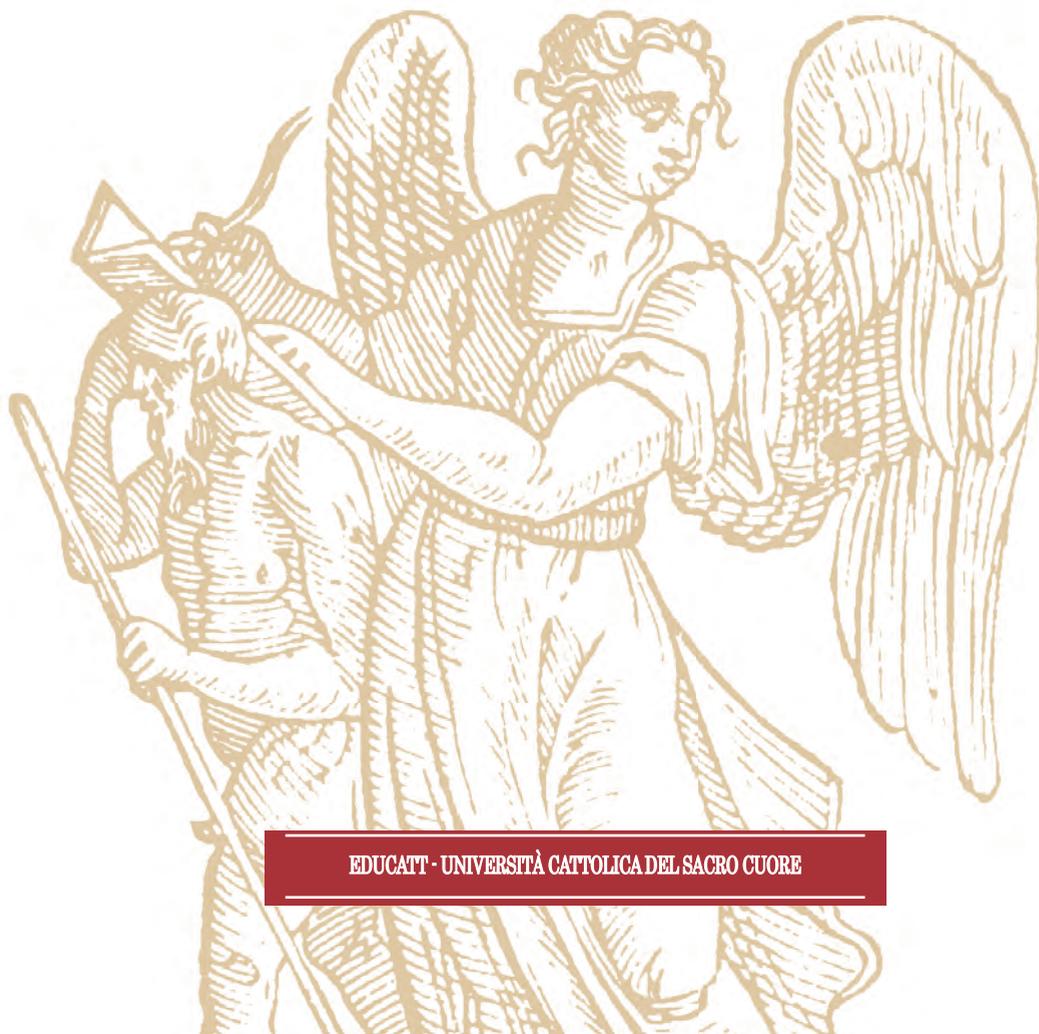

ANNALI DI STORIA MODERNA E CONTEMPORANEA

DIPARTIMENTO DI STORIA MODERNA E CONTEMPORANEA
UNIVERSITÀ CATTOLICA DEL SACRO CUORE

1

NUOVA SERIE - ANNO I 2013



EDUCATT - UNIVERSITÀ CATTOLICA DEL SACRO CUORE

ANNALI DI STORIA MODERNA E CONTEMPORANEA

DIPARTIMENTO DI STORIA MODERNA E CONTEMPORANEA
UNIVERSITÀ CATTOLICA DEL SACRO CUORE

Fondati da CESARE MOZZARELLI

1

NUOVA SERIE - ANNO I 2013

Milano 2013

EDUCATT - UNIVERSITÀ CATTOLICA DEL SACRO CUORE

ANNALI DI STORIA MODERNA E CONTEMPORANEA

Dipartimento di Storia Moderna e contemporanea

Università Cattolica del Sacro Cuore

Nuova Serie - Anno I - 1/2013

ISSN 1124-0296

Direttore

ROBERTINO GHIRINGHELLI

Comitato scientifico

CESARE ALZATI - GABRIELE ARCHETTI - GILIOLA BARBERO -

PIETRO CAFARO - LUCA CERIOTTI - EMANUELE COLOMBO -

CHIARA CONTINISIO - CINZIA CREMONINI - ANGELO CRESPI - MASSIMO FERRARI -

ROBERTINO GHIRINGHELLI - DANIELE MONTANARI - IVANA PEDERZANI -

ELENA RIVA - PAOLA SVERZELLATI - PAOLA VENTRONE

Segreteria di redazione

MARIA CRISTINA SCALCINATI

GIOVANNA GAMBA

Per la selezione dei contributi da pubblicare la rivista segue il metodo della revisione tra pari basata sull'anonimato, avvalendosi dei membri del Comitato scientifico e di studiosi esterni italiani e stranieri.

© 2013 **EDUCatt - Ente per il diritto allo studio universitario dell'Università Cattolica**

Largo Gemelli 1 - 20123 Milano - tel. 02.7234.2234 - fax 02.80.53.215

e-mail: editoriale .dsu@educatt.it (*produz.*) - librario.dsu@educatt.it (*distrib.*)

web: www.educatt.it/libri/ASMC

questo volume è stato stampato nel mese di dicembre 2013

presso la Litografia Solari - Peschiera Borromeo (Milano)

con tecnologia e su carta rispettose dell'ambiente

ISBN 978-88-6780-061-2

Banking systems on the border. Italy and Switzerland under the Latin Monetary Union (late 19th-early 20th centuries)¹

ENRICO BERBENNI

1. *Introduction*

The evolution of local banking systems in border regions can be mostly explained through the conceptual framework – drawn from the economic geography’s theory – of *région frontière*, i.e. an area which is deeply influenced by the existence of a political division on a social and economic level. Historically, the Swiss-Italian border line has played different functions as a ‘barrier’ or ‘filter’ or ‘contact point’, depending on which period we are referring to and on the diverse degree of permeability that it displays over time². In the post-Unification Italy until WWI, the political boundaries with Switzerland did not appear overly strict and gave rise to stronger economic relationships between the two countries. This integration was mainly driven by three factors. The first one lies in the advancing process of industrialization which pushed for a larger and diversified international commerce. The second issue is related to the infrastructural improvements that took place in those decades, significantly represented by the opening of the St. Gothard (1882) and Simplon (1906) railway tunnels, but also by better local communications. Thirdly, also institutional changes added new opportunities for a deeper interaction across the border. These latter primarily refer, on the one hand, to the gradual emergence of a modern banking sector increasingly

¹ An earlier version of this paper was presented at the III Swiss Congress of Historical Sciences, Fribourg (Switzerland), February 7-9 2013. This research is supported by the Centro interuniversitario di ricerca per la storia finanziaria italiana (Cirsfi). The usual disclaimer applies.

² R. RATTI, *Regioni di frontiera. Teorie dello sviluppo e saggi politico-economici*, Banca di credito commerciale e mobiliare, Lugano 1991; A. BRAMANTI - ID. (eds.), *Verso un’Europa delle Regioni. La cooperazione economica transfrontaliera come opportunità e sfida*, Franco Angeli, Milano 1993; R. RATTI - S. REICHMAN (eds.), *Theory and Practice of Transborder Cooperation*, Helbing & Lichtenhahn, Basel und Frankfurt am Main 1993.

operating on international markets, on the other to the existence of a common monetary system – the Latin Monetary Union (1865-1925) – which made Italy and Switzerland be ultimately based on the same currency.

This paper aims at being a first attempt to look at both sides of the frontier as a common economic region, focusing on the monetary and banking interplay between these countries and on the role played by a political division in giving competitive advantages which affected the economic and financial evolution of bordering areas. This was certainly the case of the Swiss Italian-speaking canton of Tessin and the bordering Italian province of Como between 19th and 20th centuries, when their respective financial and banking systems were deeply influenced by the existence of a frontier. Even though Tessin can be considered, from a geographic point of view, as part of the highly developed Italian region of Lombardy, the administrative frontier provided the Swiss Canton with a location advantage which made it one of the Confederation's most active banking centres in the long-run³. In its turn, the Como's banking place, too, was mostly affected by proximity to Switzerland, taking advantages of the many business opportunities arising from large cross-border commercial and financial flows.

2. The early stage of a banking system. The case of Tessin (late 19th century)

In the second half of the 19th century, Tessin's economy appeared to be at a lower stage of development compared to Switzerland on its whole and also to the neighbouring Lombardy. Although some new industries were introduced in those years, a more relevant industrialization occurred with a certain delay at the beginning of the new century. This situation was largely due to the simultaneous presence of the geographical boundary of the Alps in the north, and the political border in the south, which contributed to isolate Tessin in a small business environment. Therefore, it can be easily understood why the opening in 1882 of the railway tunnel of St. Gothard was envisaged to exert a deep influence in promoting a wider integration of the Italian-speaking Canton within the Confederation⁴.

³ R. ROMANO, *Il Canton Ticino tra '800 e '900. La mancata industrializzazione di una regione di frontiera*, Cuem, Milano 2002.

⁴ S. GUZZI-HEEB, *Per una storia economica del Canton Ticino*, in BERGIER, *Storia economica della Svizzera*, p. 330; B. BIUCCHI, *Profilo di storia economia e sociale della Svizzera*, Ar-

Yet, the weak economic base of Tessin did not prevent the rise of a local banking system which was pressed to look for investment opportunities outside the narrow boundaries of the Canton since its very beginning. The early stage of this process was characterized by the foundation of several credit institutions of little dimension, especially compared with the major Swiss banks⁵: Banca cantonale ticinese (1861), Banca della Svizzera italiana – Bsi (1873), Banca popolare ticinese (1885), Banca popolare di Lugano (1889), Credito ticinese (1890), Banca Svizzera Americana (1897), Società bancaria ticinese (1904) and Banca agricola commerciale (1904)⁶. Many of them devoted special efforts to open up business connections with the Italian market taking advantage of the apparent cultural and linguistic affinities, mainly with Lombardy and Piedmont, where strong Swiss colonies were already settled⁷.

In this regard, the case of Banca cantonale ticinese is noteworthy as the investments it made in the near Kingdom, especially in Turin, proved. brought about remarkable losses to the Swiss bank during the 1880s. In addition, it must be stressed the great importance foreign exchange operations had for this bank, exploiting the undervaluation of Italian money during the phase of its inconvertibility (*corso forzoso*), established in 1866, in force up to 1883 and subsequently reintroduced in 1894 under the pressure of a ruinous financial crisis⁸. No doubt, proximity to the frontier was to be a competitive advantage of primary importance for making the most of such business opportunities, due to the actual cross-border transfers of metallic money.

The case of Bsi is even more outstanding; its long-lasting activity clearly proves the capital flows from Italy to Switzerland and vice-versa. The Bsi was founded in 1873 on the initiative of three big credit institutions from outside the Canton, which was not that surprising since some big Swiss banks were also established thanks to German and Austrian

mando Dadò, Locarno 1983, pp. 126-127; B. CAIZZI, *Suez e San Gottardo*, Cisalpino, Milano 1985.

⁵ H. SIEGENTHALER, *Historische Statistik der Schweiz*, Chronos, Zurigo 1996, pp. 812-813.

⁶ C. KRONAUER, *Gli istituti di credito ticinesi dalla loro fondazione fino al 1912*, Aktienbuchdruckerei, Zurigo 1918, p. 7.

⁷ G. BONNANT, *Les colonies suisses d'Italie à la fin du XIX^e siècle*, «Revue Suisse d'Histoire», 26 (1976), pp. 134-176.

⁸ KRONAUER, *Gli istituti di credito ticinesi dalla loro fondazione fino al 1912*, pp. 29-31; M. DE CECCO, *L'Italia e il sistema finanziario internazionale 1860-1936*, in F. COTULA - M. DE CECCO - G. TONIOLO (eds.), *La Banca d'Italia. Sintesi della ricerca storica 1893-1960*, Laterza, Roma-Bari 2003, pp.3-58.

capitals⁹. As a matter of fact, along with Tessin's industrial entrepreneurs and businessmen, a crucial contribution was provided by the Schweizerische Kreditanstalt of Zurich, the Basler Bankverein and by one of the main Italian institutions, the Banca Generale of Rome¹⁰. The lead of the initiative was probably taken by the latter, as the partners signed the preliminary agreement in Turin and the first board of directors was constituted by several Italian members such as Antonio Allievi, Banca Generale's director, and other bankers from Milan¹¹.

As a local bank, Bsi's activity was firstly addressed to supply credit and financial services for its own territory. The bank's involvement in financing local infrastructures (mainly railways) towards the rest of the Confederation and in linking the neighbouring Italian areas of Como and Varese were aimed at promoting a deeper integration of Tessin within a wider economic space that would not take into account the political frontier and include part of the Italian region of Lombardy¹².

Strong connections with the Italian market were even more apparent if we look at the interplay between Bsi and Banca Generale. In fact – even if there are no clear archival evidence for that – due to the preference of the latter to raise capitals through interbank accounts, it is not unreasonable to assume that Bsi was to be a reservoir of foreign capitals for the Italian bank, which also participated in some new credit institutions abroad since 1872¹³. At the end of 1880, Bsi was net creditor towards correspondents (among which there probably was the Banca Generale itself) for 1.8 million Swiss francs, equal to 24% of its total assets¹⁴.

⁹ See the Schweizerische Kreditanstalt of Zurich and the Basler Bankverein. H. BAUER (a cura di), *Società di Banca Svizzera 1872-1972*, Società di Banca Svizzera, Basilea, 1972, p. 51; J.-F. BERGIER, *Storia economica della Svizzera*, Giampiero Casagrande Editore, Lugano 1999, p. 303.

¹⁰ On the Banca Generale see A. POLSI, *Alle origini del capitalismo italiano. Stato, banche e banchieri dopo l'Unità*, Einaudi, Torino 1993, p. 117; A.M. GALLI, *Sviluppo e crisi della Banca Generale*, in E. DECLEVA (ed.), *Antonio Allievi: dalle 'scienze civili' alla pratica del credito*, Cariplo-Laterza, Milano - Roma-Bari 1997, pp. 561-651.

¹¹ Banca della Svizzera Italiana (BSI), *Rapporto agli azionisti sull'esercizio 1873*, in Archivio storico della Banca d'Italia (ASBI), *Raccolte diverse, Relazioni e bilanci*, Pratt., n. 4, doc. 1.

¹² BSI, *Rapporto agli azionisti*, 1881-1882-1888, in ASBI, *Raccolte diverse, Relazioni e bilanci*, Pratt., n. 4, doc. 5, 6 e 12.

¹³ BSI, *Rapporto agli azionisti sull'esercizio 1880*, in ASBI, *Raccolte diverse, Relazioni e bilanci*, Pratt., n. 4, doc. 4. A.M. GALLI, *Sviluppo e crisi della Banca Generale*, pp. 578, 585-586, 620; A. CONFALONIERI, *Banca e industria in Italia (1894-1906)*, vol. I, *Le premesse: dall'abolizione del corso forzoso alla caduta del Credito Mobiliare*, il Mulino, Bologna 1979, pp. 278-279.

¹⁴ BSI, *Rapporto agli azionisti sull'esercizio 1880*, in ASBI, *Raccolte diverse, Relazioni e bilanci*, Pratiche, n. 4, doc. 4.

Besides, the Bsi invested directly on the Italian market as well, usually in partnership with Banca Generale, buying stocks and bonds of leading companies such as Società fondiaria milanese, Fondiaria italiana, Generale immobiliare, Strade ferrate del Mediterraneo and Navigazione Rubattino¹⁵. In 1880, together with its Italian clients and shareholders, the Bsi set up a new affiliated bank in Milan, the Banca Svizzera Italiana which was entitled to manage the economic interests the Swiss bank had on that place¹⁶. Finally, the Bsi also opened branches in the industrial areas of Gallarate, Luino and Domodossola, little towns at the north of Milan with deep-rooted Swiss colonies¹⁷.

The banking crisis in the early 1890s had disruptive consequences for several Italian banks. Banca Generale was heavily hit by the economic difficulties of the time so that it was eventually forced into liquidation. As it is well-known, a more relevant outcome of such a banking turmoil was the foundation in 1894-95 of two big 'universal banks', Banca commerciale italiana (Comit) and Credito italiano (Credit)¹⁸. Foreign capitals played a crucial function in these new banks. German, Austrian and Swiss capitals were also strongly represented in Comit. Bsi, too, had a share in Comit, together with two others Tessin's banks, Banca cantonale ticinese and Banca popolare ticinese. The amount granted to Bsi was just a small participation (0.7% of the whole share capital), anyhow it was enough to guarantee the cooperation of a big Italian bank. In fact, as occasion required, it turned out to be a necessary prerequisite to seize business opportunities in the Italian market¹⁹.

It seems then clear enough that the Tessin's early banking system was able to thrive thanks to tight linkages which it could exploit beyond the

¹⁵ A.M. GALLI, *Sviluppo e crisi della Banca Generale*, p. 635; P. CAFARO, *Finanziamento e ruolo della banca*, in S. ZANINELLI (ed.), *Storia dell'industria lombarda*, vol. II, t. 1, *Dall'unità politica alla Grande Guerra*, Il Polifilo, Milano 1990, pp. 225-233 e 239.

¹⁶ BSI, *Rapporto agli azionisti sull'esercizio 1880*, in ASBI, *Raccolte diverse, Relazioni e bilanci*, Pratt., n. 4, doc. 4; Archivio storico della Camera di commercio di Milano (ACCM), Ufficio provinciale d'ispezione delle società commerciali e degli istituti di credito, *Banca di Milano (già Banca Svizzera Italiana)*, scat. 44, bob. 58; Registro ditte, scat. 411, bob. 185.

¹⁷ BSI, *Rapporto agli azionisti, 1882-1883*, in ASBI, *Raccolte diverse, Relazioni e bilanci*, Pratt., n. 4, doc. 6 e 7; ACCM, Ufficio provinciale d'ispezione delle società commerciali e degli istituti di credito, *Banca della Svizzera Italiana in Gallarate*, scat. 48, bob. 59.

¹⁸ A. CONFALONIERI, *Banca e industria in Italia 1894-1906*, vol. II, *Il sistema bancario tra due crisi*, Banca commerciale italiana, Milano 1975.

¹⁹ Archivio storico Intesa Sanpaolo (ASI-BCI), Cdc, vol. V, pp. 248-249 and 366-369; Relazioni di bilancio, Esercizio 1895; Cpd, vol. 13, p. 176; Cpd, vol. 14, pp. 143-144 and 450; Cpd, vol. 13, pp. 204-205, 277-278, 359; Cpd, vol. 15, pp. 215-216.

frontier. Indeed, this looks like one of the most outstanding features of a border region whose development was mainly driven by the financial sector, as industry was still unable to effectively impress a ‘big spurt’ to the local economy that kept to be relatively poor compared to the rest of Switzerland. Quite interestingly, the rise and fall of Tessin’s banks was strictly correlated to the growth of the Italian economy and was strongly affected by the periodical crisis of the Italian banks, as it was apparent in the early 1890s. It is far more challenging to find out the effects brought forth by the frontier to the Italian place of Como, which appears as a little industrial town embedded between Switzerland and the main financial and trade centre of Milan.

3. Crossing the border. The case of Como (late 19th century)

Contrary to Tessin, Como’s economy was backed up by a rather developed secondary sector, traditionally based on silk manufacturing, while international trading – and it is well-known how much important silk exports were for the national trade balance²⁰ – was mainly carried out through the city of Milan²¹. The very nature of such a production made this area familiar with international markets and called for a credit infrastructure able to provide financial assistance to support commercial relations abroad. Over time this brought about the emergence of an international network of correspondents, allowing the local business community to build steady connections with foreign banking operators²².

This could potentially provide strong incentives for a well-grounded local banking system. Instead, two institutional features were evident: the long-lasting dominance of banking limited partnerships (the *accomandite*, made up of two types of partners – the *accomandanti* and the *accomandatari* – with limited and unlimited responsibility, respective-

²⁰ G. FEDERICO et al., *Il commercio estero italiano 1862-1950*, Laterza, Roma-Bari 2011, pp. 14-15; G. FEDERICO, *Il filo d’oro. L’industria mondiale della seta dalla restaurazione alla grande crisi*, Marsilio, Venezia 1994.

²¹ Archivio di Stato di Como (AsCo), Fondo Camera di commercio, cart. 355, *Banca Nazionale nel Regno d’Italia Succursale di Como. Relazione intorno all’Esercizio dell’anno 1872*; A. MOIOLI, *Il commercio serico lombardo nella prima metà dell’Ottocento*, in S. CAVACIOCCHI (ed.), *La seta in Europa Sec. XIII-XX*, Le Monnier, Firenze 1993, p. 728; S. ANGELI, *Banchieri e commercianti di sete a Milano nel periodo della Restaurazione*, «Studi storici», 21 (1980), p. 317.

²² A.M. GALLI, *Banca e credito: formazione, struttura e vicende del sistema locale*, in AA.VV., *Storia di Como*, vol. V, t. 3, *Dall’Età di Volta all’epoca contemporanea (1750-1950)*, Como 2008, p. 318.

ly) and the seemingly weak demand for new joint-stock credit institutions, at least compared to many other cities of Lombardy, even the little neighbouring centres of Lecco and Varese²³. Such a peculiar credit organization favoured a keen competition among these relatively small (compared to Milan but not to other cities²⁴) private bankers, which did not show any clear-cut dimensional hierarchy. Credit market was fluid, as the *accomandite* were generally short-lived, proving the great part played by trust among partners²⁵.

This in turn seemed to reflect the main characters of the local industrial base, which was also displaying a high degree of fragmentation while guiding the brisk process of creation of new banking companies²⁶. Local business community was looking for diversification of financial sources and the possibility to resort to a large variety of credit operators granted favourable conditions to debtors²⁷. The institutional organization of limited partnerships favoured more direct relations between debtors and creditors and this should have been especially appreciated by a kind of businessmen who was in search of discrete and quick ways of getting credit.

The aggressive policy of local bankers was particularly noteworthy: indeed, they operated as a sort of *Hausbank* for small and big firms of

²³ CAFARO, *Finanziamento e ruolo della banca*.

²⁴ In 1888 the local bank Tajana, Perti, Castiglioni & C. had a share capital of 1.25 mln lire, very close to that one, for example, of Banca bergamasca di depositi e conti correnti (1.20 mln in 1890) and of Banca mutua popolare di Bergamo (1.07 mln in 1890). AsCo, Fondo Tribunale, Società cessate e trascrizioni commerciali, cart. 3, fasc. 181/3; P. BOLCHINI, *Banche e banchieri a Bergamo nell'Ottocento*, in V. ZAMAGNI - S. ZANINELLI (eds.), *Storia economica e sociale di Bergamo*, vol.V, t. 3, *Fra Ottocento e Novecento. Lo sviluppo dei servizi*, Fondazione per la storia economica e sociale di Bergamo, Bergamo 1997, pp. 47, 51.

²⁵ ANGELI, *Banchieri e commercianti di sete a Milano nel periodo della Restaurazione*, pp. 322-327.

²⁶ On the interplay between bank and industry see the classical studies: J. BOUVIER, *Rapports entre systèmes bancaires et entreprises industrielles dans la croissance européenne au XIX^{ème} siècle*, in ID., *L'historien sur son métier. Etudes économiques au XIX^{ème}-XX^{ème} siècle*, Paris 1989; R. CAMERON (ed.), *Banking in the Early Stage of Industrialisation: a Study in Comparative History*, New York 1967; ID. (ed.), *Banking and Economic Development: Some Lessons of History*, New York 1972; Y. CASSIS (ed.), *Finance and Financiers in European History 1880-1960*, Cambridge 1992; R. CAMERON (ed.), *Financing Industrialization*, London 1992; C.P. KINDLEBERGER, *A financial history of Western Europe*, Allen & Unwin, London 1984.

²⁷ Inspection to the Como's branch of Banca d'Italia (9 April 1905), in ASBI, Ispettorato generale, Pratt., n. 239, fasc. 1.

Como, relying on close financial relations with Milan²⁸. Such an attitude could hardly be traced elsewhere in the neighbouring areas, so that the need for a more powerful credit institution could effectively be put off until the first decade of the 20th century. Moreover, capital requirements in the secondary sector were not so high, mostly considering that a real dimensional growth of major establishments had taken place only since the late 19th century. In addition, just a portion of those needs was met by banks, as an important (though hard to work out) component was supplied through self-financing and informal credit relationships, often based on friendship or family ties: these latter were still observable in many industrial companies of the province after WWII²⁹.

How this banking system actually performed, however, cannot be fully understood without taking into account the 'geography' of such a province, i.e. its closeness to the Swiss Confederation, whose effect on the local economy has not yet been thoroughly investigated. What did a border mean for a rich industrial area embedded in one fast-growing European region? It is beyond question that rising commercial flows between Italy and Switzerland, and, through this country, to central Europe were made easier by growing economies and improved infrastructures (see the above mentioned Gothard and Simplon railway tunnels)³⁰. Yet, more interestingly, an even more striking feature of those years was a deep integration attained by Italy and Switzerland as they joined the Latin Monetary Union (1865), which standardized currencies among member states according to a bimetallic standard based on silver and gold³¹. This fact brought about huge flows of metallic currencies from one country to another, especially from Italy to other partners such as Switzerland, in order to take advantage of arbitrage opportunities on foreign exchanges following the inconvertibility of Lira decreed in 1866: as a matter of fact, in 1892 around 60% of silver coins that were circulating in the Swiss Confederation had been coined in Italy³².

²⁸ GALLI, *Banca e credito: formazione, struttura e vicende del sistema locale*, p. 322.

²⁹ *Ibi*, p. 340.

³⁰ For data about trade between Italy and Switzerland, see SIEGENTHALER, *Historische Statistik der Schweiz*, pp. 696-697.

³¹ F. MARCONCINI, *Vicende dell'oro e dell'argento. Dalle premesse storiche alla liquidazione della Unione Monetaria Latina (1803-1925)*, Vita e Pensiero, Milano 1929; C.P. KINDLEBERGER, *Economic Laws and Economic History*, Cambridge University Press, Cambridge 1989; P. PECORARI, *La Lira debole. L'Italia, l'Unione monetaria latina e il «bimetallismo zoppo»*, Cedam, Padova 1999; M. ROCCAS, *L'Italia e il sistema monetario internazionale dagli anni Sessanta agli anni Novanta del secolo scorso*, in AA.VV., *Ricerche per la storia della Banca d'Italia*, vol. I, Laterza, Roma-Bari 1990, pp.3-67.

³² MARCONCINI, *Vicende dell'oro e dell'argento*, p. 231.

These currency movements could not be without consequence on the frontier areas of Como and Tessin, which had been experiencing an intensive cross-border speculation³³. It is easy to understand that such a process was strictly related to their location, that has been exploited throughout the 20th century as well, when Italian capital exports reached impressive amounts for a wide range of reasons, last but not least fiscal and political ones. In the second half of the 19th century currency transfers beyond the frontier must already have been of some importance, even if it is still not possible to provide a reliable estimation of their total amount.

The direct involvement of Como's financial operators and Tessin's banks in arbitrage activities clearly proves the many ties that joined the two sides of the frontier. It must be stressed that such currency movements sometimes involved a cooperation between them, as there were cases of Como's bankers or commission agents who had been buying up silver coins on behalf of Swiss banks³⁴. Likewise, it could also be the case of a Tessin's credit institution, the Banca cantonale ticinese, or other businessmen that got hold of shares in Como's banks like Giorgetti Faverio & C. and Clerici Molteni & C.³⁵. On the other hand, the same branch of the issuing institution Banca Nazionale nel Regno openly acknowledged in 1891 that its range of operations was spreading far beyond the local province, going to meet the needs of a single economic area which also included Tessin³⁶.

4. *Beyond the 'local': new banking systems in the early 20th century*

Some concluding remarks are about the significant change which began to appear at the turn of the new century. It was a very turning point for these banking systems, because a common evolution took place across the border. As a matter of fact, major national credit institutions were increasingly attracted there, either directly or indirectly. As to Tessin, the Société de Banque Suisse set up a branch in Chiasso in 1908, and the

³³ This issue was publicly dealt with, for instance, by the Como's newspaper «La Provincia di Como», 1892, 1.

³⁴ ASBI, Banca d'Italia, Segretariato, Pratt., n. 256, fasc. 3.

³⁵ A.M. GALLI, *Il sistema produttivo e finanziario*, in S. ZANINELLI (ed.), *Da un sistema agricolo a un sistema industriale: il Comasco dal Settecento al Novecento*, vol. IV, t. 1, *Continuità e cambiamento tra grande guerra e 'miracolo economico'*, Camera di commercio, industria e agricoltura di Como, Como 1998, p. 123.

³⁶ ASBI, Banca d'Italia, Segretariato, Pratt., n. 256, fasc. 3.

Crédit Suisse followed in Lugano in 1913. The industrialization of the Canton and, above all, the international business opportunities with Italy must be on the grounds of such a decision. This fact probably led to a more decisive influence of financial groups from outside the Canton, especially after 1914 when an unprecedented banking crisis broke out in Tessin bringing down three local institutions (Credito ticinese, Banca cantonale ticinese and Banca popolare ticinese) and causing significant losses among savers³⁷.

At the same time, some big Italian banks set out to develop an international organization (primarily including Near East, Eastern Europe, Latin America and the major financial centres of London, New York and Paris) that appeared as a necessary condition to foster the country's industry and trade³⁸. As a consequence, a presence on the Swiss place was also to be of primary importance due to its close ties with Italy and other international markets. As a matter of fact, this goal was mainly attained by getting hold of affiliated banks based in Tessin, that is a place very easy to reach and to keep under control from the banking headquarters in Milan. Apart from the case of Banco di Roma which set up its own branches in Lugano (1919) and Chiasso (1920) just after WWI, other Italian institutions chose to settle there indirectly, i.e. through local banks under Swiss law. This was the case of Banca unione di credito in Lugano (founded in 1919 on the initiative of Credito italiano) and of Bsi, whose share capital had been mostly acquired by Banca commerciale italiana in 1909³⁹.

At that time, fiscal reasons had probably influenced this choice, because it allowed the clients of the Italian bank to deposit foreign securities in a credit institution abroad, and in this way to avoid paying the

³⁷ C. KRONAUER, *Gli istituti di credito ticinesi dalla loro fondazione fino al 1912*.

³⁸ On the banking multinationalization see G. JONES (ed.), *Banks as Multinationals*, Routledge, London - New York 1990. On the international expansion of Italian banks see A. CONFALONIERI, *Banche miste e grande industria in Italia 1914-1933*, vol. I, *Introduzione. L'esperienza della Banca commerciale italiana e del Credito italiano*, Banca commerciale italiana, Milano 1994, pp. 507 ss.; G. TONIOLO, *Cent'anni, 1894-1994*, Banca commerciale italiana, Milano 1994, pp. 63-65; R. DI QUIRICO, *Le banche italiane all'estero*, European Press Academic Publishing, Fucecchio 2000; M. D'ALESSANDRO, *Gestire le reti estere. Comit e Credit nei centri finanziari internazionali (1900-1940)*, «Annali di storia dell'impresa», 12 (2001), pp. 35-69.

³⁹ Similarly, also the Istituto italiano di credito marittimo established a branch shortly after the First World War, but this time in the main financial centre of Zurich (1921). ASI-BCI, Sg, cart. 33, fasc. 22, sf 1; Ivi, AD2, cart. 17, fasc. 23. A. CONFALONIERI, *Banca e industria in Italia dalla crisi del 1907 all'agosto 1914*, vol. I, *Il sistema bancario in una economia di transizione*, Banca commerciale italiana, Milano 1982, p. 398.

taxes levied in Italy on foreign securities, otherwise due if these ones were deposited in an Italian bank⁴⁰. More generally, however, it should be noted that Bsi would have played, mostly throughout the inter-war years, a decisive role in providing the Comit's banking group with remarkable amounts of financial resources and foreign currencies⁴¹. In this regard, it was not that surprising that Bsi was involved in financing Italian companies on Comit's account⁴².

A quite remarkable change in the local banking system took place in Como as well, following a period of general instability. A crisis hit many local banks in the first decade of the 20th century, even the most important ones such as Tajana Perti & C. and the Sala Regazzoni & C., the latter being eventually forced into liquidation⁴³. Those difficulties clearly prove a rather widespread attitude of such banks to get engaged in risky investments in order to cope with high levels of competition. Besides, a contemporary transformation in the local industrial organization brought forth bigger establishments and a consolidation of joint-stock companies, which called for a more stable and powerful credit environment that could not rely any more on the only support provided by the relatively small banking *accomandite*⁴⁴. From 1871 to 1911, Como's industrial value added (net of construction) grew dramatically, following just Milan on a regional comparison and being in the first positions at a national level⁴⁵.

A major push towards credit institutionalization came up on the very initiative of the local business community together with some outstanding Milanese financial operators. These ones were already strictly connected to the local credit market: Credito italiano, for instance, seemed

⁴⁰ A. CONFALONIERI, *Banca e industria in Italia dalla crisi del 1907 all'agosto 1914*, vol. I, pp. 51 ss.; A. CAFARELLI, *L'espansione economica in età giolittiana*, in P. PECORARI (ed.), *L'Italia economica. Tempi e fenomeni del cambiamento (1861-1963)*, Cedam, Padova 2003, pp. 77-78. ASI-BCI, *Relazioni di bilancio, Esercizio 1910*.

⁴¹ ASI-BCI, *Carte Mattioli*, cart. 3, fasc. II, parte II: L'Estero. CONFALONIERI, *Banche miste e grande industria in Italia 1914-1933*, vol. I, pp. 532-533; DI QUIRICO, *Le banche italiane all'estero*, pp. 149 ss.

⁴² A. CONFALONIERI, *Banche miste e grande industria in Italia 1914-1933*, vol. II, *I rapporti banca-industria*, Banca commerciale italiana, Milano 1997, pp. 199-201 e 225-227. ASI-BCI, *Sg*, cart. 33, fasc. 2.

⁴³ GALLI, *Banca e credito: formazione, struttura e vicende del sistema locale*, pp. 326-329.

⁴⁴ B. CAZZI, *Storia del setificio comasco. L'economia*, Centro Lariano per gli studi economici, Como 1957.

⁴⁵ C. CICCARELLI - S. FENOALTEA, *Through the Magnifying Glass: Provincial Aspects of Industrial Growth in post-Unification Italy*, «The Economic History Review», 66 (2013), 1, pp. 63-64.

to have friendly relations with the bankers Antonio Tajana, Luigi Perti and Clerici Molteni & C., while Banca commerciale italiana was the limited partner of the Banca e cambio Arnolfo Camerini & C.⁴⁶ However, a first move for a reorganization of this place was carried out in 1906, when a branch of the Società bancaria italiana (Sbi) was finally established after a merging with the local limited partnership banks Catelli Corti & C. and Clerici Giorgetti & C. The role played on this occasion by local businessmen should not have been negligible as leading representatives among them (see Pietro Baragiola and Enrico Scalini) proved successful in gaining control positions within the Sbi's board of directors⁴⁷.

A very turning point was however represented by the creation of Banco lariano in 1908, that would become a reference credit institution for the whole province in the following decades. It was established thanks to a joint initiative of Como's businessmen and the Milanese banks Credito italiano, Prandoni and Zaccaria Pisa, which turned the local bank Tajana Perti & C. into a joint-stock company endowed with a greater financial potential. Thereafter, other national banks (Banca commerciale italiana, Credito italiano, Banco ambrosiano, Banca nazionale di credito, Banco di Roma, Banca agricola italiana, Unione bancaria nazionale) set up their own branches on this place so that, in the mid 1920s, Como's banking system came out to be far more diversified than two decades before. Almost all the major national banks were now directly present on this frontier area, along with the central institution Banca d'Italia, the savings bank Cassa di risparmio delle province lombarde, the people's bank Banca popolare di Como, the Banco lariano and some other minor bankers.

Due to its large influence on the local economy, a particular attention must be devoted to Banco lariano. The increasing resources available to this bank made it necessary to look for new business opportunities also in other provinces, essentially Milan and Varese, because of a structural excess of deposits compared to the limited local investment possibilities⁴⁸. However, the proximity to Switzerland also gave the bank other

⁴⁶ AS UNICREDIT, Direzione centrale, Segreteria alta direzione, Documentazione di segreteria, Copialettere alta direzione, Copialettere di Federico Balzarotti, n. 13 (12.12.1907 and 22.1.1908) and n. 57 (3.6.1904). G. PINARDI, *Banche e banchieri d'Italia. Annuario della banca italiana 1907-1908*, Società editrice di annuari, Milano 1907, p. 90.

⁴⁷ F. BONELLI, *La crisi del 1907. Una tappa dello sviluppo industriale in Italia*, Einaudi, Torino 1971, pp. 30-36.

⁴⁸ GALLI, *Banca e credito: formazione, struttura e vicende del sistema locale*, pp. 336, 339-340.

alternatives to exploit, mainly related to foreign exchange activity and international trade financing. These types of operations should not have been worthless for the Banco lariano since its very beginning, when it tried to open (even if without success) a branch in the neighbouring Swiss town of Chiasso to make the most of the many relations with Switzerland. More generally, it tried hard to expand its own activity on that place through services provided to shipping-agents. Also arbitrage operations in foreign exchanges with this country seemed to be especially profitable during WWI, while growing difficulties slowed down the ordinary discount activity⁴⁹. On the other hand, negative spill-over effects could also take place as it was the case of cross-border financial instability following the impressive Tessin's banking crisis in 1914 which had a bearing on deposits collected in the Como's place as well⁵⁰.

On the whole, a central issue is to be highlighted in the long-run, that is a common trend affecting these border areas to go beyond the local dimension and to involve financial groups from outside, so as to eventually become strictly dependent on the major Swiss and Italian financial centres. From this point of view, the places of Como and Lugano seemed quite similar, as their respective banking systems mostly developed over time thanks to external interests which were lured there by the possibility to exploit business opportunities offered by the proximity to the border. The degree of integration achieved in the 19th and 20th centuries already showed a significant economic potential related to the presence of a political frontier. This interaction would have highly increased throughout the century, even though according to a non-linear and rather controversial development.

Abstract

The effect exerted by a political boundary on the formation and interaction of local banking systems has so far received little attention by historians. Yet the concept of frontier seems particularly appropriate in order to understand how some credit systems were able to develop thanks to some location advantages connected to the presence of a border. In this regard, the case of the Swiss-Italian border, between Tessin and the province of Como, is of special importance for the peculiar evolutionary dynamics of their banking systems. The close interaction between the

⁴⁹ ASI, Banco lariano, Verbali Cda [VCA], 14.12.1909, 19.2.1914, 30.11.1915, 5.2.1916, 22.12.1916, 8.1.1922.

⁵⁰ ASI, Banco lariano, VCA, 19.2.1914, 16.6.1914.

two areas in the second half of the 19th and early 20th century – which was a direct result of the growing trade and monetary relations between Italy and Switzerland under the Latin Monetary Union – eventually attracted the expansionist purposes of big banks from outside the territory, linked to the financial centres of Milan and central Switzerland. A first attempt to approach these issues will therefore reconstruct the first steps of the banking systems of Como and Tessin, which soon set themselves at the crossroad between local and global.



DIPARTIMENTO DI STORIA MODERNA E CONTEMPORANEA
ANNALI DI STORIA MODERNA E CONTEMPORANEA

NUOVA SERIE - ANNO 1 - 1/2013

EDUCatt - Ente per il Diritto allo Studio Universitario dell'Università Cattolica
Largo Gemelli 1, 20123 Milano - tel. 02.72342235 - fax 02.80.53.215
e-mail: editoriale.dsu@educatt.it (produzione)
librario.dsu@educatt.it (distribuzione)
redazione: rivista.annalistoria@unicatt.it
web: www.educatt.it/libri/ASMC

ISSN 1124 - 0296

