

The affair of the Banque commerciale de Bâle

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In the early 1930s, the tax tensions between France and Switzerland burst into the open on the occasion of a resounding scandal. In October 1932, the French police discovered in Paris documents revealing that a Swiss bank, the Banque commerciale de Bâle, was managing undeclared accounts for numerous French taxpayers. The Wikipédia article on banking secrecy notes that the scandal revealed the identity of tax evaders reaching up to the highest figures of the State, among them senators, the Bishop of Orléans, the Peugeot and Coty families and many industrialists, and that the Swiss accounts belonging to French nationals then began to empty.¹

The affair took on a political dimension in France. On 10 November 1932, the socialist deputy Fabien Albertin denounced from the rostrum of the Assemblée nationale the beneficiaries of this tax evasion network.² The French government was called upon to act against the evaders. The press seized on the scandal, which brought to light the scale of undeclared French assets in Switzerland.

For Swiss bankers, the affair was a warning. It showed that foreign authorities could obtain, by various means, information on the clients of Swiss banks, and that the disclosure of such information could trigger a flight of capital. According to the article cited above, it became urgent for Swiss financiers to legislate more strictly on banking secrecy in order to reassure the clientele of the financial centre.³ This interpretation, which links the affair of 1932 to the criminal-law reinforcement of secrecy in 1934, is widely adopted in the historiography, even though the genesis of the Act has other dimensions as well.

The affair of 1932 foreshadowed, at a distance of almost eighty years, the crises of banking secrecy in the twenty-first century. Foreign authorities obtain information on the clients of Swiss banks, reveal the scale of tax fraud and bring political pressure to bear on Switzerland. The financial centre responds by protecting the confidentiality of its clients. The decisive

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difference lies in the balance of power: in the 1930s Switzerland was able to strengthen secrecy, whereas in the twenty-first century it had to give it up vis-à-vis foreign tax authorities.

Worked example. A French taxpayer of the 1920s places FRF 1 million with a Swiss bank without declaring it. If the marginal rate of income tax applicable to the income from this capital reaches 50 per cent and the capital yields 5 per cent a year, concealment brings him an annual saving of FRF 25,000, that is half of the income. Over ten years, the saving reaches FRF 250,000, without counting the protection against the depreciation of the French franc. The figures are fictitious; they show why the French authorities regarded the flight of capital to Switzerland as a major budgetary issue.

1 Notes

1. Article “Secret bancaire” (Banking secrecy), Wikipédia (fr) (accessed September 2026). ↩
2. “1934 : les Suisses verrouillent le secret bancaire” (1934: the Swiss lock in banking secrecy), paradisfj.info (accessed September 2026), which dates the beginning of the affair to 26 October 1932. ↩
3. Article “Secret bancaire”, Wikipédia (fr), cited above. ↩

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