

PODCAST ATM STORIES – EPISODE N°4 HORACE FINALY, A LITERARY BANKER AND DIPLOMAT

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ATM Stories – Always Telling More by BNP Paribas – the podcast that goes behind the scenes to bring you some little-known stories about the bank. These moments that have shaped the character and culture of a 200-year-old group, to be enjoyed anywhere and at any time!

It's no secret that BNP Paribas is an international bank.

But do you know about the unsung men and women who have helped shape BNP Paribas? In this episode, we will tell you about the adventures of one of them, Horace Finaly, a talented banker, lover of literature and explorer.

He entered the world of banking in 1900, embarking on numerous business trips to negotiate loans to governments and large companies. Through his numerous assignments around the world, he reinforced Paribas's stature as an international investment bank.

From Japan to Argentina, America, Hungary – financiers of every nationality saw Horace Finaly pass through their country during that period.

Curious by nature and open to the world, he stands out over the course of his travels for his analytical skills and keen sense of diplomacy. His qualities were quickly noticed by his superiors, who entrusted him with important missions. He was sent to Japan in 1907, for example, to assess the possibility of Paribas establishing a presence there and to prepare a report on the country's economic situation.

His feelings are revealed in a speech at the official dinner in Tokyo in November:

(...) Ready to return to France, I take away from this unfortunately very short stay in Japan strong and lasting impressions that cannot be summed up in a few words (...) Having come (...) to educate myself, I will leave convinced of the excellence of the work to be accomplished and later I will be happy to think that I was a modest worker at the very beginning. I raise my glass to tighter economic bonds between Japan and France, to the prosperity of Japan."

To understand the talent and personality of Horace Finaly, let's delve back into his youth.

Because it was partially thanks to his background and those he came in contact with that this great banker became what he did.

Born in Budapest to Austro-Hungarian parents on 30 May 1871, he moved to France with his family at the age of nine.

His natural ability to move in a variety of cultural contexts stems from his family background.

Once established in France, Horace immersed himself in Paris's literary and intellectual scene. His mother hosted a literary salon to which poets, novelists and literary figures such as Anatole France were invited.

He met Marcel Proust through his rhetoric class at Lycée Condorcet in Paris. In 1882, they launched a literary magazine together entitled *Le Banquet*. Horace published poems in it under the pseudonym Perdican.

From then on, the two students forged a strong friendship that endured through the years.

It was to Horace that Marcel Proust sent the first copy of his book *A la Recherche du Temps Perdu* (or "Remembrance of Things Past")

Horace could count on those around him to inspire him, but his personal journey was just as impressive as that of his friends.

Before joining Paribas at the age of 29, he studied law and also spoke four languages: English, French, German and Italian.

His literary, linguistic and cultural abilities opened the doors to a brilliant career in the bank.

In 1904, he was in the United States at the time of Roosevelt's speech to Congress – a speech announcing the important role that America was to play in international affairs. This encouraged him to steer the bank's business towards that continent and to initiate future commercial relationships.

He particularly negotiated loans for railway companies such as the Pennsylvania Company. And it was partially thanks to these securities, worth up to 250 million francs, that France was subsequently able to finance its purchases from the United States during the Great War.

He was also involved in founding new banks such as the Zentral-Europäische Länderbank (or Bank of Central European Countries). He invested in the Ottoman Bank and the Bank of Syria, among others, with the aim of extending the international influence of Paribas as well as French political influence.

He began fruitful discussions with South American countries including Argentina and Uruguay. And it was as a result of his numerous business trips and diplomatic missions that he was made a Chevalier de la Légion d'Honneur on 28 July 1911, for exceptional services contributing to the development of French influence abroad, no less!

He reached a new stage in his career when he was appointed Managing Director of Paribas in 1919.

In 1931, the Agence Indépendante d'Information Internationale reported:

"It was Mr Finaly who made the Banque de Paris et des Pays-Bas the leading large French investment bank, who enabled it to expand and spread its influence, whose real importance can perhaps only be known by those very familiar with international circles."

Before his resignation in 1937, he made numerous innovative and bold decisions. Including his industrial equity investments after the First World War.

By investing in strategic sectors such as chemicals, electrical construction and the steel industry, he enabled Paribas to evolve by strengthening its character as an international investment bank.

Mr Finaly finally bowed out after 40 years of good and loyal service. The press paid tribute to him in June 1937:

"Mr Finaly had run the Banque de Paris et des Pays-Bas for so long that his personality became identified with the bank itself."

A fantastic story full of success for a literary banker who did so much for Paribas.

Which just goes to show that banking professions are about far more than just lines of figures! Culture, literature, communication and open-mindedness are also invaluable to the success of major future projects!

Another fascinating story from ATM Stories – Always Telling More. We will be back again very soon with more interesting stories from the history of BNP Paribas.



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