

## **ABSTRACT**

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### **STATUS AND ROLE OF CENTRAL BANKS IN HISTORY**

This diploma thesis describes and compares the regulation and status of two central banks in our history, the central bank of the independent Czechoslovak Republic and the central bank of the Czech Republic. The aim of this thesis is to present and compare selected aspects of both central banks through the method of analysis and comparison. The hypothesis is that both banks, as central banks of democratic states, are similar in their regulation and status. The intention is to verify this hypothesis and find out whether the Czechoslovak Republic legislation was a source of inspiration for the creation of central banking legislation when the Czech Republic was established.

The first part of the thesis describes the banking system, the characteristics and origin of central banking in the world and the Czech region. Subsequently, the circumstances of the establishment of the National Bank of Czechoslovakia and the Czech National Bank are presented. The second part deals with the constitutional and legal regulations of both central bank and the objectives of their activities. The third part characterizes the status of both central banks as regards legal form, bodies and degree of independence.

Differences have prevailed in the compared aspects of central banks. The Czechoslovak Republic regulation was not a main source of inspiration in the drafting of post-socialist legislation, especially when the degree of state influence on the functioning of the bank is taken into account. The National Bank of Czechoslovakia took the form of a joint-stock company with a majority state shareholding, in which banks and other business entities could also participate. The state was entitled to grant and revoke the money issuance right. The government was entitled to propose the appointment and removal of members of the bank board without conditions stipulated by law. Such an adjustment would probably not meet today's requirements for central bank independence. The hypothesis has therefore been disproved.

### **KEY WORDS**

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Central banking, the National Bank of Czechoslovakia, the Czech National Bank