

Why Basel?

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

Several factors explain why Basel became an insurance centre. The first was capital. Insurance companies needed capital to guarantee their obligations. Basel had wealthy merchants and bankers who were willing to invest in the new companies. The second was expertise. The merchants of Basel had long experience in assessing and managing risk, in trade, in credit and in the management of family wealth. The third was the tradition of mathematics, which the Bernoullis had established and which the university continued. The fourth was the international orientation of the city, whose merchants had correspondents throughout Europe and could build an international insurance business.

The fifth factor was the demand of the city's own industries. The silk ribbon industry needed insurance for its stocks of silk and ribbons, its warehouses and its shipments. The chemical industry, which was growing rapidly in the 1860s, had particularly high fire and explosion risks and needed substantial insurance capacity. The railways and the transport companies needed insurance for goods in transit. And the growing population of the city needed life insurance, accident insurance and fire insurance for its homes and possessions.

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/basel-why-basel-3