

# Architecture & Finance

eabh (The European Association for Banking and Financial History e.V.)



# The main building of the Magyar Nemzeti Bank

## The new building

Towards the end of the 19th century, the area of today's Szabadság square was occupied by a single colossal edifice called Neugebäude (New Building), designed by Isidore Marcello Canevale in 1786 during the reign of Emperor Joseph II. The building functioned as a prison during the Franco-Prussian War, was later used as a prison, and after the defeat of the 1848-1849 War of Independence it became a prison for Hungarian patriots, and many were executed here. Among these martyrs to the cause of liberty was Count Lajos Batthyány, prime minister of Hungary's first independent government. In 1851 Lajos Kossuth, Mihály Táncsics, Dániel Irányi and their associates who had escaped the reprisals by fleeing abroad were all hung in effigy in this building. Thus, understandably, the square that stood free after the Neugebäude was torn down was named 'Szabadság' (Liberty) and the streets leading into it were named after the martyrs and heroes of the War of Independence.

By the end of the 19th century, the building had become a symbol of detested foreign oppression, like the Bastille in Paris. Following the Compromise, the New Building was to serve as a printing press, then an orphanage, but it was eventually demolished in 1897. In the course of the 19th century, the city became so densely built-up that in the period following the Compromise, the neighbourhood of the infamous Neugebäude was considered as part of the city centre, and eventually it had to be demolished. Its place made way for a completely new quarter.

The building site was divided into 28 plots and offered for sale with a thirty-year tax concession. The buyers included the Austro-Hungarian Bank, which had no head-quarters in Budapest, and the Hungarian Royal Postal Savings Association. The subsequently demolished headquarters of the Budapest branch of the Austro-Hungarian Bank on József nádor square was unsuited for the purposes of a central bank, and so a decision was adopted to erect a new building. Szabadság square, a central area



Facade from Szabadsag square © Magyar Nemzeti Bank.

earmarked for development but still undeveloped, proved to be an excellent site.

# The tender

The Austro-Hungarian Bank invited tenders for planning the Bank's Budapest headquarters in the summer of 1900. In strict observance of the dualist system, eight Hungarian and eight Austrian architects were invited to submit a tender. The Hungarians included Ignác Alpár, Lipót Baumhorn, Flóris Korb, József Hubert, Albert Körössy, Ödön Lechner, Artúr Meiningg and Ernő Schannen, with the Austrians represented by Fellner and Helmer, Franz Freiherr von Krauss, Karl König, Friedrich Schachner, Ludwig Richter, Ludwig Baumann and Otto Wagner. The panel of judges consisted of two Austrian architects (Christian Ulrich and Emil Förster) and two Hungarian architects (Győző Czigler and István Pucher) and government and bank dignitaries. According to the decision made in May 1901, the judges unanimously awarded the first prize to Ignác Alpár. The press and Hungarian architects celebrated the result

as a national triumph over Austrian architecture. In Austria, the professionals were surprised by the Hungarian success, as they had been certain of an Austrian victory.

The little that was published in the Austrian press about the event, it was, nevertheless, fair: it was generally conceded that Ignác Alpár deserved the award<sup>1</sup>. Another building, namely the Stock Exchange, was already under construction at this time under Alpár's plans in Szabadság square, and it is very likely that the judges were influenced by the need to maintain the stylistic unity of the two dominant buildings in the square.

Unfortunately, the plans submitted in the competition have been lost. The only one we have knowledge of from the magazine 'Hungarian Design Contests' is the one made by Ignác Alpár. As far as the other plans

All participants of the tender were financially rewarded. The winner was awarded 5,000, the runner-up 3,000, the third placed tenderer 2,000 and the other tenderers received 1,500 crowns. The crown was a strong currency at the time; the amount of the first prize was equivalent to 2-3 years' annual income of a very well earning, high ranking public servant.



Lamfalussy Board Room © Magyar Nemzeti Bank.

are concerned, we can only make speculations based on contemporary publications.

Construction of the Budapest headquarters of the Austro-Hungarian Bank started in the spring of 1902, and was completed within three years, in the spring of 1905. It was a monumental structure with a palatial facade, with columns 12 metres high and 1.5 metres in diameter, spanning two stories, finished at a cost of 4.5 million crowns compared to the projected cost of 3 million.

# The designer

Ignác Alpár (1855, Pest – 1928, Zurich) was a great Hungarian master of the late eclectic-style architecture. He was born in 1855 under the name of Ignác Schöckl into a craftsman's family in Pest. He did not fare well in school and after the fifth grade he was sent to serve as an apprentice to a stone mason. He started to work under the guidance of Alajos Hauszmann in 1873, then transferred to an academy in Berlin (Schinkel Bauakademie) to continue his studies. In his first year there, he already participated in academic contests and won several first prizes.

In 1877 he was named librarian of the Hungarian Society of Berlin, created for Hungarian students, then was elected secretary and finally chairman. In 1880 he was awarded the Schinkel Medal of the Association of Berlin Architects. He returned to Budapest in 1881 upon the invitation of Hauszmann and spent seven years working with Steindl and Hauszmann as an assistant lecturer. Then he decided to go independent and opened up his own office. The six years he spent in the German capital significantly affected his style for a lifetime. Contemporaries and critics spoke of him as 'a difficult person', full of contradictions, but his works leave no doubt as to his talent. Instead of the grace of neo-Renaissance, Alpár's architecture is characterised by monumental feats of late historicism, an amalgam of Greco-Roman and ancient Eastern stylistic elements. Speaking in 1916 to the Austrian Association of Professional Engineers and Architects, Alpár summed up his artistic credo as follows: 'Sound technology, i.e. fine craftsmanship; conscientious management, i.e. strict accounting; and fitting the building to its environment, to the townscape, in as monumental a form as possible.'

In addition to the central bank building, Ignác Alpár designed several other financial institutions; for example, he started the design of the building of the Hungarian Commercial Bank of Pest on Franz Josef square (today Roosevelt square, housing the Ministry of Interior). Zsigmond Quittner continued the work on the plans and Alpár was again in charge from the second phase. Other works

of Alpár include the Hungarian General Credit Bank (currently Ministry of Finance) located on József nádor square; the First National Savings Association of Pest (headquarters of the Budapest Stock Exchange until 2007), on the corner of Váci street and Deák Ferenc street; and the Budapest Stock and Commodity Exchange on the other side of Szabadság square (housing the Hungarian Television until July 2009). Alpár designed a historical complex called Vajdahunyad Castle in Városliget (City Park) for exhibitions and special events on the occasion of the millennium of the Hungarian State in 1896, which has been the home of the Museum of Agriculture for some years. Alpár was a prolific architect; in addition to the financial institutions, he designed over thirty primary and secondary schools, a university and several churches. He designed a total of approximately 120-130 buildings (the exact figure is not known) spread throughout the country.

# The external decoration of the building

Alpár designed the facade to exude an aura of strength and serenity. The building's two main facades (one facing Bank street, the other Szabadság square) are asymmetrical. The one facing Szabadság square is more ornate, as it was designed to complement the Stock Exchange on the other side of the square.

The building is illustrated by the reliefs of sculptor Károly Sennyei, starting at the corner of Kiss Ernő street and Szabadság square, with the following scenes: smelting the ore and casting bars of precious metal; coining money; printing paper money; designing and stamping paper money; arts, science and silversmithing; animal husbandry, agriculture and industry; Phoenician, Egyptian, Arab and Jewish trade; medieval banking; and mining for ore. The keystones of windows on the first floor symbolise different nations, alluding to the international nature of banking. The two stone figures on the balcony above the main entrance are the work of István Tóth; the statues on the parapet of the Bank street and Hold street corner is the work of József Róna; while the statue on the parapet facing Szabadság square is the work of Béla Markup. The facades overlooking Hold street and Kiss Ernő street are considerably more modest. The latter is the shortest street in Budapest.



Windows of Miksa Róth © Magyar Nemzeti Bank.



First floor hall and staircase © Magyar Nemzeti Bank.

#### **Staircases**

Upon entering the building, we are in a grand, spacious foyer that offers a view of the bank's impressive, grand internal staircases.

Opposite the main entrance is a stately and majestic three-flight staircase leading to the third floor. With passages on both sides, these staircases and the foyers built on each floor lend the building an unmistakable ambience and architectural rhythm. The baroque winding of the main staircase's railing is a distinct feature of the building, decorated with wheat bales which uniquely symbolise the prosperity of the Hungarian economy. The two quarter-turn stairs flanking the main staircase end on the first floor in a spacious hall with stairs leading to the third-floor neo-Renaissance conference hall. Originally, this was the second floor until the beginning of the 1950s, when the building saw its largest reconstruction with a new floor being added in between the first and second one without altering the external appearance of the building. This is how the Bank was turned into a four-floor edifice.

#### The internal decoration of the building

As visitors move upstairs on any of the stairs, they can admire the original windows of Miksa Róth. With coloured windows and woodwork, the main staircase has the most ornate courtyard facade in the building. Items of Art Nouveau architectural decoration are credited to Géza Maróti, while richly carved doors and door frames are the work of Alajos Michl.

Each floor has a characteristic ornamental motif of its own: the ground floor is decorated with wheat sheaves, the first floor with fleur-de-lis and thistles, while the thirdfloor support stones, stair handles, stuccoes, door carvings and lamp-posts display horse-chestnuts. The secession-style plant and flower-patterned mosaic tiles in the foyers and passages on the ground and upper floors were made by József Walla of Törökbálint. The wrought-iron rails were designed by Ede Alpár and the wheat-motif light fixtures are the work of Rudolf Kiszling.

# **Original plan of operation**

In addition to interior architectural details, Alpár laid emphasis on meeting advanced functional requirements. He explained this as follows: 'When I started drafting the plans, I soon realised that the task I undertook differed from the buildings that transacted ordinary banking business. A special-purpose building was required that had not been built ever before ... So I adopted my governing principle that an architect can design a special-purpose building only if he is absolutely and completely aware of the operation for which the building is to be built.' Unlike other banks of the time, in the central bank Alpár decided not to include a main customer hall. In modern terms we could say he adopted a 'private banking' approach: administration was envisaged in small, even visually isolated offices on the first floor. In keeping with bank security requirements, he designed a cortile for cash delivery vehicles. This cortile had a 10-12 vehicle capacity. Customers were served through the main entrance from Bank street, while delivery wagons entered the cortile from Szabadság square, through a completely separated entrance.

In the original building bank transactions were handled on the first floor, while the second (currently third) floor housed offices and living quarters for the management, and the boardroom, and the third (currently fourth) floor accommodated staff quarters. A two-floor establishment was erected in the vacant cortile during the reconstruction of 1949-1950. Its second floor functioned as a teller hall providing commercial banking services. After the Bank's portfolio had been redefined, the teller hall lost its function and it was converted into the Visitors' Centre, offering comprehensive information services to the general public.

## **Board-rooms**

The most significant events take place on the third floor where the boardrooms are located, along with the offices of the governor and the deputy governors.

#### The Lámfalussy Board room

The Lámfalussy Board room is an ornate neo-Renaissance hall. This is the meeting place of the Monetary Council. Emil Schrödl designed the interior which has remained in its original form ever since.

Upon entering, the gold-plated stuccoes of the ceiling immediately catch the eye. The stuccoes reflect the spirit and formal elements of neo-Gothic England, while the marble pillars enrich the area with neo-Renaissance details.

In addition to paintings and small sculptures, the atmosphere of the room is further heightened by Venetian mirrors, oak-wood wall coverings and original chandeliers. After one hundred years the appearance of the room remains unchanged; the bars of the former ventilating system can still be seen where the walls meet the ceiling. The chairs and armchairs were made after the fashion of the original furniture.

#### **The Popovics Board Room**

The smaller boardroom of the Bank used to accommodate board meetings. It contains less decorative elements than the 'Lámfalussy' Board room, but the carved wall coverings, ornamental chandeliers and gypsum stuccoes lend elegance to it. The furniture fits the style of the room perfectly. Portraits depict Sándor Popovics and Lipót Baranyai, two former governors of the bank. The main building of the MNB has been listed as a historic monument since 1976.

# József Antall Conference Centre

The newest part of the MNB building is the József Antall Conference Centre, completed in the summer of 2006. The Conference Centre consists of two parts: the upper floor hall accommodates a smaller number of participants, while the large hall is suitable for conferences with up to 100 participants. Contemporary works of art harmonise with the modern interior.