

What the cluster teaches

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

The Geneva trading cluster illustrates an idea that this book develops throughout: a financial centre is a system of relationships, far more than the sum of its firms. The medieval fairs, described in Part A, already brought together innkeepers, brokers, money-changers, notaries and judges, whose cooperation created the value of the centre. Contemporary trading reproduces this structure with banks, inspectors, charterers, insurers and lawyers.

The strength of a cluster lies in its density and in the quality of each of its links. Its fragility lies in its dependence on external decisions — sanctions, bank withdrawals, the location choices of groups — and in the cumulative effect of departures. The authorities and the players of the centre have an interest in preserving this density, which presupposes stable framework conditions, credible regulation, renewed skills and a reputation defended by irreproachable practices.

Worked example. A copper cargo worth USD 60 million mobilises, in Geneva, a trader who buys and resells it, a bank that finances it through a documentary credit, an inspection company that certifies its grade, a broker who charters the vessel, an insurer that covers the transport and a law firm that drafted the contracts. If each participant earns between 0.05 per cent and 0.5 per cent of the value, the Geneva services connected with this single cargo represent between USD 30,000 and USD 300,000 in revenue, without the copper ever coming anywhere near Geneva. The figures are fictitious.

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/geneva-what-the-cluster-teaches