

The Federal Insurance Office and the first decades of supervision

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The authority entrusted with the application of the Act was the Eidgenössisches Versicherungsamt, the Federal Insurance Office, which began its work in Bern in 1886. It was initially attached to the Department of the Interior and later to the Department of Trade, Industry and Agriculture. In 1896 it moved to the Federal Department of Justice and Police, where it remained for more than a century.¹ The attachment to the justice department was significant. It signalled that insurance supervision was seen as a matter of legal order and of the protection of private rights, closer to the supervision of foundations or of the commercial register than to economic policy in a narrower sense.

The first head of the office was Johann Jakob Kummer (1828–1913), who had directed the Federal Statistical Bureau from 1873 to 1886. Kummer belonged to the circle of statisticians who, in the 1870s and 1880s, criticised the mutual aid societies for working without proper actuarial foundations. In his view it was the task of statistics and of statisticians to lead these associations onto the right path. From 1891 the office employed Christian Moser (1861–1935) as the first federal actuary. Moser later declined the directorship of the new Federal Social Insurance Office in 1912.² These names indicate the character of the early office. It was staffed by mathematicians and statisticians who approached insurance as an applied science of probability, which is why the Swiss supervisor developed a strong actuarial tradition from the outset.

The office's daily work in the decades after 1886 consisted of examining licence applications, reviewing the annual reports and accounts of licensed undertakings, and, increasingly, examining the premium tariffs and general conditions that insurers proposed to use. The Act itself said little about premium levels, although the practice of the office developed towards what later became known as material supervision (*materielle*

Aufsicht), meaning a preventive review of products, tariffs and conditions before they were placed on the market.³ Swiss insurance supervision was, for most of its history, a supervision of products as much as of undertakings. The office's approval of tariffs and conditions protected policyholders against unfair terms. It also stabilised prices, which suited an industry organised in associations and cartels.

The industry organised itself in parallel. In December 1900 twenty-one Swiss insurance companies founded an association that later took the name Verband konzessionierter schweizerischer Versicherungsgesellschaften and, from 1978, Schweizerischer Versicherungsverband (SVV). The association maintained close contacts with the Federal Insurance Office and followed the licensing of foreign insurance companies. It also took part in the development of cartel agreements, in particular on premium levels.⁴ The Swiss insurance market of the twentieth century was therefore shaped by a triangle: a federal office with preventive powers, a strong association with its seat in Zurich, and a small number of large domestic companies whose managers moved between the association's committees and the boards of the leading Zurich and Basel groups.

The growth of the market in this framework was considerable. Domestic premium volume rose from 30.4 million francs in 1891 to 56.5 billion francs in 2010.⁵ Although these figures are not adjusted for inflation, they reflect a transformation of Switzerland from a market dominated by foreign offices to one of the most densely insured countries in the world, with domestic companies that had become major exporters of insurance services. The early supervisory regime contributed to this transformation. By filtering out weak foreign competitors and requiring reserves to be held for Swiss business, it created a protected space in which domestic companies could build capital and reputation. Critics later argued that the same protection had made the Swiss market expensive and slow to innovate, a criticism that led to the deregulation of the 1990s.

1 Notes

1. SVV, "Rückblick auf 140 Jahre Versicherungsregulierung" (cited above). The SVV account dates the start of operations of the Federal Insurance Office to 1886 and its transfer to the Federal Department of Justice and Police to 1896. ↩
2. Geschichte der Sozialen Sicherheit in der Schweiz, "Kalkulationsdebatten um 1900", <https://www.geschichtedersozialsicherheit.ch/zahlen/kalkulationsdebatten-um-1900>. The page describes Kummer's role as director of the

Federal Statistical Bureau (1873–1886) and then head of the Federal Insurance Office, and Moser’s appointment as first federal actuary in 1891. ↩

3. The term materielle Staatsaufsicht is used in the Swiss literature for the preventive approval of tariffs and conditions that characterised Swiss insurance supervision until the 1990s. The Federal Council’s message on the VAG of 9 May 2003 (BBl 2003 3789, cited above) uses the term and proposes giving up systematic preventive tariff controls (“Verzicht auf systematische, präventive Tarifkontrollen”). On the early practice, Walter Stämpfli, “Die schweizerische Staatsaufsicht über das private Versicherungswesen und ihre Tätigkeit”, Zeitschrift für schweizerische Statistik 1907, vol. I, <https://www.sses.swiss/journal/archive/pdf/1907/1907-I-38.pdf>, describes the right and duty of the Versicherungsamt to examine statutes and insurance conditions, whose amendments took effect only after approval by the Federal Council. ↩
4. HLS, Matthieu Leimgruber, “Schweizerischer Versicherungsverband (SVV)”, version of 23 September 2025, <https://hls-dhs-dss.ch/de/articles/062282/2025-09-23/>. The article notes the SVV’s seat in Zurich, its close contacts with the Federal Insurance Office and its role in premium agreements. ↩
5. HLS, “Versicherungen” (cited above), section on the development of premium volume. ↩

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