

War, expansion and controversy (1914–1945)

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The First World War cut the international insurance links that had grown during the nineteenth century. Insurers from the Allied countries could no longer cede business to German reinsurers, and German reinsurers lost access to the British, French and later American markets. Haueter observes that during the war only reinsurers were able to maintain their international presence and thereby helped to spread risks geographically. For a reinsurer from neutral Switzerland, this was a unique opportunity. The HLS records that the war brought Swiss Re significant contracts from the belligerent countries. British and French insurers who had previously ceded business to Munich or Cologne now turned to Zurich, while Swiss Re continued to serve its clients in Germany and Austria.¹

Swiss Re used the war years and the early 1920s for a series of acquisitions that laid the basis of its later structure. The HLS dates the expansion through acquisitions and participations to the years 1910 to 1923 in the United States and 1916 to 1924 in Europe. In 1916 the company acquired a majority holding in the British reinsurer Mercantile and General, which gave it direct access to the London market and to the British Empire. In 1923 the North American Reassurance Company was founded in New York to develop life reinsurance in the United States. In 1924 Swiss Re acquired the Bayerische Rückversicherung AG in Munich, which gave it a German subsidiary in the home town of its largest competitor. By the mid-1920s, according to the HLS, Swiss Re had become the largest reinsurance company in the world. The German hyperinflation of the early 1920s, which eroded the capital of German companies, is likely to have played a part in this change of rank alongside Swiss Re's own growth.²

The economic crisis of the early 1930s tested the company's reserves. Swiss Re recorded its heaviest losses to date in 1931 but, according to its own history, maintained stability through the reserves accumulated in earlier years. Early investment in data processing also dates from this period.

Punch-card processing was introduced in 1925, and slide-rule calculators were among the earliest tools of the underwriting departments.³

The period of National Socialism in Germany is the most difficult chapter of Swiss Re's history. The HLS notes that the company continued its operations in Germany after the National Socialist seizure of power. Haueter describes how the actions of the Hitler regime led foreign investors to doubt the capacity of German insurance to meet its obligations towards foreign companies and to fear the seizure of their German assets by the state. Swiss insurers and reinsurers were deeply involved in the German market through subsidiaries, participations and reinsurance treaties. The question of how they behaved towards the regime and its victims was examined after 1996 by the Independent Commission of Experts Switzerland – Second World War, known as the Bergier Commission.⁴

Volume 12 of the Commission's publications, published in 2002 by Stefan Karlen, Lucas Chocomeli, Kristin D'haemer, Stefan Laube and Daniel C. Schmid, is devoted to Swiss insurance companies in the sphere of power of the "Third Reich". Two findings concern reinsurers directly. In the 1920s and 1930s Swiss reinsurers had issued guarantee certificates for partner companies in Germany, which were intended to protect policyholders against the insolvency of the German insurer and against the devaluation of their policies. When the policies of Jewish policyholders were confiscated by the regime, the question arose whether the Swiss guarantors were liable. According to the Commission, the Swiss reinsurers refused to acknowledge such a payment obligation in general terms, although they accepted settlement payments in individual cases. The Commission also found that Swiss reinsurers had participated, through their membership of the Vereinigung zur Deckung von Grossrisiken, in a project of the "European large-area economy" planned by the German authorities.⁵

These findings belong to the history of Zurich as a financial centre in the same way as the better-known debates about dormant accounts and gold transactions of the Swiss banks. They show that a reinsurer's international network, which was its greatest commercial asset, could draw it into the political economy of a criminal regime. They also illustrate a legal point that recurs in reinsurance: guarantees and back-to-back undertakings given in a commercial context may acquire a moral dimension decades later, when the circumstances in which they were given are judged by different standards. The contrast with Swiss Re's wartime humanitarian activity is striking. In 1942 the marine department organised sea voyages

for the International Committee of the Red Cross, which enabled supplies to reach prisoners of war.⁶

1 Notes

1. Haueter, A History of Insurance, https://www.swissre.com/dam/jcr:33dbf3af-5be9-468d-a624-ed86ceda7ef8/150_history_of_insurance.2025-06-26-15-17-35.pdf. Feldmann, “Schweizerische Rückversicherungs-Gesellschaft”, HLS, <https://hls-dhs-dss.ch/articles/041818/2025-09-23/>. ↩
2. Feldmann, “Schweizerische Rückversicherungs-Gesellschaft”, HLS, <https://hls-dhs-dss.ch/articles/041818/2025-09-23/>. Swiss Re, “The Swiss Re Journey”, <https://www.swissre.com/about-us/history.html>. Reference for Business, “Swiss Reinsurance Company”, <https://www.referenceforbusiness.com/history2/0/Swiss-Reinsurance-Company-Schweizerische-R-ckversicherungs-Gesellschaft.html>. ↩
3. Swiss Re, “The Swiss Re Journey”, <https://www.swissre.com/about-us/history.html>. ↩
4. Feldmann, “Schweizerische Rückversicherungs-Gesellschaft”, HLS, <https://hls-dhs-dss.ch/articles/041818/2025-09-23/>. Haueter, A History of Insurance, https://www.swissre.com/dam/jcr:33dbf3af-5be9-468d-a624-ed86ceda7ef8/150_history_of_insurance.2025-06-26-15-17-35.pdf. ↩
5. Chronos Verlag, “Schweizerische Versicherungsgesellschaften im Machtbereich des «Dritten Reichs»”, UEK vol. 12, 2002, <https://www.chronos-verlag.ch/node/20086>. Unabhängige Expertenkommission Schweiz – Zweiter Weltkrieg, “Bd. 12: Versicherungsgesellschaften (Zusammenfassung)”, <https://www.uek.ch/de/schlussbericht/Publikationen/Zusammenfassungen/12versicherungen.htm>. ↩
6. Swiss Re, “The Swiss Re Journey”, <https://www.swissre.com/about-us/history.html>. ↩

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