Y. A. Vasilev

A Branch of the St. Petersburg State University of Economics in Veliky Novgorod

LOANS OF CITY PUBLIC BANKS THE NOVGOROD PROVINCE TO BODIES OF THE MUNICIPAL GOVERNMENT (THE SECOND HALF OF XIX – THE BEGINNING OF THE XX CENTURY)

City public banks rendered to municipal governing bodies and city societies loans for specific goals and certain terms under percent. Such financial aid was widely used enough on the most various questions of public life and in the Novgorod province. So, for example, the Cherepovets bank right after its basis made in 1865 a loan to city society in 1 300 rubles. In 1895 in the loan to city society 37 000 rubles which are given out by bank, and in 1911 – 40 000 rubles consisted.

In Staraya Russa bank in the loan to city society was registered: in 1894 – 25 000 rubles; in 1899 – 45 000 rubles; in 1904 – 35 000 rubles; in 1913 – 35 000 rubles that brought to bank rather big money on percent, for example, in 1894 – 2000 rubles. [1]

Loans were issued, as a rule, directly to bodies of a municipal government, for example, in 1881 the loan from local public bank for construction of a female gymnasium and purchase of bread for citizens in the sum of 3000 rubles was issued to Belozersk town council. [2]

As a rule, such loans were asked only for the serious purposes as bodies of a municipal government hardly found money even on payment of percent on these loans. For example, in 1879 the Tikhvin bank gave out in the loan 11 000 rubles for purchase of flour for citizens, in 1892 Belozersk and Tikhvin banks gave out to the cities of the loan in 4000 and 2000 rubles for fight against cholera epidemic.

It was quite a lot given out loans for the construction purposes. For example, the Belozersk bank issued three loans for construction of a city slaughterhouse and three-cool school for 10 500 rubles.

The Tikhvin bank gave out in the loan in 1875 8500 rubles on construction of the trade yard, in 1892 – on construction of barracks (in common and on overcoming of cholera epidemic) – 2000 rubles, in 1894 – 5000 rubles on the device of the forest yard, in 1912 – on purchase of the house of Chamayev – 10 000 rubles.

In 1908 the Borovichi city public bank issued the loan for strengthening of the coast of 3580 rubles, on parish schools – 4702 rubles on other purposes – 10 850 rubles. [3]

In a mass order funds for development of turns of city pawnshops were requested. So, the Novgorod city public bank gave out in 1905-1909 such loans for 22 000 rubles of 7% per annum. The Tikhvin bank gave out in the loan for support of a pawnshop in 1892 1000 rubles, in 1894 – 1500 rubles etc.

Loans could give out and on other purposes, so, for example, in 1875 – 11 000 rubles on Tairovsky charitable institution, in 1877 – for needs of the Russian army – 5000 rubles, in 1878 – 3000 rubles for preparation of a meeting and reception Leib Guard Dragoon regiment were transferred. [4]

However considerable accumulation of such loans caused alarm of the government. So, for example, the Belozersky City Council petitioned in 1903 before the Ministry of Internal Affairs for allocation of the loan by it in 1200 rubles of local public bank on improvement of the land plot. However the previous loans of the city bank and the ministries (1892-1901) made already rather large sums by this time. And they weren't paid up to the end: on prevention of epidemic of cholera, on construction of a slaughterhouse, on repair of the house for city institutions, on construction of city school, on local fire society – also remained 26 500 to a debt of 22 150 rubles. [5]

In this regard the managing director of the State bank, having considered this question, I drew the negative conclusion. [6]

The similar situation developed in Tikhvin where the City Council petitioned for issue of the loan to it in 1000 rubles on strengthening of current assets of a local city pawnshop. However in 1903 affairs of local bank owing to abuses of his some workers were in frustration. Therefore Ministers of Finance and internal affairs didn't resolve a loan in local bank. [7]

Such loans were issued, as a rule, on the security of the property belonging to city society or any other, for example, territorial property. So, 1913 the Belozersk city bank gave out to a zemstvo on the security of the earth 30 000 rubles. [8] Novgorod provincial justice was credited on account of the inviolable capitals put in local public bank in the sum of 46 515 rubles received for the earth which departed in treasury.

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