

Zurich capital abroad

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

The purpose of the *Zinskommission* was to channel the savings of Zurich citizens into interest-bearing investments outside the city, where returns were higher than in the small domestic market. The Zurich Finance Museum describes the bank as a state bank that "belonged to half of the city of Zurich as an interest commission" and lent the citizens' money to borrowers abroad. Between 1755 and 1798 it held investments in the French *Compagnie des Indes*, which had transported tens of thousands of enslaved Africans to the Americas in the decades before.¹ Recent research on Swiss involvement in colonial trade and slavery has drawn attention to such investments, which show that Zurich capital accumulated in the putting-out system was placed in the global economy of the eighteenth century, including its darkest sectors.

The French Revolution and the devaluation of foreign assets that followed brought this model to an end. In 1798 the bank was restructured as a private company. In the first half of the nineteenth century it reduced its foreign holdings and became the principal mortgage institution of the Canton of Zurich. It was converted into a joint-stock company in 1854, reorganized after losses in 1871, joined the Swiss banking cartel in 1908 and thereby became one of the six largest Swiss banks.² In 1990 CS Holding acquired Bank Leu. In 2007 it was merged with other private banking subsidiaries of the Credit Suisse group to form Clariden Leu, which Credit Suisse absorbed in 2012.³ The oldest bank in Switzerland thus disappeared into the largest Zurich bank, which itself was taken over by UBS in 2023.

In figures. Bank Leu employed 263 people in 1950 and 1,341 in 1995. Its total assets grew over the same period from CHF 243.1 million to almost CHF 13 billion.⁴ In 1755 the bank had begun with a single employee in the Zurich city hall.⁵

1 Rahn+Bodmer: from silk to private banking

The path from silk trading to private banking can be followed in detail in the history of Rahn+Bodmer Co., which the financial press has called the oldest private bank in Switzerland. The firm was founded in 1750 by the Zurich merchants Caspar and Hans Conrad Schulthess in the house "Zum gewundenen Schwert" on the Limmatquai. Its main business was the silk trade, but from the beginning it also dealt in securities and bills of exchange.⁶ In 1805 the firm was listed for the first time as a bank, under the name "Caspar Schulthess sel. Erben & Schinz". In 1855 it turned completely to banking. It took the name "Escher & Rahn" in 1893 and, after the entry of Max Bodmer-Schindler as partner in 1917, "Rahn & Bodmer". In 1934 it was one of the founders of the Swiss Private Bankers Association.⁷

Rahn+Bodmer still operates as a partnership whose partners bear unlimited personal liability for the bank's obligations.⁸ This legal form, which is rare among modern banks, preserves the structure of the eighteenth-century merchant house, in which the owners' private fortunes stood behind the firm's commitments. It also reflects a continuity in the Zurich private banking tradition: the capital of families that had earned their wealth in the silk trade became the capital of banks whose reputation rested on the personal liability of their owners.

2 Notes

1. FINANZMUSEUM (Zurich), blog, "The Transatlantic Slave Trade – Part 3", 3 November 2022, <https://finanzmuseum.ch/en/home/blog/transatlantic-slavetrade-part3.html> (consulted 4 October 2026). The post gives the figure of 42,467 enslaved persons transported by the Compagnie des Indes to the Americas between 1720 and 1750. ↩
2. Baumann, "Banque Leu" (above). ↩
3. Baumann, "Banque Leu" (above); Wikipedia, "Bank Leu" (above). Jan-Henning Baumann, "Credito svizzero (CS)", in HLS (Italian version), version of 27 November 2012, <https://hls-dhs-dss.ch/it/articles/041821/> (consulted 5 October 2026): "Banca Leu, rilevata nel 1990". On the takeover of Credit Suisse by UBS: FINMA, "FINMA approves merger of UBS and Credit Suisse", 19 March 2023, <https://www.finma.ch/en/news/2023/03/20230319-mm-cs-ubs/> (consulted 5 October 2026); Wikipedia, "Acquisition of Credit Suisse by UBS", https://en.wikipedia.org/wiki/Acquisition_of_Credit_Suisse_by_UBS

(consulted 5 October 2026; used as a last resort): completed on 12 June 2023. See also the Geneva volume and Chapter E.I. ↩

4. Baumann, "Banque Leu" (above). ↩
5. Schmid, "Leu, Johann Jakob" (above). ↩
6. Rahn+Bodmer Co., "History", <https://rahnbodmer.ch/en/history> (consulted 4 October 2026); finews.ch, Dina Holz, "275 Jahre Rahn+Bodmer Co.: «Viele Besucher sind von uns überrascht»", 29 August 2025, <https://www.finews.ch/news/banken/68914-interview-christian-bidermann-rahn-bodmer-privatbank-jubilaum-275-jahre-finanzplatz-zuerich-credit-suisse-finanzplatz-schweiz> (consulted 4 October 2026), describing the bank as "Switzerland's oldest private bank" founded in 1750 as a silk trading house. ↩
7. Rahn+Bodmer Co., "History" (above). ↩
8. finews.ch, "275 Jahre Rahn+Bodmer Co." (above). ↩

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