

## **Jorgovanka Tabakovi: The National Bank of Serbia - mirror of the state before the people and a reflection of the people before the world**

Speech by Dr Jorgovanka Tabakovi, Governor of the National Bank of Serbia, at the National Bank of Serbia's 140th anniversary, Belgrade, 2 July 2024.

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Esteemed Mr President, esteemed Prime Minister, esteemed ministers, your excellencies, dear friends and colleagues,

The National Bank of Serbia, whose 140 years of existence we are celebrating today, has always been a mirror of the state before the people and a reflection of the people before the world.

Stability has become a new reality in Serbia. Nowadays, no one in Serbia has to look at the exchange rate lists with trepidation... Confidence, which is necessary and binding for us, is earned only if you have results. And there are no strategies or tactics here...

"It takes courage to be moderate." It takes strength to stay true to yourself and to persevere, both when you are challenged and when you are applauded, and when you are paid no heed to... It is with this joint handwriting that we are writing the history of Serbia, and of the National Bank of Serbia, as its inseparable part. And it is our joint handwriting that is recognisable in every signature of mine.

Deeds, not words. To think and respond in a timely manner, to be prepared to tackle the unforeseen, to be determined in implementing measures, even at the cost of provoking initial misapprehension and antagonising some interest groups – all this was necessary for the National Bank of Serbia to be successful...

And though globalisation and technological development will usher in some seemingly new theories, the one thing that never changes is that we work with people and for people, and that stability has no alternative. This is the only way we can preserve and protect Serbia.

Given today's occasion, you will allow me to recall, together with you, the path we have travelled and to go back in time for a moment. Since time immemorial, it has been known that, in addition to the traditional national symbols – the coat-of-arms, flag and anthem – the spirit and the strength of a country are made up of its tradition, culture and national currency. The roots of our monetary system and the establishment of the National Bank of Serbia as the central issuing institution in Serbia can be traced back to 1835, when the Sretenje Constitution was adopted, as one of the first constitutions in Europe, laying down the guidelines and foundations for the development of a modern Serbia, whose state independence, including monetary independence, had been interrupted during the centuries-long Ottoman occupation. The Law on the Minting of Serbian Silver Coins from 1873, passed by Prince Milan Obrenovi, set up a domestic monetary system and established the dinar – in whose stability we take so much pride today – as the legal tender.

When the Principality of Serbia started establishing government institutions that had the most responsible task – to be the bedrock of a fledgling state, the central bank had to be among them. Five years after the Congress of Berlin, on 6 January 1883, King Milan Obrenovi signed the Law on the National Bank. He thereby created the conditions for the establishing of the Privileged National Bank of the Kingdom of Serbia, which began to operate on this very day, 140 years ago – on 2 July 1884, integrating the modern Serbian state into the economic and financial flows of the modern world.

As a confirmation of the position and reputation of the central bank in the country, and in order to accommodate its increased volume of work, the imposing building of the National Bank's headquarters was built in 1890 in Kralja Petra Street, where we are today. The building was built in the style of Neo-Renaissance academicism and is one of the largest and most beautiful architectural buildings from the 19th century in Belgrade.

In the past 140 years, the name and the form of our bank have often changed. With a 14-decade long tradition, we belong among the oldest central banks, but also among the central banks with the largest number of competences as, in the course of our history, the National Bank of Serbia's responsibilities have expanded in response to the increasing complexity of economic relations.

As modern times have brought the development of financial markets and powerful technological progress, the traditional functions of the central bank – preservation of price and financial stability – have been supplemented by new competences, but also faced with new challenges to be tackled.

Over the past 12 years, Serbia has traversed the path from a country plagued by monetary and financial instability and uncertainty to a country with inflation levels comparable to those of advanced economies, a stable currency, a record-high level of foreign exchange reserves, and a stable financial system.

As always, I once again emphasize that what lies at the core of all results in the economic sphere – monetary, fiscal and financial stability, and economic growth, is the cooperation of all economic policy holders headed by President Aleksandar Vui, but above all the achieved and preserved political stability, thanks precisely to the efforts of President Vui.

When we were deciding on who could contribute the most to Serbia, not on who would get which position, it was Aleksandar's and my wish that I be in this place today. The results are the best evidence of how good his choice turned out to be. At that moment, the multiple importance of the National Bank could only be recognized by the one who is connected to it both personally and as a family.

Dear Mr President, ladies and gentlemen, dear friends, esteemed guests,

At the end I will repeat – the National Bank of Serbia, whose 140 years of existence we are celebrating today, is a mirror of the state before the people and a reflection of the people before the world.

I now invite you to open our innovated Visitor Centre together and take a look at a part of the archival materials of the National Bank of Serbia – our numismatic collection, which serves as a testimony of facing and overcoming challenges such as wars, crises, inflation and other social and economic processes, phenomena and events that accompanied us on our often-difficult path to success.