (Economic Crisis and Political Conflict in Italy), Turin, 1968, pp. 195-217. A 2nd edition had been printed in Rome, 1993.
- **Brunello VIGEZZI**, *Otto Joel, il principe di Buelow e i problemi della neutralità italiana* (Prince Buelow and the Problems of Italian Neutrality), in: **Brunello VIGEZZI**, *Da Giolitti a Salandra* (From Giolitti to Salandra), Florence, 1969, pp. 203-62.
- **Enrico DECLIVA**, *Da Adua a Sarajevo. La politica estera italiana e la Francia, 1896-1914* (From Adua to Sarajevo. Italian Foreign Policy and France), Bari, 1971.
- **Angelo TAMBORRA**, *The Rise of Italian Industry and the Balkans (1900-1914)*, in "The Journal of European Economic History", Vol. 3 (1974), issue 1, pp. 87-120 (then in: **Angelo TAMBORRA**, *Studi storici sull'Europa Orientale* (Historical Studies on Eastern Europe), Roma, 1986, pp. 281-309).
- **Hartmut ULLRICH**, *La classe politica nella crisi di partecipazione dell'Italia giolittiana (The Political Class and Parliamentary Crisis during the Giolitti Era), 1909-1913*, 3 Vols, Rome, 1979.

About the area of banking history see:

- **CONFALONIERI**, *Banca e industria in Italia (Banking and Industry in Italy), 1894-1906*, 3 vols., Milan, Banca Commerciale Italiana, 1974-1976.
- **CONFALONIERI**, *Banca e industria in Italia, 1907-1914*, 2 vols., Milan, Banca Commerciale Italiana, 1982.

- Peter HERTNER, *Deutsches Kapital in Italien. Bankensektor und die deutsch-italienischen Finanzbeziehungen in der zweiten Hälfte des 19. Jahrhunderts*, in "Bankhistorisches Archiv", no. 2, December 1977, pp. 1-29.
- Peter HERTNER, *Das Vorbild deutscher Universalbanken bei der Gründung und Entwicklung italienischer Geschäftsbanken neues Typs 1894-1914*, in: F.W. HENNING (edited by), *Entwicklung und Aufgaben von Versicherungen und Banken in der Industrialisierung*, Berlin, 1980, pp. 195-282.
- Peter HERTNER, *Il capitale tedesco in Italia dall'Unità alla prima guerra mondiale. Banche miste e sviluppo economico italiano* (German Capital in Italy from its Political Unification to World War I. Universal Banks and Italian Economic Development), Bologna, 1984.
- Peter HERTNER, *The Deutsche Bank in Italy and on the Italian Capital Market up to the Outbreak of World War I*, in "Studies on Economic and Monetary Problems and on Banking History", n. 21, 1986, pp. 35-72.

Amongst recent researchers who have referred to the Joel papers see in particular:

- Marcello DE CECCO, *L'Italia e il sistema finanziario internazionale, 1861-1914* (Italy and the International Financial System), Rome-Bari, 1990, series "Collana Storica della Banca d'Italia - Documenti".
- Claudio PAVESE, *Carlo Esterle: grand commis della banca mista (Carlo Esterle: „Grand Commis“ of a universal bank)*, in "Annali di storia dell'impresa", no. 9, 1993, pp. 77-94.
- Pinella DI GREGORIO, *La Società Generale Elettrica della Sicilia. Strategia e sviluppo di una grande impresa* (The Società Generale Elettrica della Sicilia. Strategy and Development of a Big Company), Palermo, 1994.

About Otto Joel's biography and his family entourage see:

- Roberta GARRUCCIO, *Otto Joel alla Banca Generale. I prerequisiti di una carriera manageriale (Otto Joel at „Banca Generale“. The Prerequisites of a Managerial Career)*, in: Duccio BIGAZZI (edited by), *Storie di imprenditori* (Profiles of Entrepreneurs), Milan-Bologna, 1996, pp. 159-99.
- Cinzia MARTIGNONE, *„La comunità dei commercianti: gli imprenditori evangelici a Bergamo nell'Ottocento“ (The Business Community: the Evangelical Entrepreneurs in Bergamo during the 19th Century)*, in: Duccio BIGAZZI (edited by), *Storie di imprenditori* (Profiles of Entrepreneurs), Milan-Bologna, 1996, pp. 53-96.

SERIES: LETTER-BOOKS OF OTTO JOEL (PJ)

Identification notes

Series title: Letter-books of Otto Joel (PJ)

Reference code: PJ

Date range: 1891-1894, 1902-1906

Size of series: 5 registers

Type of material: Letter-books with letterpress copies of handwritten correspondence by Joel.

Finding aids: Indexes of person's names (227 entries), and of corporate and public institutions (27 entries) in the information system (1988).

Contents

Records creator: Otto Joel.

Subject areas: The letter-books contain business letters, which are all of a personal and confidential nature, addressed to bankers, businessmen and technicians, politicians and outstanding members of the European diplomatic scene. The letters were handwritten by Joel. They were composed as rapidly as was required by the urgency of business; yet, at the same time, they still reveal Joel's solid command of the Italian language and culture.

The names of the recipients of the letters are often omitted as Joel addressed them with the usual polite introductions such as "Pregiatissimo Commendatore" (Most Esteemed Commander), "Onorevole Senatore" (Honourable Senator), or "Caro collega" (Dear Colleague). Furthermore, contrary to the normal practices of the Secretariat, Joel did not find it necessary, or convenient, to fill in the alphabetical indexes which are bound at the end of each volume.

After many weeks of patient and fascinating work, the Historical Archives managed to identify most of these correspondents. Thanks to this work a compact collection of letters is now available to the public. The letter-books precede, from a chronological point of view, the collection of "loose" correspondence kept in boxes 6-16.

Archival history

Date of deposit: 1977

Custodial history: The letter-books were given back to BCI by Engineer Corinaldi, heir of the historian Gino Luzzatto, who had consulted the Head Office archives at the Records Centre in Via Nievo, Milan, before it was bombed in August 1943.

Missing material: The rest of the series of personal letter-books handwritten by Joel are missing.

Access

Conditions of access: Open access in accordance with the Rules of BCI's Historical Archives. The correspondence in "gothic" German handwriting is difficult to read. Many letters are written in French.

Copyright: BCI

Copies for consultation: The letter-books are available for consultation in photocopied format.

SERIES: PERSONAL AND FAMILY PAPERS OF OTTO JOEL



Christmas party at Joel's home, Via Borgonuovo 11, Milan

Identification notes

Series title: Personal and family papers of Otto Joel

Reference code: PJ

Date range: 1872-1925

Size of series: 19 boxes

Type of material: Photocopied correspondence, copies of contemporary photographs (see the photographic section in the information system), registry office certificates and honorary diplomas.

Finding aids: Detailed inventory in GEA (1988 and 1996).

Archival history

Date of deposit: 1962, 1972, 1988, 1993

Custodial history: Joel family (Rodophe Joel, grandson), Paris.

Arrangement: The current arrangement is the result of an "encyclopedic" approach, that is, one of rearranging the correspondence in alphabetical order which was carried out before the setting up of BCI's Historical Archives. Therefore, the original order is lost, making it impossible to get an immediate idea of the many different diplomatic agreements and the extensive business deals carried out by Joel simultaneously on different fronts.

However, this obstacle may be easily overcome with the help of the catalogue data and the names of Joel's correspondents; and also because of the fact that the whole source is of a relatively small size.

Missing material: Although the papers that have been kept are among the most significant ones, it is still worthwhile to try to retrieve further correspondence from other archives.

Access

Conditions of access: Open access in accordance with the Rules of BCI's Historical Archives. The correspondence in "gothic" German handwriting is difficult to read. Many records are written in French.

Copyright: BCI's, thanks to the permission of the Joel family. The Historical Archives is grateful to Otto Joel's heirs for realising the importance of making his papers, as founder of BCI, available as sources for research.

Copies for consultation: The documents are available for consultation in photocopied format only. The originals are retained by the family. This source deserves and would benefit from further investments and donations for the digitalisation of the papers and for remote access to them.

Archives & Records Management in Business

17 - 21 April 2000

A COURSE FOR EUROPEAN BUSINESS ARCHIVISTS

The EABH, with the London-based Business Archives Council, held a hugely successful course on records and archives management in April. It was attended by 18 professionals from banks of 11 European countries, was based at St Mary's College at Twickenham on London's outskirts, and was spread over five days. Sharon Quinn-Robinson was course manager.

In planning the programme, two distinct elements were kept in mind. One was the ways in which archivists can exploit archives for the benefit of their bank's mainstream business. The other was the information management technology which they can harness to assist in the organisation and exploitation of their historical materials.

In order to achieve this, the course very much drew on the specialist expertise of bank archivists from around Europe; most were London based but archivists from Paris, Milan and Edinburgh also participated. Several speakers were recruited from other industrial sectors so it was as much a course for business archivists as it was for bank archivists.

In order to provide a sense of relevance and involvement, for two days the course left the classroom and transferred to the City of London. One day was spent at the Bank of England while a second was based at the headquarters of ING Barings. As well as providing more varied surroundings, the course students were able to see at first hand different features and functions: for example, a bank museum, a specially adapted storage facility for archives and a current records management unit.

As a stage setter, the course began with an overview of the present state of the organisation and functions of bank archives in Europe with Roger Nougaret (Credit Lyonnais), Francesca Pino

(BCI) and John Orbell (ING Barings) relating the experience of France, Italy and the UK respectively.

Sessions focusing primarily on exploitation issues included those by John Keyworth (Bank of England) on administering the Bank of England's Museum and by Diana Lay (Bass Brewing) on establishing and developing the Bass Museum of Brewing. They proved to be very contrasting experiences. Vic Gray and Melanie Aspey (Rothschilds) dealt with the issues surrounding the exploitation of an anniversary event; they drew heavily on the varied and imaginative work they did to celebrate the 200th anniversary of the establishment of the UK business of Rothschilds in 1798.

Roger Nougaret (Credit Lyonnais) dealt with producing publications dealing with practical issues and covering all types, from promotional brochures to scholarly histories. Francesca Pino (BCI) focused on promoting the archive as a resource for research and spoke about the importance of producing adequate and appropriate guides and catalogues.

Harnessing technology for the exploitation of archives was most clearly illustrated in the talks by Philip Winterbottom (Royal Bank of Scotland) and Jane Waller (ING Barings). Philip talked about the production of a CD ROM product while Jane discussed the issues involved in the production of an intranet site.

But archives cannot be exploited unless they are well-organised and so while exploitation remains a key issue, organisation issues are absolutely vital in facilitating it. There was much on managing records and archives throughout their life cycle. Mark Emmerson (ING Barings) talked about managing current paper-based records while Karen Mitchell (BOC) dealt with electronic

records. And to extend this to the cutting edge of technology, a demonstration of electronic document management platforms was provided by the software house Documentum.

Archive management was dealt with by Sara Kinsey (HSBC), who considered selecting modern records for historical archives, and by Jessie Campbell (Prudential) who dealt with issues surrounding cataloguing archives using database systems. To complement this, various software houses were invited to demonstrate their archive cataloguing products. The routine but vital issues of archive preservation and conservation were considered by Ursula Carlyle (Mercers Company), who dealt with disaster recovery and business resumption, and by Serena Kelly (Victoria & Albert Museum) who reviewed the characteristics of best practice for storage, security and environment. A manuscripts conservator, John Cuthbert, outlined simple conservation techniques.

It is hoped that the result of this effort was to give those attending a good grasp at an advanced level of how to organise and how to exploit historical archives. A vital component of this was to demonstrate what was achievable and to give people ideas and confidence to launch new initiatives or to do existing tasks in different ways when they returned home.

As with all occasions like this, success was also a function of the ability of students and lecturers to meet and to network, to discuss and to learn at an informal level. That this was achieved was reflected in the good spirit that emerged amongst those attending; certainly, on dispersing, we all had a sense that we had made good friends.

John Orbell

Head of Record Services, ING Barings

Course Director

In his *Dictionary of commonplaces* Gustave Flaubert wrote about newspapers and the fact that we can neither live without them nor should we stop railing against them. It is an outstanding work for those who want to become familiar with the way of thinking of the French society at the end of the 19th century – including all its myths, strange habits, manias and, of course, its commonplaces. In fact, the *Dictionary* is even more than just that. It is a means which enables us to understand how slow changes take place and how strong prejudices can be, even in modern mass societies. Furthermore, considering today's spirit of the so-called global village or globalisation – a process which is counterbalanced by a process of "glocalisation" – it is a good example of the euphemism of the 21st century, that enhances a synthesis of the processes now under way. On the one hand, a more and more extreme globalisation, which eliminates distances and differences, takes place. On the other hand, there is a drive, correspondingly strong, towards new localism and towards an emphasis on local specialties, which are embraced as forms of a new identity and resistance to the counter-process. This might be a neutral solution, which could result in feelings of new sympathies (that only a rather small community can express anyway), although it might also certainly imply new dangerous reactions (xenophobia, racism).

Nowadays these topics are more relevant than ever because we are living in a society of (almost) instant communication – a society, in which, within few seconds, a fact turns into a piece of news. In his book *"Embers"*, the Hungarian writer Sandor Marai writes: "There is a truth based on facts. This and that has happened, in this or that moment. It is easy to determine these things.

Something New on the West Front: Media and Business History

Facts are self-explanatory, as we are used to saying (...), but sometimes facts are only deplorable consequences". That is tantamount to cancelling the first part of the statement, which is denying the truth based on facts, because the latter implies causes which have to be uncovered and understood: actually facts are not always self-explanatory, as it is stated by another die-hard commonplace.

Economic and business historians as well as journalists have quite recently faced some of these "prejudices" at a conference in Cambridge. It was an ideal meeting place. There we had one of the most prestigious colleges of this extraordinary English university town, where (together with Oxford) a great portion of the English leading class is being educated, and the climate (not the weather conditions, considering that we are still talking about Great Britain here) also seemed to be perfect due to the mutual desire to talk to each other and, above all, to understand each other. It was the first time that these two groups of people faced each other to talk about "The Power of the Media" (this was the title of the convention). The Society for European Business History e.V. gets credit for this very successful meeting.

In such a context, discussing the power of the media (above all the power of newspapers and television, but also the increasingly important internet) meant to touch on issues which are usually smartly put aside by experts. There are, for example, the questions of property, of the production costs of the product "news", or the question of the economic effects of "news", whether they are economic or not. The discussion also included topics such as the activities of major international news agencies (Reuters, Agence France-Presse, Associated Press, United Press International)

from a historical point of view, pointing out the different features of each agency and the problems they have in common when facing a market that is greedy for news, but where customers speak different languages, profess different religions and live all over the world, thus often showing different interests and sensitivities. In addition to this topic, there were also questions referring to what use companies make of news about themselves (published in newspapers), or referring to the recent discussions on government or independent bodies' interventions (with reference to the gold issue of the deported Jews or the forced labour used by some big German industrial companies during World War II).

If news is a product to be sold, it has to be "packaged" in the best possible way. That means that the use of language is no longer just an element of major or minor lexical correctness or a journalist's style, but it rather turns into something that those people, who are responsible for the quality of the product, have to keep it under control constantly. This is the new trend which all main international news agencies are following, because they are convinced that the "packaging" of the product is as important as its content. If the latter depends on chance, the former will have to be related to the political and cultural "spirit of the time", or to the *zeitgeist*, as German philosophers would have called it in the 19th century. One term can have different meanings in different time periods or different terms are used in different historical epochs to indicate the same thing.

The causes for the media's decline or success are often related to certain factors. We are, for example, used to saying that a good newspaper should always keep news separate from commentaries. This is likely to be true. However, in

southern Europe the English press mystifies the people, because it has always been able to distinguish properly between these two aspects. Nevertheless, mixing them can also have an economically positive effect for media businesses. During the years after May 1968, the French newspaper *Le Monde*, for example, actually built its success on commentaries, although it ended up paying for an excessive flattening during Mitterand's presidency in the 1980s due to an extremely reduced number of readers. In the last four or five years its reports on power – wherever it was evident, both right or left – and their corresponding commentaries have resulted in a good sales recovery.

The main focus of the discussion at the conference was related to the question of how the power of the media becomes evident. Is it, for example, by pushing people to vote for one name or another? For one coalition or another? Or any other way? Whatever is the right answer, the power of the media automatically ends up being less intensive as soon as history intervenes. The support of all members of the British press did, for example, not prevent Churchill from losing the elections in 1945. It had taken the British conservative press sixteen years to "further" a new Conservative victory. We certainly wonder whether he was really powerful or whether it was simply a sort of self-promotion. According to a well-known British journalist, who is now member of the antitrust committee of the media, newspapers consider themselves important for the influence of the public opinion. Playing on words, we could say that they are really influential, but they have little real influence.

Recalling the experience of western radio broadcasts (American, British but also Vatican) for eastern European countries during the Cold War, we could ask ourselves the same question: how important were they in influencing people's thinking? Apparently, the end proved that those who

wanted to spend millions and millions of dollars on making people hear a "different" voice within the borders of the former Soviet Empire were right. Nowadays some scholars point out that the technical interferences by the Soviets (the so-called *jamming*) actually prevented people from listening to various western broadcasting channels, even though some of them still remained untouched, because at least the Soviet *nomenklatura* needed to know what western radios were broadcasting. This is likely to be the real power of the media: make people listen to them. However, we have to remember Flaubert and also continue railing against them.

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ARCHIVES AND HISTORY: ASSETS IN THE SERVICE OF BANKS

"The present has no future without the past". Yves Barsalou, who is the president of the French *Fondation du Crédit agricole* and honorary president of the *Caisse nationale de Crédit agricole*, cited the historian Fernand Braudel while concluding a conference that was held by the *Association Française des Banques* (AFB) on September 19, 2000. As a matter of fact, if you were reading between the lines, this statement came up during the whole course of discussions, which were attended by more than 150 people.

The driving force behind this conference was Eric Bussière, who is a professor at the Université Paris IV-Sorbonne. According to him, French banks have relatively recently become aware of the importance of their well-managed archives. During the 1980s, for example, the archives had already turned out to be useful sources of information for bank internal events, such as anniversaries or publications of interesting works. At the beginning of the following decade, however, an external event revealed some shortcomings within the archives' systems, thus prompting each financial institution to ask serious questions regarding the preservation, the classification and the use of their archives. (The event refers to the creation of the Mission Mattéoli and an investigation into the whereabouts of Jewish assets, which were in the hands of the treasury after the Holocaust.)

The history of a bank contributes a lot to providing clients and staff with the knowledge about its identity. In every day life, this history is a useful and helpful means for decision making and for other banking activities... Here, the necessity of getting as much information as possible reaps the benefits of the potential of the archives, which requires the setting up of permanent structures in collaboration with historians. However, the creation of these structures confront the banks with some organisational problems, such as costs in relation to effectiveness or the place they are going to take within the organisation chart.

WHO WOULD HAVE THOUGHT?

It seemed paradox – like so many other events in history – that, only five days after officially announcing the birth of the *Fédération Bancaire Française* (FBF), the first declaration was dedicated to history and bank archives, while uniting the group of customers of the future *Maison Commune*!

Wrong agenda? Provocation? Or rather the way of history? If coincidence had its share in this, the basic reply would not allow any ambiguity.

Whatever unites us is more important than whatever separates us, and the best way to prove this right is to work together. If you think about it for a moment, considering the contributions of everybody else as well as the information exchange on banking history and the role of the archives, you will see that this is true.

As far as the upcoming challenges of this profession are concerned, the area of assets cannot be left fallow and must be constantly worked with – not only at times when we need information for preparing an anniversary or research. Now we know that, risks are too high. However, it is, above all, up to the strategic services of each institution and of each banking group to cause a response in terms of opportunity.

Whoever takes on this task, and thus seeking to learn about his or her history, leaves marks in connection with his or her further development. If that is the conclusion, it will be important to transform the attempt of this conference into a general way of thinking. "The past is a prologue" for the banking sector of France. So, FBF, it's your turn to see what to start, and it's your turn to take over!

These two articles were taken from the bulletin *Actualité bancaire* which was published by the "Association Française des Banques" (AFB) on October 4, 2000 (#443). The bulletin was greater dedicated to the conference that was held in France on September 19, 2000.

The state of archival sources for banking history in Bulgaria

The state of the archival sources for banking history in Bulgaria has two special features which are connected to the political and economic development of the country during the past centuries. First of all, the available records mainly deal with the time after the 1870s. This period refers to the reconstruction of the Bulgarian nation after the liberation from the Ottoman rule.

Before 1878, there were no important banks within the territory of what we call Bulgaria today. Therefore, there is no archival stock of records for the time before the Bulgarian nation was founded. However, it might be possible for researchers to find numerous documents about the earlier crediting history in Bulgaria in the archival collections of the most significant Bulgarian businessmen. These collections are, for the most part, available at the archives of the National Library in Bulgaria's capital Sofia.

As far as the time after 1878 is concerned, archival records about Bulgaria's banking history are much more extensive because the first Bulgarian banks were founded during this period.

The second special feature of archival sources is connected to the installation of the Communist regime after 1945. At the end of 1947, the Communist government of that time carried out the nationalisation of all private financial institutions. Consequently, almost all records of the private banks were sequestered by the government and given to the national archives. As a result of this action, most of the existing records have been kept at the Federal Archives in Sofia but also at other national archives in the largest cities of Bulgaria.

In the spirit of "revolutionary enthusiasm", a significant part of the private banks' records were (maybe deliberately) destroyed. That is why, first

and foremost, you have to mention the records of the biggest national banks for the period before WW II. They are among the most extensive stock at the Federal Archives in Sofia.

To come first, there is the stock of records about the Bulgarian National Bank (BNB). It was Bulgaria's first bank and was founded in 1879. In 1885, the BNB was converted, by law, into an issuing bank. Up to WW II, its functions were changing and it also became more and more involved in different other banking procedures. (On the occasion of the 120th anniversary of the BNB, the first two volumes of a documentary have recently been published.¹⁾)

Secondly, there is also an extensive stock of records from the second-largest national bank, referring to the period before 1939. It is the Bulgarian Agricultural and Co-operative Bank. Because of the agrarian banks that existed at earlier times, it was called the Bulgarian Agricultural Bank when it was founded at the beginning of the 20th century. Especially during the 1930s, when it decided to merge with other small banks, it started to play an important nationwide role in the sector of agricultural crediting.

The stock at the Federal Archives in Sofia also includes records from one of Bulgaria's biggest banks of the pre-WW II period. It is the partly state-controlled Bulgarian Credit bank which was formed in 1934 as an association of numerous smaller banks with the support and participation of the Bulgarian Agricultural and Co-operative Bank.

Worth mentioning are the archival records of the private banks in Bulgaria before WW II. These banks were founded with the financial participation of the biggest European banks, which are the Bulgarian Commercial Bank, the French-Bulgar-

ian Bank, the Credit Bank, the Bulgarian-Italian Commercial Bank and their forerunners (in which banks such as the Paribas, the Banque de l'union parisienne, the Deutsche Bank, the Diskonto-Gesellschaft and the Banca Italiana had a share).

These records show that foreign banks undoubtedly played an important role for the Bulgarian economy during the first half of the 20th century². It is necessary to look at the archives of the Western parent institutions because in Bulgaria the documentation is not complete.

Important and interesting information about the history of Bulgarian financial institutions between 1880 and 1945 are available at the district archives in Bulgaria's biggest cities, such as Sofia, Plovdiv, Ruse or Varna. Among other things, you can find records of district courts which include data about the founding and the institutional development of all banks and credit organisations. You can look up, for example, statutes, reports on the founding of banks and lists of shareholders.

Records about banking activities in Bulgaria during the period of "socialism" are also kept at the Federal Archives in Sofia. To historians, the records of the Bulgarian National Bank are especially important. After 1948, the national bank was re-organised based on the theories of a planned economy. Therefore all banking procedures were being covered by this one institution for a long time. The BNB was not only an issuing institution but also the centre for short-term crediting and clearings within the system of the newly introduced planned economy. With the exception of the state-run savings bank DSK, the BNB was the only credit institution in Bulgaria between 1951 and 1964.

The specialised Bulgarian Foreign Trade Bank, which was founded in 1964, can provide important information about foreign trade relations of Bulgaria with other communist nations as well as with the Western nations before 1990. This in-

stitution represented Bulgaria when working with the International Bank for Economic Co-operation and the International Investment Bank (Moscow), which both belong to the Council for Mutual Economic Aid.

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¹ *Balgarska Narodna Banka. Shornik dokumenti/ Bulgarian National Bank/T. 1 (1879-1900), Sofia, 1998, 456 p.; T. 2 (1901-1914), Sofia, 1999, 599 p.*

² See A. Kostov *Western Capital and the Bulgarian Banking System: Late Nineteenth Century – Second World War* in: Kostis, K. (ed.) *Modern Banking in the Balkans and the West-European capital in the Nineteenth and Twentieth Centuries*. Ashgate, Aldershot, 1999, p. 61-75.

Monetary Reforms in Slovakia in the 20th Century

During the existence of the former Czechoslovakia (1918-1992), there have been three financial reforms: the first one was implemented in 1919, the second in 1945 and the last one in 1953. The first two contributed to the consolidation of the Czechoslovak Crown (koruna, Kcs) and solved the bad situation of the post-war period. The third one reduced the deposits and cash of citizens to a minimum and was based on powerful decisions of the Czechoslovak government and the Communist administration. The top state representatives and national rulers of that time decided the implementation of the reform and cancelled the coupon system for food products and industrial goods. They justified the reform as a necessity to "liquidate the inflation consequences caused by the war and to completely destroy the economic power of the bourgeois residue, which had assumed significant economic positions until 1948 and had stored up considerable financial potential".

There was a post-war currency reform, preceding the monetary reform of 1953, which was

implemented by government decree through the President of the Republic (No. 91/1945, October 19, 1945 Restoration of the Czechoslovak currency). The main goal was to eliminate different currencies that circulated within the territory of the Republic (e.g. Slovak Crowns, protectorate Crowns, Reichmarks, Hungarian Pengő, Czechoslovak Crown cheques, Allied Armies Marks and Soviet Roubles) and, at the same time, to restore a unified Czechoslovak currency by November 1, 1945. The only currency that ended up being recognised in the Czechoslovak territory was the Czechoslovak Crown.

The money that had been valid and in circulation up to that point was exchanged 1:1. That represented a significant disadvantage for the Slovak Crown, which was considered to be more valuable than the protectorate Crown. This monetary reform damaged Slovakia financially to a large extent. And that was why government representatives of that time promised to give a preferential treatment to Slovakia as regards to war



1 Crown set in circulation following the currency split from Austria-Hungary in 1919

reparations, releasing fixed deposits as well as to the industrialisation process. However, the promises never became a true fact.

All banknotes in circulation were declared to be invalid. Slovak and protectorate Crowns were exchanged for new banknotes with the amount of 500 Kcs per head. All other currencies could be deposited in savings books and accounts at financial institutions. All deposits recorded in old currency terms were frozen. As part of the monetary reform, shares had to be deposited at financial institutions, too. The supply of money for the circulation was also out of proportion and black markets with high prices became significantly widespread. The volume of money in circulation declined from the original amount of 111.2 billion Crowns to 30.6 billion.

The process of relaxing the control over fixed deposits was regulated by the National Bank of Czechoslovakia and the Ministry of Finance and lasted until the currency reform of May 1953. Since 1947, the Currency Liquidation Fund had been in charge of liquidating fixed deposits. Its activities comprised the nullification of all deposits and state loans, which had existed before the 1945 currency reform, and the exchange of the currency that had been valid up to that time for the

new currency. The reason for the Fund's existence became defunct after the currency reform of 1953, during which the Fund was abolished. At that time, all fixed deposits and inland securities were also foreclosed in favour of the state.

Fixed deposits of an estimated total of 80 billion Crowns (as of 1 July 1953) as well as inland securities were definitively nullified, without any compensation. The currency reform in 1953 was also denounced as a monetary reform, since it featured basic elements of the latter. For example, the ratio of valuable metals was re-set, a new currency parity and foreign exchange rate were introduced. The obvious goals of the reform were to strengthen the purchasing power of the Crown and to fix its foreign exchange value compared to other currencies. In addition, one of the main reform reasons was the excessive amount of money in circulation, which had been put out between 1945 and 1953 (making up a total of more than 40 billion Crowns).

After the government decree and the Communist Party, which had been governing as a single power, Act No. 41 of the National Assembly of the Czechoslovak Republic ("On the manner of execution of the currency reform and abolishment of food and industrial goods coupons") decided to



50 - Crown banknote with a portrait of Milan Rastislav Štefánik set in circulation following the after-war currency reform in 1945

implement a currency reform on May 30, 1953.

It was determined that the Czechoslovak Crown ought to be a currency unit, with its value equalling 0.123426 grams of pure gold. Cash was exchanged up to 300 Kcs of the former currency in a ratio of 5 to 1. That means that each person received Kcs 60 of new currency for this sum. Cash that exceeded this amount was exchanged as follows: 50 Kcs of former currency for 1 Kcs of new currency (without any limits on the extra sum). Cash stocks at companies and institutions were also exchanged at the same rate.

The population had to exchange their cash at one of the 1,951 exchange centres in Slovakia. The centres were established within the districts and each one served about 2,400 citizens, including children. The exchange centres were set up in all branches of the State Bank of Czechoslovakia (SBCS) as well as in bigger companies, post offices, savings banks, branches of the Investment Bank and hospitals. The staff of the State Bank of Czechoslovakia helped with the organisation of the exchange centres' activities.

As of June 1, 1953, wages and other job or service compensations, child allowances, pensions, scholarships, subsidies etc. were calculated in the ratio of 50 old Kcs (CSK) to 1 new Kcs. The same goes for prices, taxes and other rates, tariffs and regulated amounts of money. Coupons that had been issued until May 31, 1953, by the Darex corporation were exchanged in the ratio of 50 to 1, without a limitation on the number of coupons. During the period of exchanging currencies, stores and other stock-in-trades facilities were open. They acknowledged receipts in the old currency (50:1).

Deposits on savings books (up to the amount of 5,000 Kcs) were calculated in the ratio of 5 old Kcs to 1 new Kcs. Deposits that exceeded the 5,000 Kcs (up to 10,000 Kcs) were calculated

6.25:1 and the deposits of more than 50,000 Kcs were exchanged 30:1. The exchange of the currency was taking place at the centres of exchange from June 1 to June 4, 1953. Under the supervision of the military, the distribution of the new currency was carried out on May 31. The exchange of currencies ended on June 4, 1953 at 9:00 p.m. In the course of the currency exchange, 1,176,044 individuals visited the centres, exchanging money in place of 3,512,366 residents in total (the listed figures do not include the security forces and the army because a specific register was kept for them). In Slovakia, 11.7 billion of the old currency were converted into 42.7 million Kcs, the new means of payment. Out of this amount, 21 million Kcs were exchanged under the promoted exchange rate of 5:1.

Regarding the volume of money that was exchanged, it is interesting to note that many people from the lower and middle class exchanged significant amounts of cash which ranged from 10,000 Kcs to 100,000 Kcs. This fact does not necessarily imply that these were speculative transactions. It rather shows the distrust that residents had had in the monetary institutions due to the previous monetary reform in 1945. Individuals who wanted to exchange larger amounts of cash were immediately put in custody of the staff of the police (called State Security at that time). Reports on such individuals were sent to the Ministry of National Security. The highest amount to be exchanged was reported out of Piestany, where an individual tried to exchange a total of 2,870,000 Kcs of the old currency.

After the time when currency exchange expired on June 5, 1953, the old currency was no longer valid and its circulation stopped. The new national banknotes then started circulating. They had the value of 1, 3, 5 Kcs (coins) and 10, 25, 50 and 100 Kcs (notes) which were produced in Moscow. The organisational activities and security

measures of the state and the Communist regime, which ruled at that time, had preceded this last monetary reform.

The complete course of money exchange (from June 1 to June 4, 1953) was being watched by the police. Every day, the police sent news about the state of this process in different regions of Slovakia directly to the highest ranks of the Communist leadership. After the announcement of the currency reform, they carefully observed the behaviour of the citizens because any information on its preparation was secret and closed to the public. Nevertheless, the population was very interested in daily newspaper reports. Cafés and snack bars were crowded with customers who tried to waste huge sums of old money. There was only one chance to go shopping because the shops were closed due to the re-evaluation of the goods. Citizens in industrial and mining regions were displeased with such a situation. During the days of the money exchange, the amount of donations to churches increased. The lists of clerics exchanging their money were prepared at the SBCS branches. They contained precise records of the exchanged sums.

The monetary reform was a logical result of the Communist upheavals in 1948, which were followed by the economic collapse, the decline of the standard of living and the isolation from the rest of the world. The Soviet economy became the standard and resulted in an extensive economic, moral and ecological devastation. The reform was a big currency robbery, although it was meant to solve serious economic problems that had been caused by the disorganised economy. One of the most important aims of the reform was to achieve a direct dependence of the population on the state and especially on the Communist power.

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100-Crown banknote set in circulation following the currency reform in 1953.



The archives of the Société Générale (SG) are growing richer by gaining new archive material. As a matter of fact, the Société Générale Alsacienne de Banque (SGAB or Sogénal, as it has officially been called since 1955), which is a subsidiary of the Société Générale now, will be completely integrated with the Bank at the end of 2001. In order to preserve the historical heritage of the 120 years of Sogénal tradition, a project has been organised. It will help locating the archives and arranging their transfer to Paris.

The SGAB was founded on October 15th, 1881. It was a German society which took over the general management of three Alsatian branches of the SG (located in Strasbourg, Colmar and Mulhouse). The bank expanded its activities within a broad area, including Germany. In 1882, for example, they set up an institution in Lorraine. From 1886 on, the bank opened more and more branches, first in Germany (Frankfurt, Mainz) and then in Luxemburg, too.

After World War I, the SGAB profited from the advantageous economic development of Alsace and Moselle as well as from the growing exchanges between France and Germany (particularly by opening new branches in Germany, Switzerland and Luxemburg). The economic crisis, which raged in all local industries during the 1930s, caused some difficulties. And the situation worsened because of the German financial crisis. Nevertheless, the bank succeeded in getting out of trouble by closing most of its German branches. In 1934, the SGAB finally became a French society.

After World War II, the SGAB was lead by the Badische Bank. The Sogénal recovered and became active once again in Germany, Switzerland and Luxemburg. During the 1970s, it set up business on the Austrian market and, with the help of the SFBF's offices, on the Belgium market as well. Step by step, the Sogénal has gotten closer to the SG (which already tends to take the place of the bank in Germany).

A large amount of archive material was listed and packed. It will probably be transferred during the last quarter of this year. In Paris, the archives will be classified, analysed, preserved and then made available to historians.

Contents:

- the major part of these archives is composed of business files (business relations), from 1880 to 1980. These files will enable a large vision of local economy and industry for the period of one century. You can also find some information on big societies, such as Aciéries de Longwy (Steel works of Longwy), De Wendel, Pechelbronn, De Dietrich or Charbonnages de France, and files about breweries, mills etc. ...
- some balance sheets (1920-1940)
- audits reports (1889-1939)
- trading reports of the branches (1919-1937)
- different studies



OTTOMAN BANK

BANKS STREET, GALATA, TURKEY

The exhibition opens in October...

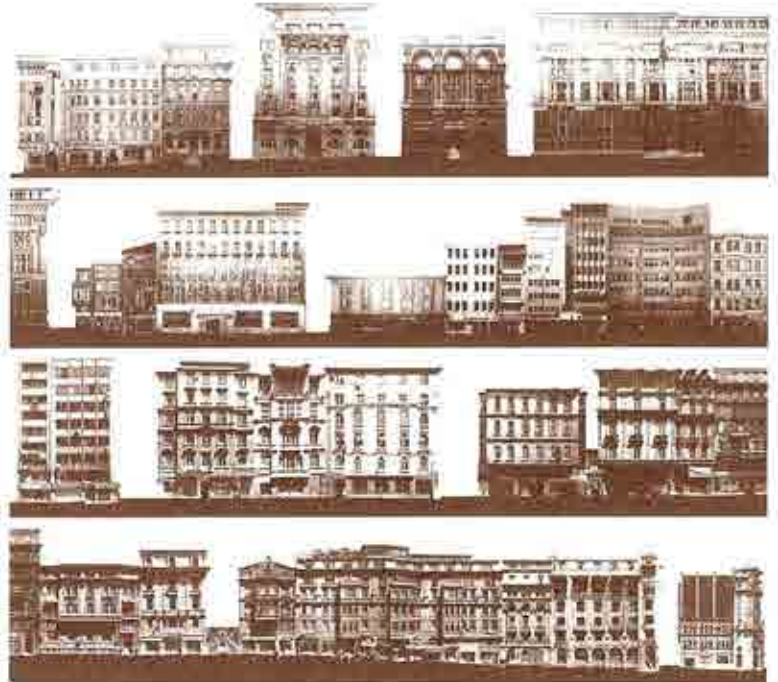
The narrow street alongside the inner walls of Galata (which Evliya Çelebi calls "the Voyvoda's way" in his seventeenth-century travel account) became the financial and commercial heart of Istanbul and even of the whole Ottoman Empire by the second half of the nineteenth century. It was during this period that this street – swarmed by bankers and newly established banks – earned its nickname of "Banks Street". With the establishment of major insurance companies, law firms, architects' offices, the Tobacco Regie and a number of commercial and industrial enterprises, the street acquired an imposing aspect that it has been able to preserve to this day. "Banks Street" remained a major pole of the economic life of Istanbul well into the period of the Republic. Although it has lost some of its importance in the 1990s – after the headquarters of major banks and insurance companies gradually moved to Maslak – the street still remains one of the most lively and dynamic areas of Istanbul today.

BANKALAR CADDESİ

Osmanlı'dan Günümüze Voyvoda Caddesi
Voyvoda Street from Ottoman Times to Today



The Ottoman Bank, as one of the oldest institutions of the street, is about to inaugurate an exhibition on the major transformations of "Banks Street". It will take place in collaboration with the Economic and Social History Foundation of Turkey. The exhibition was prepared by Edhem Eldem and Bülent Erkmén and will open at the Ottoman Bank's former head office in October. During the three months of the exhibition, visitors will be able to admire the façades on both sides of the street, read stories about these buildings and their residents, and listen to the memories of present and former residents.



GUIDE TO BANK ARCHIVES IN BRITAIN

In February 2001, the Business Archives Council, based in London, will publish the latest volume of its series "Studies in Business Archives". This volume – called *British Banking. A Guide to Historical Records* – covers the banking industry in England, Scotland and Wales and has been compiled by John Orbell, Head of Record Services at ING Barings, and Alison Turton, Head of Archives at the Royal Bank of Scotland. The volume is the successor to *A Guide to the Historical Records of British Banking*, which was compiled by L.S. Pressnell and John Orbell and published in 1985.

As with the 1985 book, *The Guide* covers the archives of all major British banks. It includes the multitude of banks that over the years merged together to form the large retail banks – Barclays, HSBC (Midland), Lloyds TSB and NatWest in London and Bank of Scotland and Royal Bank of Scotland in Edinburgh. These include small private banks owned by partnerships which traced their origins mainly to the eighteenth or early nineteenth centuries and their successors, namely local, district and regional joint stock banks formed as limited companies and with multiple shareholders.

On the other hand, the volume also covers specialist banks. These include merchant (or investment) banks such as Rothschilds and ING Barings, which provided services to business clients and wealthy individuals. Such services included the provision of short-term finance, say for international trade, and long term finance through the issue of securities in the international capital markets for corporate and sovereign clients. Also included are so-called British owned overseas banks which were publicly-owned joint stock banks formed to provide local banking services in countries outside Britain, in particular in the British Empire. Other groups include discount houses,

whose main role was to provide the London money market with liquidity, and professional institutions associated with the banking industry. A large section is devoted to the records of the Bank of England. Two significant exclusions are savings banks and banks that have recently been formed out of building societies. Altogether, *The Guide* covers over 700 entities.

The new volume has significant improvements over the 1989 volume. In the last twenty years British banks have made very substantial progress in locating and centralising their historical records. This means that the listings of records are not only longer but they are more detailed and probably more accurate. All major series of records are covered.

As well as including records held in British bank archives, the volume also includes bank records held in publicly funded record offices. Most notable here are the extensive holdings of Guildhall Library, in the City of London, which include the records of numerous merchant banks, discount houses and British-owned overseas banks, such as the constituent banks of Standard Chartered.

Another improvement is the inclusion of short essays covering the history of each entity covered by *The Guide*. These essays provide details of name changes and geographical location, function and fate and they also endeavour to give a feel for size and relative importance. Some essays extend to several hundred words while others comprise just a few sentences. But the inclusion of these sections makes *The Guide* as much a directory of bank histories as it is a guide to historical records. There are also biographical references and introductory essays on the history of banking in Britain and on the nature and use of bank records.

The Guide is a big step forward in promoting the study of banking history in Britain and in encouraging the use of bank archives by a wide range of

historians. The book will be available in February and will cost about £55 (plus postage). All enquiries about purchasing the book should be directed to the Business Archives Council businessarchives.council.sqr@virgin.net. Other enquiries should be made to either John Orbell (john.orbell@ing-barings.com) or Allison Turton (turtona@rbos.co.uk).

This book was something of a labour of love to compile; it is good to see it published!

John Orbell

In December 1999, a new volume appeared in the "Collana Storica della Banca d'Italia". It was edited by Franco Cotula and is part of a research project which is devoted to the 1950s (*Stabilità e sviluppo negli anni Cinquanta*).

The book, which is titled *Politica bancaria e struttura del sistema finanziario*, is based on archival material and contains analyses of the development of Italy's financial system during Donato Menichella's period of office at the Bank of Italy (1947-1960).

Starting at the financial crises of the 1930s in Italy, the authors present a reconstruction of the central bank's performance in ensuring the stability of the banking system and fostering economic growth in the new post-war context. The individual contributions cover the following aspects: banking policy and competition in the banking industry (G. Albareto, M. Trapanese), the relationship between banks and enterprises (A. Gigliobianco, G. Piluso, G. Toniolo), the development of long-term industrial credit institutions (P. F. Asso, G. Raitano and P. Croce) and the money market (F. Barbiellini Amidei, C. Impenna).

Comments on the studies are provided by P. Baratta, F. Cesarini, G. Nardozzi, M. Pagano, G. B. Pittaluga and the volume is completed by a statistical appendix, which shows the main data on the development of the financial system.

M.M.G. Fase, *Tussen behoud en vernieuwing: geschiedenis van de Nederlandsche Bank tussen 1948-1973*, The Hague 2000.

This is the sixth volume of the history of the Dutch central bank. The author is the Deputy Executive Director of the Nederlandsche Bank and professor of Monetary Economics at the University of Amsterdam.

The book describes the post-war period between the nationalisation of the Bank in 1948 and the collapse of the Bretton Woods system in 1973. The leitmotiv of this study is the process of socialisation of the Dutch central bank. In his historical analysis, the author has chosen a monetary-economic approach, which draws special attention to the interaction between monetary policy and monetary debate during this Golden Age of the post-World War II period.

J. Mooij, *Voor elkaar: Vereniging van Werknemers van de Nederlandsche Bank NV, 1970-2000*, Amsterdam 2000.

In October 2000, the Dutch Association of Staff of the Nederlandsche Bank celebrates its 30th anniversary. For that reason the non-affiliated union decided to publish its biography. The study not only elucidates the history of the union and its

interaction with the bank, but also pays attention to its forerunners and 'founding fathers', being a committee of bank employees.

Geld und Kapital - Jahrbuch der Gesellschaft für mitteleuropäische Banken- und Sparkassengeschichte (Yearbook of the Society for the History of Central European Banking and Savings Institutions), Hg.: Alois Mosser, Alice Teichova, Richard Tilly

Band (Volume) 3 (1999)

Title of the Yearbook: *Bankenkrisen in Mitteleuropa im 19. und 20. Jahrhundert*, herausgegeben von Richard Tilly ("Financial Crises in Central Europe during the 19th and 20th century", published by Richard Tilly)

The development of capitalist market economies was accompanied by financial and banking crises. The history of these crises and crashes shows that in no case could they have been predicted. For the period of industrialisation, before WW I, at least eight significant crises can be identified. Among them, the world economic crisis of the 1930s is still seen as the most decisive event in the economic history of the 20th century. Its dimensions also included a deep crisis in finance and banking. Although financial crises have long been the subject of scientific analyses by economists and economic historians, there is no consensus about neither the causes nor the consequences. This is connected to the specific historical constellation of each crisis, but also to the changing perception and interpretation of financial and banking crises in the course of the 19th century. The here presented Yearbook poses the question whether we can learn from the historical analysis and assessment of previous crisis phenom-

ena and whether we can apply that information at the present and in the future.

In his introduction the editor, Richard Tilly, attempts to construct a kind of taxonomy of financial and banking crises on the basis of which the causes and consequences of different crises can be compared. The individual contributions deal with crisis development and occurrences in both parts of the Habsburg Monarchy, in Germany, Austria, Czechoslovakia and Poland.

Content:

•Christian Dirninger:

Sparkassen und Staatsinterventionismus im Zusammenhang mit der Krise von 1873 in Österreich

•Gyorgy Kover:

Das Jahr 1873: Die Wirtschafts-krise und die Banken in Ungarn

•Richard Tilly:

Die deutsche Wirtschaftskrise von 1900/01 unter der Fall der Leipziger Bank

•Charlotte Natmesnig/ Fritz Weber:

Die Österreichischen Provinzbanken in den 1920er Jahren. Zwischen politischer Instrumentalisierung und öffentlicher Konkursversicherung

•Jiri Novotny / Jiry Sousa:

Die Krise des tschechischen Bankensystem in den 1920er Jahren

•Zbiginew Landau / Mojciech Morawski :

Die polnischen Bankenkrisen in der Zwischenkriegszeit

A Guide to sources of information on foreign investment in Spain 1780-1914

This guide, compiled by Teresa Tortella, who is the Head of the Archives of the Banco de España, was presented at the 14th International Congress on Archives, which was held in Seville in September 2000. It was sponsored by the International Institute of Social History, based in Amsterdam, for the Section of Business and Labour Archives of the International Council on Archives (ICA/SBL). This Guide can also be found on the Internet at http://www.iisg.nl/~icasbl/guide_spain.pdf. A Spanish version of this publication, issued by the Banco de España, was also presented at the Congress.

The Guide contains an explanatory introduction, which includes its main goals and method of compilation. It also includes an extensive paragraph underlining the role, importance and approximate degree of foreign capital that has been channelled into Spain during the period covered by the Guide. The main body is an alphabetically arranged list of 555 entries. 553 of these refer to individual investors, partnerships, companies and other businesses, were based both in Spain and abroad and operated in the country from the late 18th century to the beginning of the 20th century. The remaining two entries relate to Foreign Trade and Public Debt and appear within the alphabetical listing. Entries of the businesses comprise a brief history of the firm, its principal activity, details about their records and their location, and a list of relevant historical publications.

The Guide contains information that was provided by 53 repositories of seven different countries (Belgium, France, Germany, Italy, the Netherlands, Spain and the United Kingdom). Although other countries are also mentioned, the information about their records was gathered from Spanish sources rather than being sent by those countries and archives.

Contents:

Introduction; Acknowledgements; Use of the Guide; List of abbreviations; Guide; General Bibliography; Index conventions; Name index; Place index; Subject index; Index of archives.

Edhem Eldem, *Voyvoda Street From Ottoman Times to Today*

Published as the joint projects of the Ottoman Bank Historical Research Center and the Economic and Social History Foundation of Turkey.
Istanbul, 1999
ISBN 975-93692-0-6

Following the last two exhibitions: "A-135-Year Old Treasure" and "A History of Paper Money - Traces of History", our third exhibition "Voyvoda Street from Ottoman Times to Today" is opened. One of the most important parts of the exhibition is its monograph. Although the book is based on a spatial and architectural setting, it tries also to reflect economic and social dimensions of the street, and, more, particularly of each building.

**The Creators and the Creation of Banking Enterprises in Europe
from the 18th to the 20th Century**

Corfu, October 5th and 6th, 2001

A workshop on banking history will be held on the island of Corfu on the 5th and 6th of October, 2001. The topic will be "The Creators and the Creation of Banking Enterprises in Europe from the 18th to the 20th century". The main goal of the workshop is to examine the conditions that gave birth to banking by the creation of new banks in different countries during different periods of time. The approach will be based on both macro (historically based on secondary sources as well as global data) and micro structures (historically based on the use of archive material).

The attention of the participants will be focused on the following three topics:

1. The different ways in which a bank is created: the personality of bankers, the importance of the economic and social environment as well as the evolution of the quantity and quality of financial needs;
2. The different forms of initial capital of an enterprise; the changes in its formation and composition; the juridical and political context; the strategy of alliances; the role of the state and the financial market;
3. The role and nature of innovations as far as financial material is concerned (innovations of products and banking proceedings); the conditions of the penetration into financial markets and their profitability (monopoly, free competition, niche financière).

The workshop will be sponsored by the Alpha Bank of Athens with the additional support of the European Association for Banking History e.V. and the "Fondation pour l'Histoire de la Haute Banque" of Paris. The papers will be presented in English and French.

Dates to remember

- 7 December 2001 - Frankfurt - The 10th Anniversary of the EABH**
18-19 May 2001 - Ljubljana - The 11th annual conference of the EABH
5-6 October 2001 - Corfu - The banking history workshop

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At the end of the "Second Empire", these more or less frivolous interpretations made way for another expression of will. The "République" was reborn and along with it rose the desire for liberty. The ban on moustaches applied to marines (for hygienic reasons), judges and lawyers, public servants and waiters. Governor Rouland decided, for unknown reasons, to revive a ban on wearing moustaches on administration levels. This ban had its origin at the beginning of the century, but men had not really been following that order. After Rouland's death, the cashiers turned to his successor M. Denormandie in order to get back their "right to wear a moustache". Denormandie, however, refused this proposal. Then a petition was passed round and more than 200 signatures were collected. Despite of this, the employees soon found themselves on the verge of making concessions and going along with a regulation that implied that, fashionwise, a shaved face would match their style of dressing much better. Nevertheless, the almost all men continued to take the liberty of letting their beards grow!

One government official made it his business to speak up for these guys and dared to intervene the Governor and the "Secrétaire Général". In the media, the "moustache battle" became a battle over liberty. Satires made way for political arguments which all of a sudden mixed the "Vercingétorix", the Turks, the serfs of the Middle Ages and the Franks. The press demanded "equality in front of the mirror" for the staff of the Banque.

Finally, the cashiers got their right in 1882, while the other departments were continuing to fight (for a much longer time). You had to wait until 1906 for a government official, called Antide Boyer, to draft a bill and bring it in front of the "Assemblée". It dealt with the *"humiliating ban on moustaches which was imposed on a large part of workers by their bosses"*. The elected members of the people's republic finally started thinking about this big problem ... while smoothing their moustaches!

Mauriel Bordogna

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In 1971, against the wish of his brother, Marcus Wallenberg orchestrated a merger between Stockholm's Enskilda Bank and the much bigger Skandinaviska Banken to form the Skandinaviska Enskilda Banken, SEB. He had his will, but his hopes of quickly incorporating the new, bigger bank into the Wallenberg empire suffered a major setback when his oldest son and appointed successor took his life in the same year. The second son, Peter, was now put in the position as the main bearer of the family tradition.

Today, two of Marcus Wallenberg's grandsons play a significant role in the Swedish business community, forming the fifth generation of what is still the leading financial group in Sweden. In this exceptionally successful dynasty, Marcus Wallenberg distinguished himself as a significant character.

A biography of Marcus Wallenberg was published this year, written by professor Ulf Olsson. (Att förvalta sitt pund. Marcus Wallenberg 1899-1982. Ekerlids Förlag. Stockholm 2000) An English translation will be published in 2001. (Making the most of one's talents - Marcus Wallenberg 1899-1982.)

Ulf Olsson

MOUSTACHES AT THE "OLD LADY" ON RUE DE LA VRIILLIERE

One morning in September 1878, when Paris' cashiers came to do their job at the Banque, they found a notification at the wall drawing attention to the changes regarding a regulation that applied to them. It said: *"The head of the department of revenues was reproached by the head treasurer because certain employees insist on wearing moustaches. He feels compelled to deal strictly with those who will, against all orders, continue to not make them disappear."* This is where the episode of the ban on moustaches began.

The press immediately took hold of this event, which became the object of ironical reporting and even ended up being tainted by political connotations four years later.

With its origin mainly based in the military, the cashiers had adopted the moustache or beard as a sign of recognition. At the Banque, they just kept this hairy habit going, especially since nobody found fault with it. In the meantime, it was also a time when wearing a moustache had a more significant meaning than simply being a matter of aesthetics. At the end of the "Premier Empire", during the Restoration, men showed good taste by wearing a moustache in order to show their opposition towards regained royal dignity and to recall the courageous "grognards" (belly-achers) of Napoleon I. This fashion endured throughout the 19th century. More and more contemporaries attributed a political way of expression to the way of describing a moustache. They called it, for example, "fine" (which can mean "fine" or "delicate" as well as "the end"), "épaisse" (which can mean "thick" but also "strength"). Being with or without moustache and with or without sideburns symbolised a man's political attitude, too.

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N°4

*Cahiers anecdotiques
de la Banque de France*



LES GARÇONS DE RECETTE



For more than a century, the cashier has personified the Banque de France in the eyes of the public. So, you may expect that a large amount of information about him is available. But actually, there is nothing. It was, for example, impossible to find traces about the "tricorn" (three-cornered hat) and the grey tail coats which were given to cashiers before they received their famous blue tails and "bicorn" (two-cornered hat).

Therefore, the presently available *Cahiers*, which were compiled by Muriel Bordogna, contain a not totally complete set of documents. It deals especially with the iconography that is available regarding this topic.

The next set of *Cahiers*, composed by Gérard Cornu, will attend to the "adventures of gold coinage" based on war memories, the "Résistance" and the "Libération" as well as on monographs about civil servants.

Didier Bruneel

Other titles of these publications:

Cahier anecdotique n°1: *L'affaire Lamirande* (Book of Anecdotes #1: *The Lamirande Affair*)

Cahier anecdotique n°2: *Souvenirs de guerre – Tome 1* (Book of Anecdotes #2: *Memories of War – Volume 1*)

Cahier anecdotique n°3: *Souvenirs de guerre – Tome 2* (Book of Anecdotes #3: *Memories of War – Volume 2*)

Making the most of one's talents - Marcus Wallenberg 1899-1982



Marcus Wallenberg during his education abroad.
Photographer unknown.
The Foundation for Economic History Research
within Banking and Enterprise, Stockholm.

In 1920, when Marcus Wallenberg was coming of age, he wrote a rather formal letter to his father: "Achievements and actions that might seem peripheral from one's own point of view must be reached and taken for the sake of the family name and the bank. In other words, it is necessary to make the most of one's talents. I hope I can live up to what is expected of me."

The Wallenberg family was descended from Swedish farmers and priests. Marcus Wallenberg's grandfather founded Stockholm's Enskilda Bank in 1856 and later handed over the leadership of the bank to two of his sons. The second son, Marcus Sr, ran the family bank between 1911 and 1927. He brought up two sons, Jacob and Marcus, and prepared them to take over after his retirement. At the age of 20, Marcus had already become a well-educated economist, but also an artillery officer and national tennis champion. Then he spent five years getting hands-on experience at foreign banks before he came back to Stockholm. In 1927, he was appointed Deputy General Manager of the Enskilda Bank, with his brother Jacob being General Manager. In 1946, Marcus succeeded to his brother's position.

During the inter-war period, Marcus Wallenberg was put in charge of parts of the industrial sector of the Wallenberg Empire, which comprised the largest financial group in Sweden after the collapse of the Kreuger empire. He was very active in such companies as Asea, Ericsson, Saab and Atlas Copco, combining ownership, lending and direct entrepreneurial skills with inherited tradition.

After the outbreak of World War II, Wallenberg was appointed Chairman of the Delegation for War Trade and negotiated with the Western powers, travelling both to Britain and the U.S.. The Swedish government also sought his help for special diplomatic missions to London and for attempts to make peace between Finland and the Soviet Union.

After the war, Marcus Wallenberg became a leading industrialist in Sweden. The Wallenberg Group dominated the Swedish industry, in particular the increasing multinational engineering sector. He was the head of numerous company boards and had a saying in all matters concerning industry and banking. Marcus Wallenberg was, for example, the driving force behind the creation of the Scandinavian Airlines System, SAS. As a major public figure, he also became a main target of the radical left-wing movement, which filled the streets protesting against capitalism and imperialism during the 1960s and 1970s.

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Marcus Wallenberg, Marc Wallenberg Jr and Jacob Wallenberg
in the Boardmeeting Room of Stockholm's Enskilda Bank in
1964.
Photograph taken for Life Magazine.
The Foundation for Economic History Research within Banking
and Enterprise, Stockholm.

A surrealist joke



The last Belgian banknote that has been in circulation since 1998 bears the portrait of the surrealist painter René Magritte. Most of his works currently decorate the walls of the most famous museums of the world. If a rare one comes under the auctioneer's hammer, it yields towering prices for its owner. It is not surprising that such a famous artist was destined to defend the Belgian national colours on a banknote. After all, it is common knowledge that money is a perfect medium to spread the issuer's fame.

And yet it was all but certain that Magritte would finally make it. In 1983 they were almost convinced they had to look for a substitute. Why, for Heaven's sake?

That same year, people interested could read "Le radeau de la mémoire. Souvenirs déterminés" by Marcel Mariën, another Belgian surrealist. In this part of his memoirs Mariën elaborates on his initial period as an artist and on his friendship with the great master of surrealism, René Magritte.

Juicy as well as rather boring stories particularly pleases the fairly small inner circle. And yet, this booklet caused a boom in sales figures thanks to the revelation of the year. From page 175 onwards the author goes into details about what was expected from him once in 1953: "il s'agit d'écouler un premier stock de cinq cents faux billets de cent francs belges", notes of the Dynasty-series. René Magritte's brother Paul, on a self-constructed press printed the fake notes. The design of course was from the great master himself. The rest of the story gives all the necessary information on how they managed to put these notes into circulation, on the divvy of the boot and finally also on the discovery of their forgery without being run in. Strange enough Mariën ends his anecdote with a jesting remark on "les travaux forcés".

It is not hard to imagine this confession caused a stir. There was disbelief of those who had rock-like confidence in Magritte's personal integrity. They were filled with horror by Mariën's quest for success on maligning his deceased friend. There were doubts on the other side because they knew Magritte had never recoiled for a joke. Collectors also came into the picture: they immediately searched their collection hoping to find one of the much-debated notes. Imagine an unknown multiple from Magritte, in a limited edition of only 500 copies: it would make quite a difference with the market value of the genuine note that does not yet fetch high prices.

Strange enough, the National Bank of Belgium no longer issued this note in 1953 because its successor, the 100 franc of the Centenary series had already been put into circulation the year before.

Strange enough, Magritte had made a well-known work inspired by this last note: switching King Leopold's head for his own. And its title? "Les travaux forcés".

Strange, Watson, very strange indeed.

Christiane Logie



illustrations:

1. Mark Verstockett: "Magritte is money", Octobre 1998, a collage inspired on the Magritte-note
2. The 100 F note of the Centenary series that inspired Magritte for "Les travaux forcés"