



ΝΟΜΙΣΜΑΤΙΚΗ
ΕΠΙΤΡΟΠΗ

The Currency Committee Archive

ARCHIVE

Reference Code:
GR IATE A1-S10

Dates:
1946-1982

Extent:
306 minutes books
111 index and register books
1,451 folders of unbound documents

Source of acquisition:
The Financial Stability Department conceded the archive to the Historical Archives Section of the Centre for Culture, Research and Documentation gradually, between November 2017 and June 2018.

CREATOR

The Currency Committee (1946-1982)

Administrative history:

The Currency Committee was established by Law 1015/1946 pursuant to the London Financial Agreement of 24 January 1946; it was meant to be of a temporary nature and was headquartered at the premises of the Bank of Greece. Its task was to address the post-war monetary and credit problem by regulating banknote issuance, but it soon became the main monetary and credit policy-making body, thus contributing to coordination between the government and the Bank of Greece. Its responsibilities included laying down the terms for financing the productive sectors of the economy, as well as supervising and controlling the Greek banking system. Initially, the Committee was composed of two members of the government, the Governor of the Bank of Greece and two foreign experts coming from Great Britain (first, John Nixon, head of the British Economic Mission, and later on Theodore Gregory) and the United States (first, Gardner Patterson, who was succeeded by John W. Gunter). Given the need for decisions to be unanimous, each foreign member could essentially veto the Committee's decisions. The British member of the Currency Committee was removed in the fall of 1955, while the American member withdrew in 1957.

Originally, the Currency Committee was meant to lapse after 18-24 months. However, successive legislation extended its term, while also changing the Committee's composition and responsibilities. Legislative Decree 588/1948 authorised the Currency Committee to determine the total amount of credit and its allocation by sector; administer deposit and lending rates; and impose controls on transactions. In addition, a Banks' Advisory Council was established, providing opinions

on credit problems and the reorganisation of the banking system. Legal acts of decisive importance that concerned the Currency Committee were also Emergency Laws 1611/1950 and 1665/1951 regarding the required reserves of public entities with the Bank of Greece and bank regulation.

By Emergency Law 1837/1951, the responsibilities of the Currency Committee were expanded to include monitoring of the implementation of the exchange rate policy. In the same year, the Committee laid down the general guidelines and the procedure for bank regulation, leading to the establishment of the Banking Supervision Department within the Bank of Greece, the findings of which would be submitted to the Currency Committee.

In 1954, the Credit Sub-Committee was created, which took over the responsibilities of the Credit Committee, set up two years earlier, with the task of monitoring and recommending measures to improve the functioning of the credit system. Over the years 1957 and 1958, the Currency Committee acquired responsibilities related to Treasury bills and sales on credit (Legislative Decree 3745, Law 3838). In 1960, by Legislative Decree 4108, the Committee became a permanent body, having as ordinary members the Minister of Coordination (acting also as chair), the Minister of Commerce and Industry, the Deputy Minister of Coordination, the Governor of the Bank of Greece and an Economics Professor of the University of Athens specialising in monetary matters.

In 1968, in the context of the new credit policy, the decisions that concerned bank credit were codified, while at the same time financing procedures were simplified. By Legislative Decree 957/1971, the composition of the Currency Committee was changed, while

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its responsibilities were reduced, as a result of the establishment of the Government Political Council and the Committee of Economic Affairs, to the implementation of credit policy and to the exercise of foreign exchange control and credit control. The Committee's old responsibilities were reinstated by Legislative Decree 175/1973 and Law 128/1975, whereby its sub-committees were re-established. More specifically, in 1973, the Sub-Committees of Foreign Exchange Control and of Foreign Exchange Allocation for Financial Needs were set up, the latter also having an office in Thessaloniki. Subsequently, the Handicraft Loans Committee with its sub-committees (1974, 1976), the Credit Sub-Committee (1974) and the Loans and Foreign Exchange Sub-Committee (1974) were re-established.

Law 400/1976 clarified more extensively the tasks of the Currency Committee, regulated issues pertaining to its organisation and operation, and established a Secretariat Department of the Currency Committee within the Bank of Greece, responsible for providing secretarial support. The latter was comprised of the Sections of Decision Processing, Credit Policy Implementation Monitoring, Relations with Exporting Enterprises and the Economic Analysis Agency. Over the years 1977-1981, a Sub-Committee for the Control of Credit Rules Violations was also operating.

Under Law 1266/1982, the Currency Committee was abolished and most of its tasks were automatically transferred to the Bank of Greece, which became the sole competent authority to decide on monetary, credit and foreign exchange matters, always in the context of the government policy pursued. As of 2.7.1982, the Secretariat Department of the Currency Committee was abolished and a Department of Monetary

Policy and Banking Operations was established within the Bank of Greece (General Council Decision, meeting 15/1.7.1982), which took over the sections of the abolished Department. At the same time, the Credit Control Department was renamed Banking Supervision Department.

In 1982, when the Currency Committee was abolished, most of its tasks were transferred to the Bank of Greece and its archive passed to the business units that provided support to the successor executive supervisory bodies, i.e. the Monetary and Credit Committee, the Credit and Insurance Committee and, afterwards, the Credit and Banking Committee. In 2012, the archive was transferred to the newly established Section for the Support of the Executive Supervisory Bodies of the Financial Stability Department, where it remained until 2017.

CONTENTS

The archive contains decisions of the Currency Committee and its sub-committees regarding monetary and credit policymaking. The decisions refer, among other things, to the control of currency, foreign exchange, loans/credit and the financing of several sectors of the economy (trade, industry, handicraft, banks, etc.). In addition, the archive contains correspondence, applications and accompanying documents between the Currency Committee and other committees, the Bank of Greece, ministries, financial institutions and individuals.

The archive comprises minutes of meetings, files of supporting documents, as well as correspondence registers and files of the Currency Committee (1946-1982),

the Credit Committee (1952-1954), the Credit Sub-Committee (1954-1982), the Loans and Foreign Exchange Sub-committee (1974-1982) and the Sub-Committee for the Control of Credit Rule Violations (1977-1981).

ARRANGEMENT

The initial arrangement was maintained. The holdings were classified in nine archival sub-series, reflecting the responsibilities of the bodies of the Currency Committee as follows:

- ▶ **A 1S 10Y1:** Minutes of the meetings of the Currency Committee – Books (76 books, 1946-1982)
- ▶ **A 1S 10Y2:** Minutes of the meetings of the Currency Committee – Folders (142 folders, 1971-1982)
- ▶ **A 1S 10Y3:** Minutes of the meetings of the Credit Committee (1 book, 1952-1954)
- ▶ **A 1S 10Y4:** Minutes of the meetings of the Credit Sub-Committee – Books (139 books, 1954-1982)
- ▶ **A 1S 10Y5:** Minutes of the meetings of the Credit Sub-Committee – Folders (483 folders, 1971-1982)
- ▶ **A 1S 10Y6:** Minutes of the meetings of the Loans and Foreign Exchange Sub-Committee – Books (87 books, 1974-1982)
- ▶ **A 1S 10Y7:** Minutes of the meetings of the Loans and Foreign Exchange Sub-Committee – Folders (698 folders, 1974-1982)
- ▶ **A 1S 10Y8:** Minutes of the meetings of the Sub-Committee for the Control of Credit Rules Violations (3 books, 1977-1981)
- ▶ **A 1S 10Y9:** Secretariat of the Currency Committee (111 books, 128 folders, 1953-1988).

The minutes books were arranged in

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chronological order. The arrangement of folders of unbound documents is currently underway.

CONDITIONS FOR ACCESS AND USE

Free access.

The Bank of Greece is responsible for the archive's copyright protection. Reproduction of the material is permitted in accordance with IATE's terms of use.

ADDITIONAL INFORMATION

- ▶ An electronic index is compiled by IATE (underway).
- ▶ The minutes books of the Currency Committee and its sub-committees have been digitalised.
- ▶ The Section for the Support of the Executive Supervisory Bodies of the Financial Stability Department keeps copies of the minutes of the Currency Committee.
- ▶ The Georgios Mantzavinou Archive (GR IATE A5-S1-Y2) contains files of the years 1949-1955 relating to his membership in the Currency Committee in his capacity as Governor of the Bank of Greece; the files concern deposits flows, the problems of the Greek banking system, the regulation of banks, industrial credit, foreign exchange, etc.
- ▶ The Xenophon Zolotas Archive (GR IATE A2-S1, S3 and S5) contains files of the years 1951-1981 relating to his membership in the Currency Committee in his capacity as Governor of the Bank of Greece; the files concern the role and responsibilities of the Currency Committee, joint decisions of the Ministers of Coordination & Planning and of Finance, monetary policy measures, the regulation of banks, etc.
- ▶ In the General State Archives of Greece, Archive of the Currency Committee (GRGSA-CA-ADM142.01), one can find material of the years 1946-1965, purporting to have come into the possession of the General State Archives of Greece in 1974 from the Ministry of Coordination, which kept a part of the Committee's archival material.
- ▶ The history of the foundation of the Currency Committee is described in detail in the unpublished doctoral thesis of one of its first members and later professor at Princeton, Gardner Patterson, *The financial experiences of Greece from liberation to the Truman Doctrine* (October 1944-March 1947), Ann Arbor, Michigan, November 1948, as well as in Athanasios Lykogiannis, *Britain and the Greek Economic Crisis, 1944-47*, University of Missouri Press, Columbia, Missouri, 2002.
- ▶ The Library of the Bank of Greece possesses the following publications codifying Currency Committee decisions: Currency Committee, *Κώδιξ Ισχυουσών Διατάξεων* (A code of provisions in force), ed. I. A. Dimitrogiannis, Athens 1957; Currency Committee, *Κανόνες Διέποντες τας Χρηματοδοτήσεις και Λοιπάς Τοποθετήσεις των Τραπεζών* (Rules on financing and other bank investment) (Currency Committee Decision 1422/30.7.1966, agenda item no 1), Athens 1966; Bank of Greece, Credit Control Department, *Κωδικοποίησης αποφάσεων Νομισματικής Επιτροπής και Υποεπιτροπής Πιστώσεων: χρηματοδοτήσεις της οικονομίας,*

κανόνες διέποντες τας χρηματοδοτήσεις και λοιπάς τοποθετήσεις των τραπεζών (Codification of Currency Committee and Credit Sub-Committee decisions: financing of the economy, rules on financing and other bank investment), ed. Panos A. Maritsas, 2nd ed., Athens 1966; Currency Committee, *Κανόνες διέποντες τας χρηματοδοτήσεις και λοιπάς τοποθετήσεις των τραπεζών: απόφασις της Νομισματικής Επιτροπής, Συνεδρίασις υπ' αριθ. 1509/14.9.1968, θέμα 1ον* (Rules on financing and other bank investment: Currency Committee Decision, Meeting No 1509/14.9/91968, agenda item no 1), Athens 1968; Currency Committee, *Κώδιξ Ισχυουσών Διατάξεων* (A code of provisions in force), ed. V. G. Lassados, Athens 1979.

Sources: The material of the archives; Emmanouil Tsouderos Archive (GR IATE A3-S1-Y2); Georgios Mantzavinou Archive (GR IATE A5-S1-Y2); Xenophon Zolotas Archive (GR IATE A2); *Τα πρώτα πενήντα χρόνια της Τραπέζης της Ελλάδος, 1928-1978* (The first fifty years of the Bank of Greece, 1928-1978), Athens 1978, pp. 267-269, 313-321, 645-646, 752; Ch. I. Iordanoglou, *Η ελληνική οικονομία μετά το 1950, Τόμος Α', περίοδος 1950-1973: Ανάπτυξη, νομισματική σταθερότητα και κρατικός παρεμβατισμός* (The Greek economy after 1950, Volume A, 1950-1973: Growth, monetary stability and State interventionism), Athens 2020, pp. 46-47, 78-82.