

The big banks come south

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The crisis also opened Ticino to the large Swiss banks. Two of them had arrived before the crash. The Swiss Bank Corporation, the successor of the Basler Bankverein that had helped to found the BSI in 1873, opened an office in Chiasso in 1908 by taking over the local bank of the Fratelli Pasquali. The Schweizerische Kreditanstalt came to Lugano in 1913.¹ After the crisis and the war, the movement accelerated. In 1919 the Swiss Volksbank opened in Locarno.² In the same year the Banca Unione di Credito opened in Lugano. Its first head was E. Humitzsch, who had directed the Lucerne branch of the Swiss National Bank and left the central bank at the end of 1919 to take up the post.³

The most important arrival was that of the Union Bank of Switzerland. In 1920 the Banca Svizzera Americana, weakened by the losses of 1914 and by the war, sought a merger with the Zurich bank. The merger contract took retroactive effect from 1 January 1920 and was approved by the shareholders of the Locarno bank on 25 August 1920. The first two branches of the Union Bank in Ticino opened in Locarno and Lugano in that year.⁴ A century later, in 2020, UBS had 17 branches and 740 employees in the canton.⁵ The bankers of the canton organized themselves in the same year 1920 in the Associazione Bancaria Ticinese, which still represents them.⁶ The cooperative banking movement arrived soon after. The first Raiffeisen bank of the canton was founded in Sonvico in 1922.⁷ The Swiss National Bank opened a branch in Lugano in 1929.⁸

Year Event
1908 Swiss Bank Corporation opens in Chiasso
1913 Schweizerische Kreditanstalt opens in Lugano
1915 Banca dello Stato del Cantone Ticino begins operating
1919 Swiss Volksbank in Locarno; Banca Unione di Credito in Lugano
1920 Union Bank of Switzerland absorbs the Banca Svizzera Americana and opens in Locarno and Lugano; foundation of the Associazione Bancaria Ticinese; SNB agency in Bellinzona reopened under the Banca dello Stato
1922 First Raiffeisen bank in Sonvico
1929 SNB

branch in Lugano Sources: *Associazione Bancaria Ticinese, Nosetti, SNB annual reports, as cited in the footnotes.*

1 A new structure

By 1920 the Ticinese banking system had a new shape. At its centre stood a State bank with a public guarantee, alongside the BSI as the surviving large private bank of Lugano and the Banca Popolare di Lugano as a local bank. Branches of the national commercial banks completed the picture. The big banks brought capital, national payment networks, professional management and the confidence of depositors who had learnt in 1914 what a local bank could cost them. For the depositors the change meant greater security. For the canton it meant that the leading private banks were no longer controlled from Ticino. Decisions on credit, staff and strategy were now taken in Zurich and Basel, a pattern that would remain characteristic of the Lugano financial centre for the rest of the century.

The structure of 1920 prepared the ground for the growth described in Part D. When Italian capital began to seek refuge in Switzerland under Fascist currency controls in the 1920s and 1930s, and on a much larger scale after 1945, it found in Lugano and Chiasso the branches of the big Swiss banks, the BSI with its Italian links and a State bank whose guarantee reassured local savers. The crash of 1914 had cleared away the weak party banks. Their successors were larger, better capitalized and connected to the national financial system. The third financial centre of Switzerland grew on the foundations laid in the years between 1914 and 1920.

Common misconception. BancaStato is sometimes described as the successor of the Banca Cantonale Ticinese. Legally and historically it is a new institution. The Banca Cantonale Ticinese was a joint-stock company with private shareholders and no State guarantee, which failed in 1914. The Banca dello Stato was created by the decree of 19 January 1914 and the law of 6 May 1915 as a public law institution owned and guaranteed by the canton. Its name was chosen precisely to mark the break with the failed "cantonal" bank.

2 Notes

1. Associazione Bancaria Ticinese, "Cenni storici" (as above); Peter Püntener, "Società di banca svizzera (SBS)", in DSS, version of 27 November 2012, <https://hls-dhs-dss.ch/it/articles/041896/2012-11-27/> (Basler Bankverein founded in 1872; name Società di banca svizzera after the mergers with the Zürcher Bankverein in 1895, the Unionbank

of St. Gallen in 1896 and the Basler Depositen-Bank in 1897; entry into Ticino through the acquisition of the bank Fratelli Pasquali in Chiasso in 1908). ↩

2. Associazione Bancaria Ticinese, "Cenni storici" (as above) ("Banca Popolare Svizzera in Locarno"). ↩
3. Swiss National Bank, Geschäftsbericht 1919 (as above). ↩
4. Nosetti 2013 (as above); Lanzi, "UBS Lugano and Locarno: 100 years in full swing" (as above). ↩
5. Lanzi (as above). ↩
6. Associazione Bancaria Ticinese, "Cenni storici" (as above). ↩
7. Nosetti 2013 (as above). ↩
8. Nosetti 2013 (as above): "En 1929, l'ouverture de la succursale à Lugano de la Banque Nationale Suisse." ↩

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