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(Economic History Working Papers)

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Sandra Natoli, Paolo Piselli, Ivan Triglia and Francesco Vercelli

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# Historical Archive of Credit in Italy

**Sandra Natoli, Paolo Piselli, Ivan Triglia and Francesco Vercelli\***

## **Abstract**

This paper presents the Historical Archive of Credit in Italy (Archivio Storico del Credito in Italia, ASCI), a comprehensive database of yearly balance sheet data for nearly 2,600 Italian banks in the years 1890-1973. The work draws on an earlier work carried out by the Bank of Italy concerning the period 1890-1936 (published in 1996); it incorporates information collected by the Bank of Italy as part of its banking supervision activity from 1936 onwards. The dataset is suitable for analyzing a variety of credit phenomena, given its high representativeness of the banking system and the large amount of balance sheet data it contains. Based on this new dataset, we provide a sketch of the evolution of the Italian banking system between 1890 and 1973: we explore the composition of the balance sheets across bank categories, the regional distribution of banks and their degree of concentration.

**JEL Classification:** C81, G21, N23, N24

**Keywords:** banks' balance sheets, credit statistics, history of banking

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## 1. Introduction<sup>1</sup>

In this work we present the Historical Archive of Credit in Italy (*Archivio Storico del Credito in Italia, ASCI*)<sup>2</sup>, which collects and harmonizes end-year (annual) balance sheet data<sup>3</sup> for approximately 2,600 banks operating in Italy between 1890 and 1973. It includes more than 41,000 balance sheets.

The reconstruction incorporates the one carried out for the period 1890-1936 and published in the book *I bilanci delle aziende di credito 1890-1936* (Cotula *et al.*, 1996)<sup>4</sup> and continues for the next period, leaning on researches conducted by the former Historical Research Office and the current Economic History and Historical Archive Division at the Bank of Italy<sup>5</sup>.

The long historical period considered in the ASCI, the wide representation of the banking system and the high detail of balance-sheet items make this dataset well suitable for analyzing credit phenomena in the long run.

The database covers 84 years of credit history in Italy, from 1890 to 1973. Since the collection of data in Cotula *et al.* (1996) was carried out for celebrating the centenary of the Bank of Italy, the reconstruction of financial statements goes back to 1890, some years before its establishment (1893). The choice of the final year fell on 1973 because the Bank of Italy cannot release post-1973 bank micro data owing to confidentiality of bank supervision statistics<sup>6</sup>.

The dataset includes information for a very large number of banks, as will be shown in the next section. The dataset provides a good representativeness of the banking system, since it includes annual financial statements for more than half of the bank population, except between 1911 and 1941, when the percentage is around 30 percent. The *sample's*<sup>7</sup> coverage in terms of

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<sup>1</sup> The authors thank Federico Barbiellini Amidei, Elio Cerrito, Riccardo De Bonis and Alfredo Gigliobianco for valuable comments, suggestions and encouragement to carry out this work. The large amount of sources and data and the difficulty in reconstructing procedures and hypotheses of colleagues who used to be involved in the project, increases the likelihood of errors, omissions or inaccuracies, which the authors remain the only ones responsible for. We also thanks the participants to the “2015 EABH Archival Workshop”, Prague, and to the workshop “Building up historical and financial and banking databases”, 2016, Paris, for useful comments. The views expressed are those of the authors, not necessarily reflect those of the Bank of Italy.

<sup>2</sup> In the paper we use the Italian acronym “ASCI” to refer to the Historical Archive of Italian Credit.

<sup>3</sup> Before 1963 bank balance sheets did not include a complete income statement section, but the financial statement only. As in our dataset some income items are included, we are going to use through the paper the words *balance sheet* and *financial statement* interchangeably.

<sup>4</sup> The present work includes some revisions and integrations of the balance sheet data for the period 1890-1936 contained in the CD-ROM published in 1996. That CD-ROM is no longer compatible with current software.

<sup>5</sup> This paper would have never been written without the huge amount of research carried out by our colleagues over more than two decades. We cannot mention all of them. Some are cited in the references of this work. Others colleagues, who equally played an important role in this project are from the Banking Supervision Directorate, the IT Department, the Historical Archive and the Library Division. Finally, many banks contributed to this work, by providing us with their data.

<sup>6</sup> Actually, the confidentiality constraint holds for 40 years. However, financial statements for the period 1974-1976 are available only in paper archives, and resources have not been found for the data-entry.

<sup>7</sup> We use the word *sample* to point out our database, but it must be clarified that this is not a probability sample: to highlight this fact we use italics.



deposits is impressive: it is higher than 75 percent for the entire period and exceeds 95 percent from 1890 to 1910 and from 1951 onwards.

The ASCI contains the main items of the financial statements: 14 types of assets (liquid assets, bonds, mortgages, etc.), 9 types of liabilities (capital, reserves, deposits, etc.) and some off-balance sheet items (memorandum accounts, guarantees and rediscounted bills); in addition there are two items from the income statement: total costs and total revenues. These main items are comparable over time thanks to our construction of a uniform balance sheet structure over the entire period. In addition, the database provides the original definition of each item (revised to take into account errors in the sources).

The data are stored in “csv” and “dta” files, along with information on the structure of the dataset (Technical Manual) and the description of the variables<sup>8</sup>.

The rest of the paper is structured as follows. Section 2 describes the dataset, the categories of banks, and the representativeness of the data with respect to the overall banking system. Section 3 lists the historical sources. Section 4 presents the balance sheet structures and the main items. Section 5 discusses data quality and reliability. Section 6 summarizes the checks carried out on data and sources. Section 7 presents some stylized facts on the evolution of the banking system drawn from our dataset (balance sheets composition, geographical distribution, concentration) and compares the properties of closed *samples* of banks with those of the overall banking sector. Section 8 concludes. The Appendix provides details on the origin of the historical sources and on legal categories of banks.

## 2. The population and the sample

The bank population, to which the banks in our dataset belong, includes the main types of credit institutions operating between 1890 and 1973<sup>9</sup>:

- joint-stock or ordinary credit banks (*società ordinarie di credito*, SOC)<sup>10</sup>;
- cooperative banks (*banche popolari*, BP);
- savings banks (*casse di risparmio ordinarie*, CRO);
- banking houses (*ditte bancarie*, DB);
- Banks of National Interest (*banche di interesse nazionale*, BIN; since 1936);
- Public Law Banks (*istituti di credito di diritto pubblico*, IDP; since 1926);
- (first class) pledge banks (*monti di pietà di prima categoria*, MDP);
- central institutes (*istituti di credito di categoria*, ICC).

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<sup>8</sup> The information on how to access the database is available on the website of the Bank of Italy, in the Historical Statistics section.

<sup>9</sup> Details on bank categories can be found in the Appendix A.2.

<sup>10</sup> At present, acronyms reflect the Italian definition, which are also used to point out categories in the dataset.

ASCI does not include rural and artisans' banks (the current mutual cooperative banks) and second class pledge banks, which were not considered because of lack of documentation (especially for the period 1890-1936) and for their scarce relevance in terms of national deposits. As already mentioned, the database also excludes some peculiar Italian credit institutions, called special credit institutions (*istituti di credito speciale*, ICS, according to 1936 Banking Act), which provided long-term credit to firms in land and building, industry and commerce, agriculture.

The criterion for identifying the population of credit institutions is not uniform throughout the period. In particular, some categories are not present over the whole period due to changes in regulation; for example, the category of Public Law Banks was introduced with the reform of the banks of issues in 1926, while that of Banks of National Interest was defined only within the Banking Act in 1936<sup>11</sup>. Banking houses were regulated in 1926, and, since then, subject to precise publicity obligations. They appear in the dataset in 1936, when data become available. Moreover, until 1936, statistics on the universe of credit institutions include banks in liquidation, whereas after 1936 they are excluded<sup>12</sup>.

In addition to the banks listed above, the ASCI contemplates: "Other banks" (AB), a class of important credit institutions, not falling initially within any of the other legal categories, but subsequently included in one of them; "Other financial institutions" (OUT), ordinary credit banks or banking houses, which do not meet the definition of bank used in the reconstruction performed in Cotula *et al.* (1996), because almost exclusively involved in real estate operations or financial speculation.

As said, the banks within the dataset are not the result of a sampling process. Banks were picked out in different ways, depending on the time period and the category.

For the period 1890-1936, the ASCI includes all balance sheets present in the available documentation, except for cooperative banks between 1890 and 1910. Because of the large number of financial statements available in that period for this category (800 on average each year), only every five years they were collected entirely (1890, 1895, 1900, 1905, 1910). In the remaining years, they were sampled through techniques of cluster analysis, based on financial statement values (Vitali, 1996, pp. 212-219). As already mentioned, some observations excluded in Cotula *et al.* (1996) because of a different definition of "bank", are now available in the ASCI: such firms are coded as "Other financial institutions".

The building process of the ASCI for the 1937-1973 period has been long and far from linear. The original data collection procedure, defined in the 1970s in order to compile long-run aggregate statistics, put the emphasis on the continuity of the *sample*, so that aggregate statistics would not have been affected by changes in *sample* size. The procedure exploited a list of 365 banks surveyed in 1951, for the computation of series published in the Bulletin of the Bank of Italy (*Bulletin* from here on): the initial ASCI sample included the financial statements of those banks only if they were still in operation in 1973. Other banks, involved in

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<sup>11</sup> Obviously, a bank become a BIN in 1936 such as for instance the Banca Commerciale Italiana, is present in the dataset before that date under the category of joint-stock banks.

<sup>12</sup> Within the dataset, a dummy variable identifies banks in liquidation.

mergers and acquisitions with firms included in the 1951 *sample*, were embodied later in the dataset. In the final years, the collection procedure changed again: since 1970 all the operating banks were included. For this reason there is a significant increase in *sample* size from 1970 to 1973.

By observing the archive as a whole, we are now able to analyze the coverage of the *sample* in terms of number of banks, fiduciary deposits and geographical localization.

## **2.1. Coverage: number of banks**

Table 1 shows the number of banks in the ASCI dataset by year and category, while Table 2 reports the population of the entire banking system (excluding rural and artisans' banks and special credit institutions), drawn from the main reconstructions available in the literature<sup>13</sup>. By comparing the two tables, the number of banks present in the database turns out to be very high with respect to the population. Figure 1 combines the two tables, by illustrating the evolution of the coverage rate between 1890 and 1973<sup>14</sup>. Regarding the total number of banks (Figure 1, first panel), the percentage remains always above 50 percent, except for the period 1911-1941, when it still normally stays above 30 percent.

The overall coverage shows considerable variability and a throughout analysis by category can explain the reasons. Almost all savings banks are included for the entire period<sup>15</sup>; joint-stock banks also are very well represented, surpassing the 70 percent coverage for most of the time span considered (only in 1926 there is gap, because we failed to find end-year data for this category). The overall variability mainly depends on cooperative banks, which are also the most numerous category.

As explained above, in the period 1890-1910, data from the total population of cooperative banks were collected only every five years, while in the years in between a statistical sample was drawn. From 1911 to 1936 data retrieval for this legal category was extremely difficult; data were abundant in 1914, 1918 and 1936, while we could not find anything between 1927 and 1935. From 1937 to 1950, the coverage grows gradually from 22 to 29 percent; it stabilizes at 60 percent between 1951 and 1969 (with the exception of 1958), and then grows to 100 percent after 1970.

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<sup>13</sup> For the period 1890-1936 we refer to the reconstruction of banking population in Cerrito (1996a) and De Mattia (1967). As of 1936, the source is the Bank Registry (*Albo delle aziende di credito*), established in 1926 and edited since 1936 by the Credit Inspectorate (*Ispettorato per la difesa del Risparmio e l'esercizio del credito*; Banca d'Italia 1977, table 1, p. 6). For the year 1936, we show the figures from both sources. It must be highlighted a significant change in the census of bank population from 1936 on: banks in liquidation were excluded. In addition, there is a drop in bank population in 1924 and 1925 due to problems in the sources (see Cotula and Raganelli, 1996, p. 21, n. 3). Finally, the large increase of population in 1926 depends on the inclusion of banking firms in official banking statistics, as a result of the 1936 Banking Act.

<sup>14</sup> In some cases, the coverage rate exceeds 100 percent because of small differences in the category issued to a bank between the *sample* (ASCI) and the population.

<sup>15</sup> The reduction the number of saving banks in the 1920s observed in Table 2 is the result of the decree of 10 February 1927, which strongly promoted mergers and incorporations.

## 2.2. Coverage: deposits

To describe the *sample* in terms of coverage of fiduciary deposits<sup>16</sup> held by the entire banking system, we have to make some preliminary remarks about the estimates of credit aggregates in the literature. There are many long time series on the banking and financial sector (De Mattia, 1967; Cotula *et al.*, 1996; Biscaini and Ciocca, 1979; Garofalo and Colonna, 1999; Della Torre, 2000; De Bonis *et al.*, 2012). In this paper we will refer to the reconstruction carried out in the book on the banking system 1890-1936 (Cotula *et al.*, 1996) and that of Garofalo and Colonna (1999). We will not use the estimates recently proposed by De Bonis *et al.* (2012), because they include rural banks and special credit institutions, which are not included in the ASCI, and because the item “deposits” includes correspondent current accounts, which we excluded owing to definition issues (see footnote 16). The aggregates of the main variables for the period 1890-1936 in Cotula *et al.* (1996) are derived from the aggregation of individual balance-sheet data from ASCI, integrated with some estimates to overcome the shortage of balance sheets. The reconstruction by Garofalo and Colonna (1999) is instead based upon data published by the Credit Inspectorate between 1937 and 1941 and on the Bulletin from 1942 onwards<sup>17</sup>. As already mentioned, the official statistics of the Bulletin are based on a *sample* of 365 banks, highly representative of the overall banking system, as they held 99 percent of deposits (the percentage dropped to 97 percent in the 1970s)<sup>18</sup>.

The coverage in terms of deposits is close to 100 percent until 1910 (Figure 2); afterwards it falls, especially in periods 1911-1913, 1917-1923 and 1927-1935, due to the shortage of banks in the dataset, as explained in Section 3. However, even in those periods, the coverage remains very high, between 78 and 88 per cent.

Regarding the 1937-1973 period, coverage is always very high, even in the years between 1937 and 1950, for which data retrieval was more difficult: over 95 per cent, excluding 1937 and 1939. From 1951 onwards, the coverage exceeds 99 percent (with the exception of 1958) and even overcomes the reference aggregate after 1970. This result is not surprising, since, as mentioned above, the official aggregate in this period was estimated from a *sample* of banks, most of which are also included in the ASCI. After 1970, the database counts even more banks than the Bulletin. As the Bulletin *sample* already covered about 99 percent of the deposits of the entire banking system, we can easily claim that after 1970 the ASCI archive provides an almost complete coverage as regard deposits<sup>19</sup>.

## 2.3. Coverage: by region

For each bank, the database provides the location of the headquarters. Therefore, when data on the geographical distribution of the entire population of banks are available,

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<sup>16</sup> The fiduciary deposits include savings deposits and current accounts; they exclude correspondent current accounts. We refer the reader to Section 4.2.

<sup>17</sup> Therein, data are from 1937 to 1965; we drew statistics after 1965 from Bulletin.

<sup>18</sup> See for example Bulletin, Jan-Feb 1948, p. 8, Bank of Italy, 1949.

<sup>19</sup> It should also be noted that in 1958 coverage is over 97 per cent, despite being referred to a lower number of banks.

a territorial (regional) coverage rate can be computed. Before 1936, the Italian Statistical Yearbook (*Annuario Statistico Italiano*, 1910) reports regional distribution for a couple of years and for some categories of financial institutions. For the following period, Banca d'Italia (1977) provides the number of banks by province.

As explained in section 2.1, in 1890, 1895, 1900, 1905, 1910, the *sample* includes the entire universe of banks and, as a result, also geographical coverage is complete. Instead, it is important to analyze geographical coverage when the ASCI includes fewer observations. We consider coverage by legal category, disregarding savings banks because, over the entire period, just few of them are missing from the database.

Figure 3 shows regional coverage of cooperative banks in 1898, 1908, 1940 and 1969. Among those years in which cooperative banks have been sampled, we consider 1898 and 1908 for which the *Annuario Statistico Italiano* (1910) reports the geographical distribution. Since the sampling scheme was based only on financial statement variables disregarding bank location, regional coverage is not homogeneous. In 1898 Northern Italy is well represented, and coverage is above 60 percent in Liguria, Lombardy, Veneto and Friuli-Venezia Giulia. Central and Southern regions, instead, display percentages below 40. In 1908, coverage is lower than 60 percent in all the regions, except for Liguria. Differences between the North and the Center reduce, whereas in the South the percentages are below 30 (except for Calabria and Molise, with 34 and 50 respectively).

Between 1911 and 1935 the number of cooperative banks is generally low (if not zero). In 1936, ASCI includes more than 90 percent of cooperative banks, so that all regions are well represented. Between 1937 and 1950, only 30 percent of cooperative banks is available in the dataset. We report geographical coverage in 1940 and it turns out that the percentage is very low, especially in the Center and in the South. There are no observations for Campania, although Banca d'Italia (1977) reports the existence of 15 cooperative banks. Besides Friuli-Venezia Giulia and Sardinia, where all cooperative banks are included, only in Lombardy and Piedmont the coverage is higher than 50 percent (56 and 68, respectively). Larger banks have higher probability of being sampled and therefore Southern banks, which are smaller on average, are less likely to appear in the ASCI. From 1951 to 1969, the percentage of cooperative banks included in the ASCI is above 50 percent (with the exception of 1958). Regarding this period, Figure 3 displays the map for 1969: the discrepancy of coverage between North and South is even larger than in 1940. In most Northern regions, indeed, territorial coverage is larger than 80 percent, whereas in Center Italy is much lower, even below 20 percent in Marche.

Figure 4 displays regional coverage for all banks, excluding savings banks, pledge banks and cooperative banks. Until 1910, overall coverage oscillates between 83 and 97 percent, with a good territorial representativeness. Afterwards this percentage rapidly lowers to 72 percent in 1912. The coverage in that year is above 80 percent for Lombardy, Veneto, Friuli-Venezia Giulia, Tuscany, Lazio, Sardinia and Sicily. Disregarding Valle d'Aosta, Molise and Basilicata (where joint-stock banks were absent) and Trentino-Alto Adige (not annexed to the Italian Kingdom yet), only in Marche coverage is below 50 (33). The number of joint-stock banks present in ASCI rises during the 1920s, up to 95 percent in 1929 and 1930. The map for 1936 in Figure 4 displays similar percentages of coverage across regions, excluding Abruzzi and



Valle d'Aosta, where no joint-stock bank had its legal headquarters. Since 1937 the sampling scheme favours larger institutions, so that regions with smaller banks are penalized. Piedmont, Lombardy, Emilia-Romagna and Tuscany reach nearly 60-70 percent; in Veneto, instead, only 5 out of 20 banks appear in the ASCI. Finally, in 1969, ignoring Marche and Abruzzi where no joint-stock banks had their headquarters, coverage is extremely low in Calabria (25 percent), whereas in the other regions is at least 50 percent; in 9 regions is higher than 80 percent.

To summarize, the ASCI banks, although they do not constitute a statistical sample or a census of bank population (except in few years), represent well the banking population, especially for medium and large banks located in Northern Italy. It is less precise regarding smaller and South-based banks.

### 3. The historical sources

In this section we revise the main sources from which the majority of the (end-year) financial statements<sup>20</sup> are drawn; these sources are summarized schematically in Table 3. While balance sheet data for the 1890-1936 period come from numerous sources, those for the following years are drawn, almost exclusively, from the documents the banks sent to the Bank of Italy in compliance with supervision regulations: for this reason, here we focus especially on the sources of the 1890-1936 period<sup>21</sup>.

#### 3.1. The 1890-1936 period

The *joint-stock banks* (ordinary credit banks), according to art. 177 of Commercial Code of 1882, were required to file monthly (interim) accounts at the District Court; financial statements had to follow a detailed accounting scheme. Article 52 of the Regulation for the execution of the Commercial Code (Royal Decree, 27 December 1882, No. 1339) stated that the balance sheets also had to be sent to the Ministry of Agriculture, Industry and Commerce. This regulation applied for all joint-stock companies and did not require a specific structure of the statements. Later, as a consequence of legislation of 1926-28, balance sheets had to be sent every two months to the Bank of Italy, which was in charge of bank supervision and direct inspections on banks, as stated in the Royal Decree Law, 7 September 1926, No. 1511, art. 5.

The financial statements were published in the Official Bulletin of the Joint-Stock Companies (*Bollettino ufficiale delle società per azioni*, BUSA), on which largely our construction relies on. The BUSA had several parts; balance sheets are drawn from BUSA Balance Sheets (*Bilanci*) and BUSA Statements (*Situazioni*). The first one contained approved balance sheets sent to the Ministry of Agriculture, Industry and Commerce from all joint-stock companies, including banks. As already mentioned, these balance sheets had very heterogeneous structures and in many cases quite synthetic. On the other hand, BUSA Statements had a

<sup>20</sup> In few cases in the 1890-1936 period, when end-year balance sheet data were not available, financial statements referred to other months of the year have been used.

<sup>21</sup> Cerrito (1996b) reports the whole list of the sources we refer to for the period 1890-1936.

section dedicated exclusively to credit institutions (*Situazioni mensili dei conti delle Società che hanno per principale oggetto l'esercizio del credito*), containing the balance sheets sent to the District Court. Since these financial accounts were compiled according to homogeneous and detailed structures, data in the ASCI were drawn mainly from this source, whenever it was possible. However, BUSA Statements contained significant gaps, especially for:

- 1911-1913 and 1919-1923;
- December 1917 and 1918;
- 1914-1916: BUSA collected only the financial statements of ordinary credit banks over a given threshold: capital and reserves or deposits above 2 million lire<sup>22</sup>;
- December 1926: the publication of BUSA was interrupted just before the issuing of the banking law of 1926.
- For these reasons, many balance sheets in the period 1911-1926 were drawn from BUSA Balance Sheets, where balance sheet structures were quite heterogeneous. It took a great effort to re-define the items according to a homogenous structure, comparable to the rest of dataset (see Sections 4 and 5).

Recall that, for all the sub-period 1890-1936, but especially for the years 1911-1926, the sources described above were integrated with balance sheet data and annual reports of some banks, traced back through bibliographic research or thanks to the cooperation of the Italian Bankers' Association (ABI) and the banks themselves.

The *cooperative banks*, regulated by the Commercial Code of 1882 (Arts. 219-228), had to stick to the same norms concerning ordinary credit banks (joint stock banks). Hence, the sources used for these banks until 1918 are the same as those of ordinary credit banks<sup>23</sup>. However, from 1919 to 1935 balance sheets of this bank category were moved from BUSA Statements and inserted into a different sub-series, dedicated to cooperative banks, which researchers failed to consult (Cerrito, 1996b, p. 160). Therefore, for the sub-period 1919-1926 they refer to BUSA Balance Sheets, which, however, as mentioned above, reported very heterogeneous balance sheet structures. Some data were drawn from the *Repertorio storico documentario delle aziende di credito*, a publication of 1987 of the Italian Bankers' Association. From 1927 to 1935, no data were found, while those of 1936 are from the Bulletin of Credit Inspectorate. This publication, which was launched in that year as a result of the banking reform<sup>24</sup>, reported the financial statements of banks, keeping information on banks previously published in the BUSA Statements, but also including cooperative banks.

<sup>22</sup> Lira is the pre-euro Italian currency; 1 euro=1936.27 lire.

<sup>23</sup> Between 1914 and 1916 cooperative banks were published in BUSA Statements above the same threshold in the level of capital as ordinary credit banks.

<sup>24</sup> In 1936, as a result of 1936 Banking Act, banking supervision was entrusted to the Committee of Ministers, which exerted it through the Credit Inspectorate and the Bank of Italy, to which periodic reports and financial statements were transmitted (art. 31, 32a; Banking Act of 1936). The Inspectorate itself supervised the publication in the Bulletin (*Bollettino dell'Ispettorato per la difesa del risparmio e per l'esercizio del credito. Situazioni bimestrali dei conti delle Società che hanno per principale oggetto l'esercizio del credito*).



For *savings banks*, the reconstruction of balance sheet data was based primarily on the following sources:

- for 1890: Statistics of savings banks (*Statistica delle casse di risparmio*) for the years 1890 and 1891, years VII and VIII (Royal Decree, 5 May 1889, No. 3350);
- for the years 1891-1897: Semi-annual Bulletin of ordinary savings banks (*Bollettino semestrale delle casse di risparmio ordinarie*);
- for the years 1898-1925: Bulletin of the ordinary savings banks (*Bollettino delle casse di risparmio ordinarie*), yearly (Royal Decree, 1 December 1898, No. 546);
- for the period 1926-1936: Bulletin of the savings banks and first category pledge banks (*Bollettino delle casse di risparmio e dei Monti di pietà di prima categoria*), yearly.

The Bulletin of the savings banks was published by the Ministry of Agriculture, Industry and Commerce. As of 1926 a copy of the semi-annual and annual financial statements had to be sent to Bank of Italy. Like for all the other categories, the Banking Act of 1936 required savings banks to send financial statements to the Credit Inspectorate, which edited the Bulletin from which our data for 1936 were drawn.

Until 1925, balance sheets of *first category pledge banks* were published in a specific annual issue (*Bollettino delle situazioni dei conti dei monti di pietà*, Royal Decree, 24 December 1899, No. 496) by the Ministry of Agriculture, Industry and Commerce. With the banking law of 1926 were subject to the same regime of savings banks with respect to the publication of official accounts. Therefore we referred to the same sources of savings banks.

The data of those companies that we call *other financial institutions* come from the same sources as joint stock banks. For the remaining categories, the data were drawn directly from individual balance sheets and the documentation enclosed therein.

### **3.2. The 1937-1973 period**

As mentioned above, the data included in ASCI for the 1937-1973 period come from documents collected by the Bank of Italy for supervision purposes. Indeed, after the issuing of the Banking Act of 1936, all banks belonging to the (legal) categories defined by law were required to submit interim and annual reports to the Credit Inspectorate, which in turn forwarded to the Bank of Italy. Since 1947, control and supervision of banking activity was entrusted to the Bank of Italy, which was appointed chief of banking supervision. Data on some large banks for the years 1937-1948 have been integrated using the annual stakeholders meeting documentation

## **4. Balance sheet structure and balance sheet components**

As we have already mentioned in the previous section, balance-sheet data in ASCI come from different sources and follow heterogeneous accounting structures. Balance sheets' structures vary across time and categories, depending on the evolution of laws, the historical

source they originated from and banks' practices. All the balance sheets have been classified according to 24 accounting structures, which are reported in Table 4. For every item in the dataset we keep track of the original accounting structure called "*tipo*" (type) from which it has been drawn. More details can be found in the Appendix. In this work we propose a common accounting structure which creates a linkage between the 24 original structures and allows defining comparable items for the entire horizon 1890-1973 (see Cotula *et al.*, 1996, p. 350-354). In the common structure, items appear at three different levels of disaggregation: the main items (voci), the sub-items (sottovoci), and the tertiary items (sottovoci1). Table 5 reports for each of the original 24 structures all the sub-items in which the main items can be decomposed; letter "P" indicates the presence of an item in the corresponding original structure. Every item is associated with an identification code, which appear in the dataset<sup>25</sup>. A sub-item displaying the same name of the corresponding main item indicates that the amount could not be split into further sub-items. Tertiary items are available only for the 1936-1973 period and they correspond to the actual names of the items in the original sources<sup>26</sup>. The common structure is composed by three parts: "Assets", "Liabilities" and "Off-balance items". In the last part there are two items from the income statement: total costs and total revenue<sup>27</sup>.

#### 4.1. Assets

*Sight assets (100)*. It includes cash in the bank's vault and amounts held at other banks. Since 1948, it is possible to distinguish between cash in lire and in other currencies.

*Bill portfolio (200)*. It mainly consists of bills of exchange and short-term Treasury bonds. It excludes discounted bills of exchange which appear in the "Off-balance items" part. In some structures it is possible to isolate foreign bills of exchange (204). Before 1936, when the original accounts did not distinguish between short and long term Treasury bonds, they both enter within Bill portfolio. However, between 1936 and 1947, when the Treasury bonds' maturity is not observable, they appear among Securities (601-2).

*Advances (300)*. It includes advances on securities and goods.

*Contango loans (400)*. Since 1936 it is possible to differentiate between contango loans on government bonds and those on other financial products (except for CRO and MDP). Since 1962 it is also possible to separate contango loans on bonds and stocks.

*Mortgages (500)*. It is composed of mortgages and unsecured long-term loans.

*Securities (600)*. It excludes short-term Treasury bonds (more details in the description of item 200 Bill portfolio). Data on stocks and participation interests may contain measurement errors due to different accounting practices (Cotula *et al.*, 1996, p. 351).

<sup>25</sup> More information can be find in the Technical Manual and in Metadata.xlsx provided along with data.

<sup>26</sup> In this work a tertiary item is coded through two numbers separated with a dash: the first number is the code of the sub-item it belongs to, the second number indicates the specific tertiary item.

<sup>27</sup> We used the original currency, "lira italiana", instead of expressing data in euros (1 euro=1936.27 lire).

*Land and buildings (700)*. Sometimes the value of a building was set to one lira. Current account assets (800). It consists of: current accounts with collateral, agricultural current accounts, correspondent current accounts and current accounts with branches and agencies. Current accounts with correspondents suffer from remarkable measurement errors in the 1890-1936 period because of different accounting practices: some banks were used to record only the net balance between credits and debits with correspondents (Cotula *et al.*, 1996, p. 352). Moreover, only since 1948 it is possible to identify correspondent current accounts with banks (sub-item 813), which include also those with ICC and ICS. Since 1962, current accounts with ICS appear among current accounts with branches (804) and sub-item 803 contains loans to banks and ICC.

*Start-up costs (900)*. Some structures before 1936 allow identifying furniture values.

*Bills for collection (1000)*. These are bills which still have to be collected.

*Sundry items (1100)*. It includes non-performing loans, which, however, are not distinguishable between 1929 and 1936. It excludes accruals, which are accounted within Prepaid expenses (1400).

*Investment securities (1200)*. It mainly consists of pension funds for employees. Prior year losses (1300). In some structures it appears off-balance. In the common structure it has been considered on the assets side.

*Prepaid expenses (1400)*. It also includes asset accruals, which are distinct from prepaid expenses only since 1936.

*Original assets (9991)*. This is the sum of all the items of the assets side.

*Losses (9994)*. When this item is not in the historical source, it is computed as the difference between costs (2100) and revenues (4100), when costs exceed revenues.

*Assets balancing item (2990)*. This item is the difference between total assets and total liabilities when assets exceed liabilities. Moreover it allows compensating for items which are off-balance in the original structures but not in the common structure.

*Total assets (9995)*. It is the sum of Original assets (9991) and Assets balancing items (2990). By definition it coincides with total liabilities, which are not reported.

*Short-term loans (9996)*. This is the sum of: Portfolio bills (200), Advances (300), Contango loans (400) and Current assets accounts (800). Following Cotula *et al.* (1996, Tables 29 and ss.), we exclude short-term Treasury bonds (209). Moreover we ignore the following items: foreign bills of exchange (204), foreign current accounts (803-2 e 803-3), loans to banks (8034 e 803-5), current accounts with branches and agencies (804), correspondent current accounts with banks (813).

*Loans (9997)*. It is the sum of Short-term loans (9996) and Mortgages (500).

## **4.2. Liabilities**

*Capital and reserves (3000)*. In almost all balance structures one can discriminate between legal reserve (3002) and other reserve funds (3003).

*Other current liabilities accounts (3100)*. It comprises: agricultural current accounts, correspondent current accounts and current accounts with branches and agencies. Since 1948 foreign current accounts are identifiable. In the 1890-1936 period correspondent current accounts suffer from measurement error as they are not homogeneous across banks (sometimes they are recorded off-balance). In particular, for SOC and BP between 1890 and 1936, correspondent current accounts are included within fiduciary deposits (3200). Until 1936 few accounting structures allow to separate correspondent current accounts with banks. However their share should be low (Alieri and Cerrito, 1996, p. 335). Since 1936 they are identifiable and after 1948 it is possible to discriminate between correspondent current accounts with banks, ICC and ICS<sup>28</sup>.

*Fiduciary deposits (3200)*. It also comprises correspondent current accounts for SOC and BP between 1890 and 1898.

*Other forms of fund-raising (3300)*. It includes bonds, contango loans and advances. Some banks recorded cheques in circulation as bonds. Since 1948 it is possible to single out advances with the central bank (3305-2), which have become increasingly important since the 1920s.

*Sundry items (3400)*. It comprises: current and prior dividends, cheques in circulation, securities deposits. Sometimes cheques in circulation appear within Other forms of fund-raising (3300). It does not include accruals, which are accounted within Deferred income (3700).

*Bills received for collection (3500)*. It consists of bills which have to be collected.

*Funds of third parties (3600)*. It is generally possible to identify pension funds for employees (3601).

*Deferred income (3700)*. It also includes accrued expenses, which are distinct from deferred income only since 1936.

*Prior year income (3800)*. In some structures it appears off-balance. In the common structure it has been considered in the liabilities side.

*Original liabilities (9992)*. This is the sum of all the items of the liabilities part.

*Profits (9993)*. When this item is not in the historical source, it is computed as the difference between revenues (4100) and costs (2100), when revenues exceed costs.

*Liabilities balancing item (4990)*. This item is the difference between total liabilities and total assets when liabilities exceed assets. Moreover, it allows compensating for items which are off-balance in the original structures but not in the common structure.

### **4.3. The off-balance items**

*Memorandum accounts (assets: 2000, liabilities: 4000)*. It includes third-party funds (for custody or as guarantees). Since 1948 the dataset provides only the aggregate value.

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<sup>28</sup> Loans received from ICS appear among Other forms of fund-raising (3305-5).

*Costs (2100) and Revenues (4100)*. Along with the financial statement, banks provided total costs and total revenues. However, sometimes, historical sources reported only the net balance between costs and revenues, which has been attributed to either Profits (9993) or Losses (9994). For CRO and MDP there are detailed data on costs between 1898 and 1936; for MDP there are detailed data also on revenues between 1900 and 1926. Furthermore, some accounting structures (especially all those after 1936) allow differentiating non-recurring revenues from other revenues and non-recurrent costs from other costs. After 1936 sub-item 4102 includes only non-recurrent revenues and sub-item 2114 includes only non-recurrent costs.

*Guarantees and Rediscounted bills (items 9000 e 9500)*. It comprises rediscounted bills with third-parties (9001) and guarantees (9002). Alieri and Cerrito (1996) assert that, in the 1890-1936 period, a large share of those bills was rediscounted with the banks of issue. Moreover, these amounts could be underestimated because of banks' reluctance in declaring the need of rediscounting bills (see Alieri and Cerrito, 1996, p. 308). Since 1948 it is impossible to distinguish rediscounted bills, which actually had turned less important as a refinancing tool.

## **5. Selected issues about the data**

When using ASCI, it is important to be aware of some data issues.

First of all, like every balance-sheet dataset, accounting information might suffer from measurement errors because recording practice involve some discretionary choices<sup>29</sup>.

Second, sometimes there are mistakes in the historical sources, so that total assets differ from total liabilities. When these mistakes cannot be corrected, for example because of the lack of alternative sources, ASCI reports a balancing item (more details in the next section).

Third, there might be mistakes arising from the difficulty of reading data in the historical sources, especially before 1936, because of unclear handwriting, scarce paper quality and ambiguous association between item names and values.

Fourth, as we have already mentioned, banks' balance sheets were not drawn according to a unique sampling scheme, so that the number of observations is unstable across time and legal categories. Obtaining reasonable estimates of national aggregates was the initial goal of the collection of data on banking. Therefore, the adopted sampling schemes did not aim at making the *sample* representative of the universe at the geographical and dimensional level, but at recording information for the largest banks. The balance sheets of these large banks received also higher effort in the data cleaning process.

Finally, there are two operations which had a relevant impact on variable construction:

reclassification: when balance sheets did not follow any of the 24 schemes considered in ASCI, they had to be attributed to one of these schemes;

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<sup>29</sup> Furthermore, there might be episodes of balance-sheet manipulation. According to Alieri and Cerrito (1996, p. 308), sometimes rediscounted bills are underreported for prestige reasons.

homogenization: the construction of a unique common accounting scheme from the 24 schemes considered in ASCI.

Reclassification is particularly relevant for cooperative banks and joint-stock banks between 1911 and 1926, when data come from different sources: BUSA Balance Sheets, registries of the Italian Bankers' Association and documents prepared for annual general meetings. From 1898 to 1936 saving banks that were facing a liquidation process had to follow specific accounting schemes, which have been harmonized in ASCI with those of the other saving banks. Also balance sheets for Public Law Banks, central institutes and other banks have been reclassified until 1948. Clearly, the reclassification process required some discretionary choices, especially when item names were ambiguous. Moreover, when financial statements were poorly detailed, some items have been imputed. The estimates are based on the balance composition either of the same bank in close years or of similar banks in the same year. Unfortunately we could not find detailed information on the reclassification process, so we are not able to identify which items have been reclassified. For joint-stock banks – but not for cooperative and savings banks – we can identify which balance sheets have been reclassified. More details on reclassification can be found in Sannucci (1996)<sup>30</sup>.

Homogenization refers to the way in which ASCI connects the 24 accounting schemes reported in Table 4, which vary across time and legal categories. This is the centre of the present work, because it allows analyzing banking data over more than 80 years. Undoubtedly, this might produce structural breaks, being accounting definitions changed dramatically over time. Nonetheless, the shorter the time span is, the less severe these breaks are. Moreover, for each item of the common scheme the metadata file reports the original name reported on the historical source, so that the researcher may define items in alternative ways according to his own interests.

## 6. Data quality

Controls on data quality have been performed in order to correct both errors in the historical sources and coding mistakes. Controls over the 1890-1936 period are described in details in Cotula *et al.* (1996), whereas those for the following period emerge from internal documents of the ex-office “Historical Research”.

With respect to the 1890-1936 period, some mistakes within the historical sources arose by comparing the sum of items with the totals recorded in the sources (Sannucci, 1996, pp. 176-179). Some errors were fixed by inspecting balance sheets of the same bank in close years. Corrections for saving banks after 1911 relied detailed statistics at the provincial level from other sources. When it was impossible to infer the correct amount, a balancing item was introduced in order to balance assets and liabilities.

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<sup>30</sup> With respect to savings banks, the reclassification process involved balance sheets during the 1920s, in particular for the following items: bill portfolio, mortgages, current accounts with collateral, fiduciary deposits. Fewer estimates regarded securities and costs.



For the largest banks researchers collected data also from different sources, like the reports of the general annual meetings. By comparing different sources some reclassification errors were removed: for example, sometimes it came to light that an aggregated item was incorrectly attributed to a single sub-item. Moreover, the cleaning process identified some coding mistakes. For cooperative banks and joint-stock banks, most of the corrections concerned correspondent current accounts. For saving banks a common mistake was the attribution of agricultural loans to government bonds<sup>31</sup>.

In the 1937-1890 period, data were more precise than in the previous period since all banks had to send their balance sheets to the Bank of Italy regularly, following official schemes and clear accounting rules. Since 1948 there had been a unique scheme for all legal categories, and so there was no need for homogenization. Quality controls were systematic: at least 80 per cent of the balance sheets had been verified, leading to more than 6,000 corrections, generally due to coding mistakes or errors in the original sources. All annual accounts displaying relevant discrepancies between assets and liabilities had been checked, examining the original sources. Moreover, some coding errors emerged through the analysis of the evolution of main items for each single bank between 1951 and 1973. Finally, the balance sheets of the largest 30 banks had been checked through a comparison with the original sources.

## 7. Stylized facts

In this section we analyse some stylized facts on the evolution of the banking system drawn from our dataset. We focus on changes in balance sheet composition, geographical distribution, and concentration. Finally, we propose four closed *samples* which can be useful to study the dynamics of financial aggregates.

### 7.1. Financial statement composition across time and bank category

This section briefly describes the evolution of financial-statement composition across categories (cooperative, savings and joint-stock banks). Since the dynamics may be influenced by the construction of the *sample*, we consider 4 benchmark years (1890, 1936, 1951 and 1973) when the *sample* size is relatively larger.

Table 7 and Figure 5 display the average composition of some main items (over total assets) by category, so that every bank receives the same weight within the corresponding

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<sup>31</sup> Since major controls were done for few banks, generally the largest ones, there could be other mistakes in the dataset, due to the incorrect attribution of amounts to corresponding items. Errors in sub-items might involve items which sometimes were provided at the aggregate level, especially: bills, bonds and fiduciary deposits. Internal documents of the ex-office “Historical Research” report that balance sheets received particular attention during the data cleaning process: Banca Commerciale Italiana; Credito Italiano; Banco di Roma; Società bancaria Italiana, Banca Italiana di Sconto, Cassa di risparmio delle Province Lombarde, Cassa di risparmio di Torino, Istituto San Paolo di Torino, Monte dei Paschi di Siena, Banca Nazionale del Lavoro, Banco di Napoli, Banco di Sicilia, Banca Agricola Commerciale in Reggio Emilia, Banca Popolare di Novara. In the 1890-1936 period, these banks account for nearly 45 per cent on Italian assets, as in Cotula *et al.* (1996, tab. 32, p. 767).



category, whatever its size is. This provides some interesting insights that cannot be drawn by analyzing the ratios of aggregate items, as it was done in other works (*Cotula et al.*, 1996; Garofalo and Colonna, 1999)<sup>32</sup>.

At the beginning of the period, in 1890, there were relevant differences in balance sheet composition across categories. Bills portfolio dominated the assets side, with more than 60 per cent of the financial statement for cooperative banks, 52 for savings banks and 43 for the other credit institutions. Mortgages were the second most important asset (17 per cent) for savings banks, whereas they were lower for the other categories. Within joint-stock banks and cooperative banks, other relevant assets were securities (13 and 6 per cent, respectively) and current accounts (11 and 8 per cent). Sight assets were lower than 4.5 per cent for all categories. In the liabilities side, fiduciary deposits were the most important item, especially for savings banks (more than 80 per cent), whereas the shares for cooperative and other banks were close to 50 per cent. All categories show a larger weight of capital and reserves than in the following benchmark years: higher than 30 per cent for joint-stock banks and cooperative banks and around 15 per cent in savings banks.

After nearly half a century, at the time of the 1936 Banking Act, balance-sheet composition revealed some relevant changes in all credit institutions and the differences across categories widened. The share of bills portfolio generally halved (because of the reduced importance of bills of exchange), while remaining the principal asset for cooperative and joint-stock banks. Securities increased their share and became the most important asset for savings banks. In all categories sight assets started rising. The composition of the financial statement was more uniform across categories than in 1890, especially in terms of fiduciary deposits, since the share significantly increased for cooperative banks and decreased for savings banks and other institutions. We observe the growing importance of current accounts in all categories, principally for joint-stock banks<sup>33</sup> and the decreasing weight of capital and reserves.

In 1951 the balance-sheet composition partially moved away from that in 1936, becoming more homogeneous across categories. This process could also have been driven by the *sample* being restricted to the largest banks (mostly, the 365 banks used for the Bulletin). In particular, the share of sight assets went beyond 10 per cent and current accounts experienced a massive increase. This change took place through a reduction of bills portfolio for cooperative banks and of mortgages for savings banks. Also the liabilities composition underwent an attenuation of differences across categories. There was a relevant increase of current accounts (over 35 per cent for joint-stock banks) and a significant drop in capital and reserves, especially for savings banks (2 per cent).

In 1973, at the end of the period considered in ASCI, less than 20 per cent of assets was devoted to bills portfolio. Savings banks widened their investment in securities, which grew to become the prevalent asset (33 per cent). For cooperative banks and joint-stock banks,

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<sup>32</sup> The ratio of national aggregate items would be equivalent to the average of percentages weighted by size (assets). Therefore, given the high concentration of the Italian banking system, results would be strongly influenced by balance-sheet composition of few large banks.

<sup>33</sup> The main item Current accounts both in the assets and in the liabilities sides also comprises current accounts with correspondents.

instead, current accounts were the principal activity (over one third of total assets). It is worth noting the increase of mortgages in all categories, which came back to the 1936 levels. On the liabilities side, current accounts substituted fiduciary deposits and became the major form of fund raising for all categories. Current accounts and fiduciary deposits accounted for nearly 90 per cent of the liabilities. The percentage of capital and reserves fell further for cooperative banks and joint-stock banks (3.5 per cent) and remained close to 2 per cent for savings banks.

Overall we observe a convergence in the business model of cooperative and joint-stock banks, whose balance sheets become similar and similar, especially in the assets side. A major difference appear in the liabilities side, since cooperative banks mostly use fiduciary deposits as a source of funding, whereas joint-stock banks prefer correspondent relations. Savings banks, instead, display for the entire period some specific features: a large fraction of mortgages among assets and a low level of capital in the liabilities side.

The impressive decrease in the level of capitalization (with a ten-fold reduction for cooperative and joint-stock banks, and a five-fold drop for savings banks) might had been favored by the 1936 Banking Act. Indeed, it strengthened structural supervision based on direct control of risk taking – through temporal and functional specialization and the authorization of the Bank of Italy for risky investments (Barbiellini Amidei and Giordano, 2014) –, and lessened the importance of mandatory capital ratios. Banks had to satisfy some capital requirements, but only in terms of deposits: the excess of deposits had to be invested in state bonds or deposited at the Bank of Italy. This implied an increase of sight assets after 1936, as we can observe in Table 7.

Finally, since the Second World War, the bills portfolio, which had been previously the main short-term activity for banks, has been gradually substituted by the current accounts.

## 7.2. *Regional development*

As already said, for every bank the database provides the location of the head office. It is therefore possible to have a representation of the geographical distribution of the banks in the *sample*. As in the previous paragraph, we focus on 4 benchmark years (1890, 1936, 1951 and 1973), when the size of the *sample* is relatively higher. In particular, in 1890 and in 1973 coverage is close to 100% and so the distribution of the *sample* reflects the universe of the categories included in the dataset. In 1936, as we have already mentioned in Section 2.3, geographic coverage is good as well. Instead, in 1951, coverage is low for Southern Italy, and it is higher in the North, in particular in Emilia Romagna, Lombardy and Piedmont.

Figure 6 use geographic maps to show changes in the number of banks along the period covered by the database. In 1890, when the banks in the *sample* are almost coincident with those in the population, 44 per cent of them were located in the South, 23 in the Centre and 33 in the North (Table 6). The regional distribution in that year appears fairly uniform: the percentage of banks is unsurprisingly low in small regions (Valle d'Aosta and Molise), as well as in Sardinia, where it remains low for the entire period. It is below 1 percent also in Friuli-Venezia-Giulia (which still did not include the province of Udine in 1890) and Trentino-Alto Adige, which was annexed to Italy after the First World War. Finally, the percentage is less

than 5 percent in Liguria, Umbria, Basilicata and Calabria, while in other regions it is always higher; especially Apulia and Campania are the most represented regions, each of them with more than 10 per cent of banks.

Nearly 40 years later, in 1936, the percentages among macro areas are reversed: 44 percent of the *sample* banks headquartered in the North, 35 per cent in the South, 21 in the Centre. The territorial distribution turns out to be quite similar to that of 1890 for most of the regions, but now are Emilia Romagna and Lombardy the most represented regions: the first one remains stable around 10-11 percent, the second one shifts from 7 to 13.3 percent of the overall number of Italian banks. In 1951, when the banks of our dataset are drawn largely from the closed *sample* of 365 banks used in the Bulletin statistics, the geographical distribution is concentrated further in Northern Italy, where are located 58 percent of the banks, while the percentage drops to 22 per cent in the South and remains almost constant in the Centre (20 per cent). In particular, the substantial decline in the weight of the South over the previous period is due to Sicily and Campania; Emilia Romagna and Lombardy remain the most represented; Valle d'Aosta, Molise and Sardinia are the least represented (under one percent of the banks in the *sample*). Using data on the entire universe of banks (Banca d'Italia, 1977), the percentage is 48 in the North, 30 percent in the Centre and around 21 in the South. Therefore, despite of the oversampling of Northern banks, the *sample* reflects the rise of the North between 1936 and 1951 in terms of the number of banks. The distribution in 1973 becomes again more similar to that in 1936 as a consequence of the inclusion in the archive of other further banks besides those of the Bulletin: it reduces the share of the North (49 percent) in favor of the South (32 percent).

The distribution of fiduciary deposits by region provides us with a map of banking activity on the collection side (Figure 7). Clearly, regional distribution by headquarters is biased because of the banks operating in more than one region, but still it can offer some useful insights. Compared to the territorial distribution of banks, here the regional differences are more pronounced. In 1890, 65 percent of deposits were already collected in the North, 24 per cent in the Centre and only 11 percent was held by banks located in the South (Table 6). Deposits were concentrated in three regions of the Center-North (Lombardy, Emilia Romagna and Tuscany); in particular Lombardy held 32 percent of the national total<sup>34</sup>. In the South, 5 regions out of 8 held less than one per cent (Abruzzi, Molise, Basilicata, Calabria, and Sardinia). In 1936, the percentages by macro area slightly change in favor of the South, which holds 13 percent of fiduciary deposits, while the Centre drops to 20 per cent. At the regional level, the distribution varies more, partly due to the economic development of regions: Lombardy and Piedmont are those which now hold the highest percentage of deposits: the former staying steady around 32 percent; the latter growing from 8 to 13.5 percent. In the Center-North, only Valle d'Aosta and Umbria have less than one per cent. In the South, all regions have less than one per cent of the deposits, with the exception of Campania and Sicily, which compared to 1890 witness an increase in the collection share because of the inclusion in the database of two new large banks (Banco di Napoli and Banco of Sicilia), originally bank of issues, which in 1926 were

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<sup>34</sup> It is worth reminding that ASCI does not contain data on postal savings banks and on bank of issues, which at that time operate also as private banks, collecting deposits from households.

transformed into Public Law Banks<sup>35</sup>. In 1951, when most of the banks come from the *Bulletin sample* of 365 banks, the geographical distribution is substantially similar to that of 1936, with the exception of Lazio, which is now among the most represented regions, increasing from 9 to over 15 percent. Finally, in 1973, the increase of the *sample*, the distribution of deposits becomes more uniform: the share of the South rises to 18 percent, the share of the Centre reduces to 20, while in the North it remains stable at 62. In particular, in the South, the percentage grows in Abruzzi, Apulia, Calabria and Sardinia; only four small regions have less than one percent of deposits (Aosta, Umbria, Molise and Basilicata).

The distribution of loans by regions, instead, tells us where are located the banks which grant credit. Figure 8 indicates the share of credit granted by each region compared to the national total. Obviously, not necessarily that credit share fuels the economic activity in that region.

The geographic distribution of loans is quite stable over time in regions and as a result in macro areas: 55 per cent of loans is granted by banks headquartered in the North, between 30 and 33 percent from those in the Centre, between 12 and 15 percent from those in the South. Only from 1890 to 1936 we notice a significant change, when the Northern share strongly increases (66 percent) at the expense of that of Centre (19 percent). While lending activity is booming in the North, mainly because of the two leading banks Credito Italiano and Banca Commerciale Italiana, the Centre experiences the failure of two other leading banks: the Società Generale di Credito Mobiliare<sup>36</sup> first (1894) and the Banca Italiana di Sconto later (1921).

Over the entire period Lombardy and Lazio are the regions whose banks provide most of the Italian credit, in particular almost 45% in 1890 and 60% after 1936.

At the beginning of the period, the share of loans and deposits is similar across regions, except for Lazio, characterized by a large amount of loans, and Lombardy, with a high share of deposits. Loans distribution in the following years become more concentrated than that of deposits. Lombardy, Liguria and Lazio own a larger share of loans than that of deposits in benchmark years, with few exceptions.

Overall, it is evident that credit is more geographically concentrated than deposits as of 1936. In fact, the credit is concentrated in the larger banks, while collection activities are more widespread among many small banks and hence less spatially concentrated<sup>37</sup>.

<sup>35</sup> In 1936 fiduciary deposits of the Banco di Napoli accounted for about 50 percent of the regional amount in Campania and those of Banco di Sicilia 61 percent of Sicilian aggregate.

<sup>36</sup> The Società Generale di Credito Mobiliare, founded in 1862, failed during Italian banking crisis of 1893-1894. On October 10, 1894 Credito Mobiliare was re-established as a private joint-stock bank under the name of Banca Commerciale Italiana with capital contributions from some German and Austrian banks. The headquarters moved from Rome to Milan (see Confalonieri, 1976).

<sup>37</sup> We emphasize once again that we are not taking into account the distribution of branches, so all credit to a big bank is concentrated in the region of its headquarter. In contrast, large banks, like IDPs or BINs, are characterized by a great branch network, geographically widespread.

### 7.3. *Concentration*

Concentration in the banking sector underwent relevant changes in the period covered by the ASCI. Figure 9 shows 3 concentration indexes at the country level, in terms of both assets and fiduciary deposits: the concentration ratios for the three largest banks (CR3) and the ten largest banks (CR10), and the Herfindahl index.

In the first panel emerges that between 1890 and 1910 the top 3 banks owned around 30 per cent of Italian assets. The largest bank excluding the banks of issue was the Cassa di Risparmio delle Province Lombarde (called at that time Cassa di Risparmio di Milano). Since the beginning of the XXth century it had started losing market shares gradually, while Banca Commerciale and Credito Italiano were growing. These two joint-stock banks, together with the Banca Italiana di Sconto, expanded enormously during the First World War, by financing the firms involved in military orders. CR3 strongly increases, reaching the highest levels of the 1890-1973 period. In the 1920s, after the failure of the Banca Italiana di Sconto, whose development had been quite confused, CR3 went back to the pre-war values. In 1930 Credito Italiano bought Banca Nazionale di Credito, which held a market share of nearly 4 per cent), and so CR3 rose to 31 per cent. The crisis that hit the banking sector at the beginning of the 1930s highlighted the excessive banks' exposure towards firms. Policy makers considered as the main culprits the largest two banks, Banca Commerciale and Credito Italiano, which had created tight relationships with firms, through complex participation interests. For this reason, the introduction of a stricter regulation on the bank-industry separation and the forbiddance of long-term lending precluded these two banks to expand further. Moreover, in the following decades the banking supervision authority limited their geographical expansion by impeding branch openings, and favoured local banks and IDP. In the second panel of Figure 9, it turns out that banks within the fourth and tenth position in terms of assets, which had counted for nearly 15-20 per cent since 1890, raised to the 32 per cent in 1940. In the postwar period, the CR3 gradually decreased reaching around 26 per cent in the 1970s. Between 1951 and 1972 Banca Nazionale del Lavoro was the largest bank, with a market share of about 10 per cent; Banca Commerciale had slightly lower values (8-9 per cent). Credito Italiano, whose market share oscillated around 7 per cent, remained among the largest three banks for most of time, except during the 1950s, when it was replaced by Banco di Roma. Since 1950, while the CR3 was relatively constant, the CR10 lost 8 percentage points. This reduction of concentration shows up also through the Herfindahl index, which was close to 5 per cent in the postwar years and decreased to less than 4 per cent after 1965.

The panels of Figure 9 also report concentration measures using fiduciary deposits. It is evident the expansion of the largest three banks in terms of assets during the First World War it was not accompanied by a corresponding growth of deposits. Furthermore, all indexes computed using deposits show a strong reduction of concentration between the end of the XIX century and the first half of the 1920s.

During the last decade of the XIX century, deposits were highly concentrated: Cassa di risparmio delle Province Lombarde had more than 20 percent of Italian deposits. Among the largest 3 banks there were also the saving banks of Rome and Florence, but their market shares were lower than 4 per cent. Cassa di risparmio delle Province Lombarde gradually lost



its share: from around 25 percent in 1900, it decreased to 17.5 percent in 1910 and 10 per cent in 1920. This process depended both on the growth of deposits in the entire peninsula and on the rise of competition. Since the end of the XX century, the number of banks increased and branches spread all over the country. It was not just a redistribution of market shares among the largest banks: between 1900 and 1925 CR3 fell by nearly 14 percentage points (from 32.7 per cent to 18.3) and CR10 almost the same (13 percentage points, from 46.8 per cent to 33.8). Smaller banks grew the most and the Herfindahl index was reduced from 7 to 2 per cent. Competition gave rise to a significant increase in interest rates on deposits and aroused doubts about the ability of banks to cover the high cost of collection. These concerns, which emerged for example in the Final Considerations of the Governor of the Bank of Italy Bonaldo Stringher in 1911, led to the constitution of the banking cartel in 1919, which aimed at curbing rates but turned out to be not very effective.

After the collapse of the Banca Italiana di Sconto, which at the end of the First World War had rapidly become the second largest bank in terms of deposits with almost 6 percent of the Italian aggregate, the number of banks grew very intensively, but even more that of branches. Instability stressed the need for a banking reform: the Banking Act of 1926 gave the Bank of Italy the power to authorize the establishment of banks and the opening of branches. Furthermore, in 1927 savings banks, which had always been specialized in the collection of deposits, were forced to merge at the provincial level. From the second half of the 1920s, concentration increased again. The first three banks, which for most of the 1920s and the 1930s were the Cassa di Risparmio di Torino and the Credito Italiano, in addition to the Cassa di Risparmio delle Province Lombarde, came to collect 25 percent of fiduciary deposits in 1937, the top ten banks 45 percent. The Herfindahl index rose to 3.5 percent.

The late 1930s marked the peak of the concentration in terms of deposits. Since then, except for the years of World War II, all indices show a gradual reduction of the concentration (the jump in 1970 can be attributed to the enlargement of the *sample*): in 1973 the CR3 index lowered to 12.5 per cent, the CR10 to 31.7 and the Herfindahl to 1.5 per cent. Supervisory structural policy in the pursuit of stability of the banking system had favoured the creation and expansion of small banks in smaller towns, where there was abundance of savings, but shortage of investment opportunities. That is why deposit- concentration was lower than that of assets. Among major banks, the Cassa di Risparmio delle Province Lombarde kept the lead in the collection, while reducing significantly its market share (from 14.5 percent in 1935 to 4.6 in 1973). The Banco di Napoli stood up since 1938, growing to the second position, even if its market share was falling and in 1973 was 4.4 percent. Other banks emerged among the top 3: Banco di Roma, the Banca Nazionale del Lavoro and, by the end of the 1960s, the Cassa di Risparmio di Torino.

To conclude, overall we observe a rise of deposits' dispersion, except for the years between 1925 and 1940, when the largest banks experienced an impressive expansion. The process towards higher dispersion was related to the diffusion of branches in the entire country since the beginning of the XX- century. After the 1936 Banking Act, the favour of the Bank of Italy towards small and medium-sized banks determined a reduction of concentration of deposits, less intense when one considers total assets.

#### 7.4. *The closed sample*

In Section 2 we emphasized that the *sample* size was quite unsteady within the ASCI dataset, which is unavoidable since the goal of the project is to provide balance sheet data for the largest possible number of banks. However, the scholar can select, depending on the considered period, a balanced panel of banks representative enough of the whole banking system both in terms of composition and dynamics of the main items. Hence, in this section we consider four different closed *samples* of banks, where each bank is always present throughout the considered period. We compare the evolution of the aggregates of the closed *samples* with the correspondent official Italian aggregates. The choice of different time spans aims to define *samples* as large as possible: with the increase of the amplitude of the period the *sample* size is reduced; it increases in more recent times instead, along with the quality and stability of the data. The *samples*, by increasing size are as follows:

- 1890-1973: 59 banks;
- 1890-1936: 76 banks;
- 1936-1973: 182 banks;
- 1951-1973: 215 banks.

Figure 10 shows the coverage of each closed *sample* in terms of Assets and Fiduciary deposits. The coverage is generally very high in all sub periods and is always higher than 30 percent (except for the years 1924 to 1928 in which drops to 27.5 percent) for the smallest *sample*, that of 59 banks, present from 1890 to 1973. For the two *samples* after 1936, the coverage is equal to or higher than 90 percent and it is remarkably stable. This result is partly due to the high concentration of the banking system which we discussed in the previous section.

In Table 8 we show the average asset shares by bank category and period. On the assets side we also compute long and short term loans, excluding those expressed in foreign currencies. Overall, the balance sheet composition is very similar to that displayed in the entire banking system. The most relevant discrepancies are observed for the sub-period 1890-1936, due to the lower quality and availability of data after 1910, and for the item Current Account Assets, for which a uniform definition for the whole period is more difficult (see Section 4). The differences in the definition of current accounts are partially reflected also in that of loans.

In Table 9 we compare the dynamics of balance sheet items in the closed *samples* with the universe aggregates. Correlations of growth rates are mostly close to 1, always above 60 percent, except for current accounts in the sub-period 1951-1973 (57%) and fiduciary deposits in the sub-period 1890-1936 (41%). There is no systematic loss of correlation when we consider a longer span of time.

Finally, Figure 11 shows an almost perfect equivalence in the growth rates of total assets and deposits within the closed *samples* and in the universe (the coefficient of correlation  $\rho$  is reported in Table 9). Therefore, closed *samples* fairly replicate the evolution of the entire banking sector. Focusing on the first two plots of Figure 11, which covers the entire period, we notice that the growth of total assets – in nominal terms – is extremely rapid during the two world wars and very low during the 1930s, after the Great Depression. Furthermore, the



rise of financial aggregates after the Second World War display higher growth rates than in the previous decades, witnessing a financialization process which took place in many advanced countries (Schularick and Taylor, 2012).

Overall, we can claim that the balanced panels selected from the dataset are suitable for the analysis of the evolution of the aggregate credit phenomena over this long period of time.

## 8. Conclusions

The Bank of Italy has always paid attention to the creation of long-run statistics on monetary and banking phenomena: the Historical Archive of Credit in Italy (ASCI) is a further step in this direction. It is an important starting point for micro-funded researches about the credit sector. This new dataset covers a very long period of time and includes data for a large number of Italian banks.

The banks included in the dataset do not constitute a probabilistic sample, but they are highly representative of the banking population since they cover more than 50 percent of the universe (except between 1911 and 1941, when the percentage is around 30 percent). Coverage in terms of deposits is even higher because the largest banks are always included in the *sample*: it is almost 100 percent until 1910, then it diminishes due to the lack of financial statements in the historical sources, but it never decreases below 75%; since 1937 it is almost complete.

The most important methodological contribution of this project is the uniform accounting structure of the dataset over the entire period 1890-1973. It allows intertemporal comparability of the main balance-sheet items, which otherwise vary across time and categories in the historical sources. Clearly, the uniform accounting structure depends on authors' choices, but scholars may use the details on the original elementary items to obtain aggregate variables according to specific research needs.

ASCI is well suited to analyze a variety of credit phenomena in the long run, given the high representativeness of the banking system and the large number of balance-sheet items. In this paper, we analyze some stylized facts which are not observable without micro data.

Through the analysis of the balance-sheet composition for the main categories (commercial, savings and cooperative banks), we observe that the business models of commercial and cooperative banks converge between 1890 and 1973. The composition of assets becomes more similar over the entire period; on the liabilities side cooperative banks remain mainly focused on fiduciary deposits whereas commercial banks opt for current accounts. Savings banks, instead, exhibit specific features: on the assets side they hold a larger share of mortgages than other types of banks, on the liabilities side a smaller share of capital and reserves.

Along the period, the entire banking system experiences a contraction of their bill portfolios, which represented the main asset until the Second World War and were gradually substituted by current accounts. We notice a significant reduction of capitalization, especially for cooperative and commercial banks. This might be related to the 1936 Banking Act, which

strengthened structural supervision based on direct control of risk taking, and lessened the importance of capital ratios.

At the beginning of the period (1890), the geographical distribution of loans and deposits is similar across regions, except for Lazio, which displays a larger share of loans, and Lombardy, which owns a larger share of deposits. In the following periods, the geographic distribution of loans becomes more concentrated than deposits'. Indeed, since 1936 most of the Italian loans are granted by few large banks, whereas deposits are more equally distributed across the entire banking sector, including minor banks located in small towns.

Finally, excluding the time span between 1925 and 1940, when the largest banks developed rapidly, concentration measures indicate an increasing dispersion of deposits. At the beginning of the XXth century this process was favored by the opening of new branches all over the country. After the 1936 Banking Act, it was the support of the supervisory authority for small and medium-size banks that determined a reduction of deposit concentration.

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## Appendix

### A.1. Legal sources of the balance sheets

#### A.1.1. The 1890-1936 period<sup>38</sup>

As explained in Section 3, until 1936 the financial statements of joint-stock banks (SOC) and cooperative banks (BP) were published on the Official Bulletin of the Joint-Stock Companies (*Bollettino ufficiale delle società per azioni*, BUSA). The balance sheets reported in the Situation section of BUSA followed schemes imposed by law. According to the official schemes, which differed with the legal category, in ASCI the following *tipi* have been defined:

- *tipo 1* (SOC) and *tipo 16* (BP) according to the Royal Decree 18 December 1884, No. 1522 (monthly scheme);
- *tipo 2* (SOC) and *tipo 17* (BP) according to the Royal Decree 8 January 1899, No. 5 (called “Modello A”, monthly scheme);
- *tipo 4* (SOC) and *tipo 6* (BP) according to the Royal Decree 20 December 1928, No. 3183 (bi-monthly scheme).

When the section BUSA Statements is not available, data are drawn from BUSA Balance Sheets, where balance sheet structures are quite heterogeneous. Therefore they have been reclassified according to a common scheme (see Section 3), which is called *tipo 3* for joint-stock banks and *tipo 5* for cooperative banks.

*Tipo 7* refers to the financial statements of savings banks between 1890 and 1897. In 1898 the official scheme changed and in ASCI it is called *tipo 15*. Balance sheets of savings banks in liquidation followed a different structure. As explained in Section 5, instead of creating another scheme, these accounts have been reclassified according to either *tipo 7* or *tipo 15*.

There are 4 different schemes regarding first class pledge banks between 1899 and 1936, because of different sources and accounting rules (*tipi 8, 9, 10, 11*). In particular, *tipo 10* and *tipo 11* are similar to *tipo 15* (savings banks) since data come from the same source (*Bollettino delle casse di risparmio e dei Monti di pietà di prima categoria*).

Since the balance sheets of Public Law Banks, central institutes and other banks do not follow any official scheme, their accounts have been reclassified according to, respectively, *tipo 12, 13* and *14*.

#### A.1.2. The 1936-1973 period

- Between 1936 and 1948 there were several official schemes set out by the supervisory authority:

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<sup>38</sup> More details on the 1890-1936 period can be found in Cotula *et al.* (1996, pp. 578-605).

- “Modello 2” (Royal Decree 6 November 1926, No. 1830, art. 12);
- “Modello 81-I” (Royal Decree 12 March 1936, No. 375, art. 31 and 32);
- “Modello M.C.P.” for first class pledge banks;
- “Modello Situazione semestrale”.
- However, the balance sheets which were sent to the Bank of Italy frequently did not follow any of those schemes. Therefore, in ASCI, there are 4 schemes which reclassify the accounts of that period:
- savings banks and pledge banks: *tipo 20* until 1940 and *tipo 21* until 1947;
- all other banks: *tipo 18* until 1942 and *tipo 19* until 1947.
- From 1948 to 1973 a unique common scheme exists for all banks, called “Modello 81-Vigilanza”. It was defined within the Ministerial Decree 3 November 1948, and was modified in 1960 and 1962. In ASCI there are:
- *tipo 22* from 1948 to 1959 (semestral until 1950, quarterly thereafter);
- *tipo 23* from 1960 to 1961 (quarterly);
- *tipo 24* from 1962 to 1973 (quarterly).

## A.2. Categories of banks

### Savings banks (*Casse di risparmio ordinarie*)

Savings banks were chartered corporations whose aim was to promote the formation of savings and suitable uses for them (Royal Decree 15 July 1888, No. 5546). They were founded by either associations of persons or charitable institutions. They used to invest in low risky projects in order to attract deposits of small savers. Profits were mostly destined to capital accumulation and charity. Savings banks were subject to ministerial inspections, concerning charters and balance sheets. With the banking act of 1936, they had to follow general regulation on banking activity, except for some specific matters. The most important savings bank was the Cassa di Risparmio delle Province Lombarde, which was founded in 1823 in Milan.

### Pledge banks (*Monti di pietà*)

Pledge banks were created to fight usury. Initially they were considered charity institutions but during the XIX century they strengthened their banking activity by gathering deposits. The Royal Decree 4 May 1898, No. 169, recognized their dual nature of charity and credit institutions. Therefore pledge banks were to stick to both the law on savings banks (Royal Decree 15 July 1888, No. 5546) as well as that on charity institutions (Royal Decree 17 July 1890, No. 6972). In 1923 they were divided into two categories: first class pledge banks, larger and authorized to raise deposits; second class ones were not considered credit institutions. The Government was entitled of supervision. As well as for savings banks, the banking act of 1936 included special rules for second class pledge banks. In 1938 they were defined as “institutions whose fundamental purpose is to grant loans, also for very small amounts, on easy terms, on the security of things movable by their nature”.

### **Ordinary credit or joint-stock banks (*Società ordinarie di credito*)**

Ordinary credit banks (that we also call joint-stock banks) were commercial banks. In contrast with savings and pledge banks, they were profit-oriented and until 1926 they had to follow the general law on joint stock companies (Commercial Code of 1882, art. 1062). There were special requirements regarding the publication of their balance sheets. By the banking law of 1926, they were subject to the supervision of the Bank of Italy.

### **Cooperative banks (*Banche popolari*)**

Cooperative banks (also called people's banks) were introduced in Italy by Luigi Luzzatti, who founded the Banca Popolare di Lodi in 1864. Shareholders were mostly small farmers, artisans and traders, who aimed at obtaining loans at lower rates than those applied by private bankers. Initially lending was restricted to shareholders, but soon it was extended to non-members. Shares were registered and shareholders voted according to the rule "one man, one vote". The Commercial Code of 1882, within the section on cooperative companies, provided a specific regulatory framework for cooperative banks. By banking act of 1936 they were subject to the general regulation on banks.

### **Branches of foreign banks (*Filiali di banche estere*)**

Branches of foreign banks were subject to the Royal Decree 4 September 1919, n. 1620, whose opening required the ministerial authorization. By the banking act of 1936, supervision moved to the Credit Inspectorate (and so to the Bank of Italy).

### **Banking houses (*Casse di risparmio ordinarie*)**

Banking houses were usually companies owned by a private banker. Although they used to raise deposits, their operations were quite different from other credit institutions and included trading both on the stock and the foreign exchange markets. Until 1926, when they obtained the status of legal category, they were not required to publish their balance sheets. By the banking act of 1936 they were subject to the supervision authority of the Credit Inspectorate.

### **Public Law Banks (*Istituti di credito di diritto pubblico*)**

The legal category of Public Law banks was introduced in 1926 to provide a special legal status to Banco di Napoli and Banco di Sicilia which had been previously banks of issue. Afterwards, other four banks entered this category: Banca Nazionale del Lavoro in 1929; Istituto San Paolo di Torino in 1932; Monte dei Paschi di Siena in 1936; Banco di Sardegna in 1955. Despite their public nature, the object of their business was not distinguishable from that of private commercial banks. Charters were proposed by the government and required a specific decree for approval. Top managers were appointed by the government. Public Law banks generally had autonomous sections devoted to medium and long-term credit.

### **Banks of National Interest (*Banche di interesse nazionale*)**

According to the banking act of 1936, joint stock banks with branches in at least 30 provinces entered the category of Banks of National Interest. Three banks satisfied these requirements: Banca Commerciale Italiana, Credito Italiano and Banco di Roma. As a result of their importance for the Italian economy, they were subject to specific requirements, such as:



modifications to their charters had to be approved by the Ministry of Treasury; shares were registered; top managers' appointments were subject to the supervisory authority's approval.

### **Central institutes (*Istituti di credito di categoria*)**

Central institutes did not constitute a legal category with a specific regulatory framework. They aimed at supporting banks belonging to a specific legal category in terms of economic, financial and technical assistance, and investing funds deposited by members. The first two Central Institutes were created to facilitate cooperation among savings banks: the Istituto di credito delle casse di risparmio was constituted in 1921 and the Istituto Federale delle Casse di Risparmio delle Venezie in 1929. Subsequently, other 3 central institutes were created: the Istituto Centrale di Banche e Banchieri (joint stock banks), the Istituto Centrale della Banche Popolari Italiane (cooperative banks) and the Istituto Centrale delle Casse Rurali e Artigiane (mutual cooperative banks).

### **Other banks (*Altre banche*)**

This group includes banks which initially did not belong to any legal category, but which later became Public Law banks, such as Banca Nazionale del Lavoro, Monte dei Paschi di Siena and Istituto di Credito Agrario per la Sardegna<sup>39</sup>. This group also considers the Istituto nazionale di previdenza e credito delle comunicazioni, which provided loans and pensions for its members.

### **Other financial institutions (*Altre istituzioni finanziarie*)**

In this group there are ordinary credit banks or banking houses, which do not meet the definition of bank used in the reconstruction from 1890 to 1936, but which could be classified as banks according the Banking Act of 1936. They were involved in financial and real estate activities.

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<sup>39</sup> In ASCI, data on the Monte dei Paschi di Siena do not include its autonomous sections devoted to long-term lending, which after the Banking Act of 1936 became special credit institutions.

## **Tables and graphs**

Table 1

## Composition of ASCI sample

ANNO	Other banks (1)	Banks of national interest	Cooperative banks	Savings banks	Banking houses	Central institutes	Public law banks (2)	First class pledge banks	Other financial institutions (3)	Joint-stock banks and branches of foreign banks	Total
1890	1		664	212					6	148	1031
1891	1		263	214					4	141	623
1892	1		299	215					3	139	657
1893	1		267	214					3	136	621
1894	1		244	217					4	142	608
1895	1		716	216					4	143	1080
1896	1		255	217					3	144	620
1897	1		228	213					3	137	592
1898	1		248	212					2	136	599
1899	1		250	210				27	2	136	626
1900	1		737	206				26	5	137	1112
1901	1		264	209				27	5	136	642
1902	1		285	209				27	6	134	662
1903	1		255	202				27	5	136	626
1904	1		250	208				27	4	139	629
1905	1		768	205				27	4	142	1147
1906	1		256	200				27	5	142	631
1907	1		272	199				27	5	146	650
1908	1		257	200				27	5	159	649
1909	1		250	195				27	5	157	635
1910	1		762	202				27	5	165	1162
1911	1		19	201				27	8	133	389
1912	1		19	203				27	7	139	396
1913	1		19	204				27	6	144	401
1914	1		460	204				27	12	161	865
1915	1		117	199				26	14	155	512
1916	1		126	196				26	14	163	526
1917	1		19	191				25	13	160	409
1918	1		376	190				26	9	164	766
1919	1		82	190				27	11	176	487
1920	1		84	187				27	13	177	489
1921	1		94	187				27	19	186	514
1922	1		95	180		1		27	17	223	544
1923	1		102	194		1		27	14	209	548
1924	1		115	200		1		27	11	297	652
1925	2		117	200		1		27	17	331	695
1926	2		129	199		1	2	25		19	377
1927	2			142		1	2	23	14	309	493
1928	3			127		1	2	15	13	326	487
1929	2			104		1	3	12	14	326	462
1930	2			100		2	3	13	11	295	426
1931	2			98		2	3	12	8	280	405
1932	2			98		2	4	10	6	251	373
1933	2			97		2	4	11	4	222	342
1934	2			96		2	4	11	5	216	336
1935	2			96		2	4	11	5	205	325
1936	1		301	92	18	2	6	14	4	214	652
1937	1	3	67	79	20		6	10		126	312
1938	1	3	66	78	14		5	11		123	301
1939	1	3	61	80	15		5	11		115	291
1940	1	3	63	77	14		5	11		114	288
1941	1	3	63	76	15		5	9		112	284
1942	1	3	62	76	16		5	8		112	283
1943	1	3	61	75	15		5	7		113	280
1944	1	3	62	75	16		5	8		112	282
1945	1	3	61	77	16		5	8		114	285
1946	1	3	61	75	16		5	8		113	282
1947	1	3	63	77	14	2	5	7		117	289
1948	1	3	63	77	13	1	5	7		116	286
1949	1	3	65	77	13	3	5	8		117	292
1950	1	3	64	78	13	3	5	8		116	291
1951	1	3	121	78	28	2	5	9		119	366
1952	1	3	136	78	31	3	5	7		123	387
1953	1	3	135	78	31	2	5	8		124	387
1954	1	3	135	78	31	3	5	8		124	388
1955		3	136	78	31	3	6	8		124	389
1956		3	137	77	30	3	6	8		123	387
1957		3	131	77	29	3	6	7		120	376
1958		3	61	78	10	2	6	7		111	278
1959		3	133	78	29	3	6	8		123	383
1960		3	132	78	29	3	6	8		124	383
1961		3	133	78	29	3	6	8		121	381
1962		3	132	78	23	3	6	8		127	380
1963		3	132	78	23	3	6	8		127	380
1964		3	132	78	21	3	6	8		126	377
1965		3	130	78	21	4	6	8		123	373
1966		3	129	78	21	3	6	7		121	368
1967		3	125	78	18	3	6	7		113	353
1968		3	122	78	16	3	6	7		108	343
1969		3	122	78	15	3	6	7		107	341
1970		3	196	80	29	5	6	7		137	463
1971		3	188	80	24	5	6	7		138	451
1972		3	185	80	21	5	6	7		135	442
1973		3	182	80	18	5	6	7		140	441

Notes: <sup>(1)</sup> Credit institutions, not falling initially within any of the other legal categories, but subsequently included in one of them after 1936; <sup>(2)</sup> Including Banco di Sardegna as from 1936, later turned into Public Law bank in 1955. <sup>(3)</sup> Ordinary credit banks or banking houses, which do not meet the definition of bank used in the reconstruction from 1890 to 1936, but which could be classified as banks according to the Banking Act of 1936.

Table 2

## Population of banks by year and category

ANNO	Other banks (1)	Banks of national interest	Cooperative banks	Savings banks	Banking houses (2)	Central institutes	Public law banks	First class pledge banks (3)	Joint-stock banks and branches of foreign banks	Total
1890	1		698	216					152	1067
1891	1		706	219					149	1075
1892	1		730	218					149	1098
1893	1		756	223					148	1128
1894	1		744	219					151	1115
1895	1		756	218					152	1127
1896	1		763	221					157	1142
1897	1		760	218					159	1138
1898	1		778	216					157	1152
1899	1		776	215				27	156	1175
1900	1		795	213				27	158	1194
1901	1		801	214				27	157	1200
1902	1		818	214				27	157	1217
1903	1		814	214				27	157	1213
1904	1		799	211				27	149	1187
1905	1		815	210				27	152	1205
1906	1		838	208				27	163	1237
1907	1		852	207				27	173	1260
1908	1		831	207				27	182	1248
1909	1		821	209				27	188	1246
1910	1		862	208				27	200	1298
1911	1		894	208				27	181	1311
1912	1		889	209				27	196	1322
1913	1		878	205				27	190	1301
1914	1		863	205				27	194	1290
1915	1		836	201				27	197	1262
1916	1		803	201				27	203	1235
1917	1		764	201				27	206	1199
1918	1		752	195				27	223	1198
1919	1		740	195				27	242	1205
1920	1		748	193				27	254	1223
1921	1		769	191				27	275	1263
1922	1		733	190		1		27	313	1265
1923	1		728	205		1		27	351	1313
1924	1		525	207		1		27	399	1160
1925	2		523	203		1		27	423	1179
1926	2		660	202	306	1	2	26	425	1624
1927	2		662	141	299	1	2	23	436	1566
1928	3		654	126	296	2	2	16	363	1462
1929	2		648	103	276	2	3	12	344	1390
1930	2		625	100	263	2	3	13	312	1320
1931	2		582	100	232	2	3	12	301	1234
1932	2		544	98	223	2	4	10	280	1163
1933	2		473(5)	97	182	2	4	11	265	1036
1934	2		459(5)	96	185	2	4	11	259	1018
1935	2		430(5)	96	185	2	4	11	252	982
1936	1		447	92	171	2	5	10	252	980
1936 (4)	1	3	329	91	147	2	5	8	188	774
1937		3	308	91	132		5	7	179	725
1938		3	279	90	121		5	7	168	673
1939		3	262	89	107		5	7	163	636
1940		3	252	81	100		5	6	153	600
1941		3	243	80	90		5	6	148	575
1942		3	237	81	87		5	6	146	565
1943		3	234	81	86		5	5	146	560
1944		3	233	81	85		5	5	146	558
1945		3	233	81	81		5	5	146	554
1946		3	229	81	80		5	6	145	549
1947		3	227	79	69		5	5	151	539
1948		3	225	79	67		5	5	151	535
1949		3	222	80	64		5	5	155	534
1950		3	219	80	60		5	6	153	526
1951		3	215	80	59		5	6	152	520
1952		3	215	80	57		5	6	151	517
1953		3	211	81	56		5	7	152	515
1954		3	211	81	55		5	7	150	512
1955		3	211	81	55		6	8	150	514
1956		3	210	80	54		6	8	149	510
1957		3	211	80	52		6	9	149	510
1958		3	211	80	49		6	9	150	508
1959		3	211	80	49		6	9	150	508
1960		3	210	79	47		6	9	151	505
1961		3	212	79	45		6	10	153	508
1962		3	212	79	38		6	11	161	510
1963		3	217	80	38		6	11	161	516
1964		3	214	80	36	1	6	11	161	512
1965		3	210	80	36	1	6	10	156	502
1966		3	206	80	36	2	6	10	153	496
1967		3	205	80	35	2	6	10	143	484
1968		3	199	80	31	2	6	10	144	475
1969		3	199	80	30	2	6	10	142	472
1970		3	194	80	29	2	6	10	137	461
1971		3	188	80	24	2	6	10	139	452
1972		3	184	80	21	2	6	10	135	441
1973		3	182	80	16	3	6	9	146	445

Source: De Mattia (1967); Banca d'Italia (1977); Cotula and Raganelli (1996, pp. 20-21). Banks in operation and in liquidation up to 1936. See footnote 10, sec. 2. (1) Credit institutions, not falling initially within any of the other legal categories, but subsequently included in one of them after 1936. (2) Surveyed banks; De Mattia 1967, p. 914. (3) First category pledge banks or as defined in 1923. (4) Banks in operation; Since 1936 onwards, Bank Registry refers to banks in operation only. (5) Surveyed banks.

Table 3

Balance sheet data: main sources by year and bank category

		Bank category									
		Joint-stock banks; branches of foreign banks (SOC)	Other financial institutions (OUT)	Cooperative banks (BP)	Savings banks (CRO)	First class pledge banks (MDP)	Central institutes (ICC)	Public law banks (IDP)	Banking firms (DB)	Banks of national interest (BIN)	Other banks (AB)
		1890-1936 PERIOD									
Period	1890				Statistica delle casse di risparmio per gli anni 1890 e 1891						
	1890-1910/ 1914-1916/ 1924-1925/ 1927-1928	BUSA Situazioni									
	1890-1910/1914-1916			BUSA Situazioni							
	1890-1936										Individual balance sheets
	1891-1925				Bollettino delle casse di risparmio ordinarie						
	1899-1925					Bollettino delle situazioni dei conti dei monti di piet�					
	1911-1923/1926	BUSA Bilanci, Individual balance sheets, Annuario ABI	BUSA Bilanci								
	1914/1918-1926			BUSA Bilanci, Individual balance sheets, Annuario ABI							
	1926-1936							Individual balance sheets			
	1926-1936				Bollettino delle casse di risparmio e monti di piet� di prima cat.						
	1929-1936	BUSA Situazioni									
	1936			Bollettino dell'Ispettorato							
		1936-1973 PERIOD									
	1936-1942	Mod. 2 di Vigilanza, Individual balance sheets		Mod. 2 di Vigilanza, Bilanci vari			Mod. 2 di Vigilanza, Individual balance sheets				
1936-1940				Mod. A, Mod. 1 M.C.P. di Vigilanza, Individual balance sheets							
1941-1947				Situazione semestrale di Vigilanza, Individual balance sheets							Individual balance sheets
1943-1947	Mod. 81-I di Vigilanza, Individual balance sheets		Mod. 81-I di Vigilanza, Individual balance sheets			Mod. 81-I di Vigilanza, Individual balance sheets					
1948-1973	Mod. 81 di Vigilanza										

Source: see Section 3. "Individual balance sheets" mostly regards balance sheets presented at the annual general meeting.

Table 4

Balance sheet structures by year and legal category

		Bank category								
		Joint-stock banks; branches of foreign banks; other financial institutions (SOC, OUT)	Cooperati ve banks (BP)	Savings banks (CRO)	First class pledge banks (MDP)	Public law banks (IDP)	Central institutes (ICC)	Other banks (AB)	Banking firms (DB)	Banks of national interest (BIN)
Period	1890-1898	TIPO01								
	1899-1910/1914-1916/1924-1928	TIPO02								
	1911-1923/1926	TIPO03								
	1929-1936	TIPO04								
	1911-1914/1917-1926		TIPO05							
	1936		TIPO06							
	1890-1898		TIPO16							
	1899-1910/1914-1916		TIPO17							
	1890-1897			TIPO07						
	1898-1936			TIPO15						
	1899				TIPO08					
	1900-1925				TIPO09					
	1926-1931				TIPO10					
	1932-1936				TIPO11					
	1926-1936					TIPO12				
	1922-1936						TIPO13			
	1890-1936							TIPO14		
	1936-1942	TIPO18	TIPO18			TIPO18			TIPO18	TIPO18
	1943-1947	TIPO19	TIPO19			TIPO19	TIPO19		TIPO19	TIPO19
	1936-1940			TIPO20	TIPO20					
	1941-1947			TIPO21	TIPO21					
	1948-1959	TIPO22	TIPO22	TIPO22	TIPO22	TIPO22	TIPO22		TIPO22	TIPO22
	1960-1961	TIPO23	TIPO23	TIPO23	TIPO23	TIPO23	TIPO23		TIPO23	TIPO23
	1962-1973	TIPO24	TIPO24	TIPO24	TIPO24	TIPO24	TIPO24		TIPO24	TIPO24



### Table 5

### Balance sheet components by structure

[illegible]

Table 5 (follows)

Balance sheet components by structure  
(P=item present in the dataset)

Item code	Item description	Tipo 01	Tipo 02	Tipo 03	Tipo 04	Tipo 05	Tipo 06	Tipo 07	Tipo 08	Tipo 09	Tipo 10	Tipo 11	Tipo 12	Tipo 13	Tipo 14	Tipo 15	Tipo 16	Tipo 17	Tipo 18	Tipo 19	Tipo 20	Tipo 21	Tipo 22	Tipo 23	Tipo 24
800	CURRENT ACCOUNT ASSETS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
801	CONTI CORRENTI CON GARANZIA	P	P	P		P		P		P	P	P		P		P	P	P							
802	CONTI CORRENTI CON GARANZIA IPOTECARIA																		P	P			P	P	P
803	CONTI CORRENTI DIVERSI	P		P		P		P		P	P					P			P	P		P	P	P	P
804	CONTI CORRENTI CON SUCCURSALI E AGENZIE		P	P	P	P	P						P	P	P		P		P	P	P	P	P	P	P
805	AGENZIE E CORRISPONDENZE	P															P								
806	CONTI CORRENTI CON CORRISPONDENTI		P	P	P	P	P				P	P	P	P	P			P	P	P	P	P			
807	CONTI CORRENTI AGRARI LEGGE 1887		P	P		P												P							
808	CONTI CORRENTI AGRARI NORME SPECIALI		P	P														P							
809	CONTI CORRENTI AGRARI				P		P												P						
810	ALTRI CONTI CORRENTI (GARANTITI E/O AGRARI)												P		P										
811	CONTI CORRENTI ATTIVI				P		P		P																
813	CONTI CORRENTI DI CORRISPONDENZA CON BANCHE			P																			P	P	P
814	CONTI CORRENTI DI CORRISPONDENZA CON PRIVATI			P																					
816	CONTI CORRENTI AMMASSI																		P				P	P	P
900	START-UP COSTS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
901	BENI MOBILI		P	P		P		P	P	P	P	P	P	P	P	P	P	P							
902	SPESE D'IMPIANTO		P	P		P												P							
903	MOBILIO E SPESE D'IMPIANTO	P			P		P								P		P		P	P	P	P	P	P	P
1000	BILLS FOR COLLECTION	P	P	P	P	P	P	P			P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
1100	SUNDRY ITEMS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
1101	SOFFERENZE DI ESERCIZI PRECEDENTI		P	P		P												P	P	P	P	P	P	P	P
1102	SOFFERENZE DELL'ESERCIZIO IN CORSO		P	P		P												P	P	P		P	P	P	P
1103	SOFFERENZE	P				P		P							P	P	P				P				
1104	ESATTORIE	P	P	P		P			P	P			P				P	P	P	P	P	P	P	P	P
1105	SPESE DA RECUPERARE		P	P		P									P			P	P	P	P	P			
1106	AZIONISTI A SALDO AZIONI		P	P		P									P			P	P	P			P	P	P
1107	DEBITORI DIVERSI O CREDITORI DIVERSI	P	P	P		P		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
1108	PARTITE VARIE			P	P		P				P	P			P	P			P	P	P	P			
1109	DEBITORI PER ACCETTAZIONI		P	P	P		P																		
1110	INTERESSI E SPESE DA RECUPERARE								P	P						P									
1111	TITOLI IN DEPOSITO A COMODATO		P	P	P																				
1112	ATTIVITA INERENTI FONDI RUSTICI										P	P				P			P		P	P			
1113	CONTO LIQUIDAZIONE			P																					
1114	CENSI, CANONI, LIVELLI E LEGATI PERPETUI								P	P															
1115	SCORTE VIVE E MORTE								P	P															
1116	INTERESSI DA ESIGERE DELL'ESERCIZIO										P	P													
1117	INTERESSI DA ESIGERE DELL'ESERCIZIO PRECEDENTE										P	P													
1118	RIMBORSO TASSE E SPESE LEGALI										P	P													
1119	EFFETTI SCADUTI IN SOFFERENZA										P	P													
1120	EFFETTI SCADUTI GARANTITI DA IPOTECA IN SOFFERENZA										P	P													
1121	CREDITI IPOTECARI IN ESPERIMENTO GIUDIZIALE										P	P													
1122	ALTRI CREDITI IN SOFFERENZA										P	P													
1200	INVESTMENT SECURITIES		P	P	P	P	P						P		P		P	P	P	P	P	P	P	P	P
1201	VALORI CASSA PREVIDENZA IMPIEGATI		P	P		P							P		P			P	P	P	P	P	P	P	P
1202	VALORI DI TERZI IN AMMINISTRAZIONE		P	P		P											P	P	P	P					
1203	VALORI D'INVESTIMENTO DI TERZI				P		P																		
1204	TOTALE VALORI D'INVESTIMENTO			P									P				P	P	P	P	P	P	P	P	P
1300	PRIOR YEAR LOSSES	P	P	P	P	P	P						P				P	P	P	P	P	P	P	P	P
1400	PREPAID EXPENSES		P	P	P	P	P						P					P	P	P	P	P	P	P	P

### Table 5 (follows)

### Balance sheet components by structure

Item code	Item description	Tipo 01	Tipo 02	Tipo 03	Tipo 04	Tipo 05	Tipo 06	Tipo 07	Tipo 08	Tipo 09	Tipo 10	Tipo 11	Tipo 12	Tipo 13	Tipo 14	Tipo 15	Tipo 16	Tipo 17	Tipo 18	Tipo 19	Tipo 20	Tipo 21	Tipo 22	Tipo 23	Tipo 24
2000	MEMORANDUM ACCOUNTS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
2001	DEPOSITI A GARANZIA SOVVENZIONI E ALTRE OPERAZIONI	P	P	P	P	P		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
2002	DEPOSITI DEGLI AMMINISTRATORI A CAUZIONE SERVIZIO	P	P	P	P	P			P	P	P	P	P	P		P	P	P							
2003	DEPOSITI LIBERI A CUSTODIA	P	P	P		P		P		P	P	P					P	P	P						
2004	VALORI DI TERZI IN DEPOSITO			P	P	P	P							P	P	P		P							
2005	DEPOSITARI TITOLI E VALORI			P	P	P	P							P	P	P									
2006	TITOLI A RIPORTO			P																					
2007	TITOLI IN DEPOSITI FIDUCIARI			P																					
2011	VALORI DI TERZI A GARANZIA																		P	P	P	P			
2012	VALORI DI TERZI A CAUZIONE																		P	P	P	P			
2013	VALORI DI TERZI A CUSTODIA																		P	P	P	P			
2015	DEPOSITARI TITOLI E VALORI																		P	P	P	P			
2018	TITOLI A COMODATO																		P	P					
2019	DOTAZIONE DI ASSEGNI IN BIANCO																		P	P		P			
2020	FONDI DI PREVIDENZA																				P				
2021	VALORI DEI FONDI DI TERZI IN AMMINISTRAZIONE																				P				
2022	CONTI D'ORDINE																				P				
2100	COSTS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
2101	INTERESSI E SCONTI SUI DEPOSITI										P	P	P	P	P		P	P					P	P	P
2102	INTERESSI E SCONTI SULLE CAMBIALI										P	P	P	P		P									
2103	INTERESSI E SCONTI DIVERSI										P	P	P	P		P									
2104	MEDAGLIE DI PRESENZA										P	P	P	P		P									
2105	ONORARI, STIPENDI, GRATIFICAZIONI, ECC.										P	P	P	P		P									
2106	FITTI LOCALI									P	P	P	P		P										
2107	SPESE LEGALI										P	P	P			P									
2108	SPESE DIVERSE									P	P	P	P			P									
2109	IMPOSTE E TASSE									P	P	P	P			P									
2111	SPESE E PERDITE DELL'ESERCIZIO IN CORSO	P	P	P	P	P	P	P	P				P	P	P		P	P	P	P	P	P	P	P	P
2112	INTERESSI PASSIVI										P														
2113	SPESE DI AMMINISTRAZIONE										P														
2114	PERDITE E SOPRAVVENIENZE PASSIVE										P	P				P			P	P	P	P	P	P	P
2900	ASSETS BALANCING ITEM	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
3000	CAPITAL AND RESERVES	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
3001	CAPITALE - FONDO DI DOTAZIONE	P	P	P	P	P		P	P				P	P	P	P	P	P	P	P	P	P	P	P	P
3002	FONDO DI RISERVA ORDINARIA		P	P	P	P	P				P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
3003	FONDO DI RISERVA STRAORDINARIA		P	P	P	P	P						P	P	P	P		P	P	P	P	P	P	P	P
3004	FONDO DI RISERVA O RISERVE	P				P		P						P	P	P		P	P	P	P	P	P	P	P
3005	FONDO PER I PRESTITI SULL'ONORE		P	P		P												P							
3006	FONDO OSCILLAZIONI TITOLI										P	P				P			P	P	P	P	P	P	P
3007	FONDO PER LE PERDITE EVENTUALI										P	P				P									
3008	FONDO OPERE DI BENEFICENZA								P	P	P	P				P									
3009	FONDO PENSIONI IMPIEGATI								P	P	P	P				P									
3010	ALTRI FONDI SPECIALI								P	P	P	P				P									
3011	ALTRE RISERVE																								
3012	FONDO DI DOTAZIONE E RISERVE								P	P									P	P	P	P	P	P	P
3013	PRECEDENTE									P															
3014	FONDO DI RISERVA FEDERALE											P									P	P	P	P	P
3015	FONDO DI RISERVA VINCOLATA PER LEGGE												P						P	P	P	P	P	P	P
3100	OTHER CURRENT LIABILITIES ACCOUNT		P	P	P	P	P	P	P	P	P	P	P	P	P	P		P	P	P	P	P	P	P	P
3101	CONTI CORRENTI AGRARI LEGGE 1887	P	P			P												P							
3102	CONTI CORRENTI AGRARI REGOLATI DA NORME SPECIALI	P	P															P							
3103	CONTI CORRENTI AGRARI				P		P												P	P	P	P			
3104	CONTI CORRENTI CON SUCCURSALI ED AGENZIE		P	P	P	P	P						P	P	P			P	P	P	P	P	P	P	P
3105	CONTI CORRENTI CON CORRISPONDENTI	P	P	P	P	P	P							P	P	P		P	P	P	P	P	P	P	P
3106	CONTI CORRENTI PASSIVI							P	P	P	P	P		P		P					P	P			
3107	CONTI CORRENTI CORRISPONDENTI CON BANCHE			P															P	P	P	P	P	P	P
3108	CONTI CORRENTI CORRISPONDENTI CON PRIVATI			P															P	P	P	P	P	P	P
3109	CONTI CORRENTI DIVERSI			P		P																			
3111	DEBITI CON CORRISPONDENTI CON GARANZIA TITOLI										P	P													
3112	DEBITI CON CORRISPONDENTI DIVERSI										P	P													
3113	CONTI CORRENTI PER FINANZIAMENTO AMMASSI																		P	P					
3114	CONTI CORRENTI CON AMBASCIATORI																						P	P	P
3115	CONTI CORRENTI SULL'ESTERO IN LIRE																								
3116	CONTI CORRENTI SULL'ESTERO IN VALUTA																								

### Table 5 (follows)

### Balance sheet components by structure

Item code	Item description	Tipo 01	Tipo 02	Tipo 03	Tipo 04	Tipo 05	Tipo 06	Tipo 07	Tipo 08	Tipo 09	Tipo 10	Tipo 11	Tipo 12	Tipo 13	Tipo 14	Tipo 15	Tipo 16	Tipo 17	Tipo 18	Tipo 19	Tipo 20	Tipo 21	Tipo 22	Tipo 23	Tipo 24
3200	FIDUCIARY DEPOSITS	P	P	P	P	P	P	P	P	P	P	P	P		P	P	P	P	P	P	P	P	P	P	P
3201	DEPOSITI A RISPARMIO	P	P	P		P				P	P	P	P			P	P		P	P	P	P	P	P	P
3202	DEPOSITI A RISPARMIO STRAORDINARI					P					P	P				P				P	P	P	P	P	P
3203	DEPOSITI A RISPARMIO VINCOLATI										P	P				P				P	P	P	P	P	P
3204	DEPOSITI SPECIALI NOMINATIVI							P		P	P	P				P			P	P	P	P	P	P	P
3205	DEPOSITI A SCADENZA FISSA (BUONI FRUTTIFERI)	P	P	P		P		P		P	P	P	P		P	P	P	P	P	P	P	P	P	P	P
3206	DEPOSITI FIDUCIARI			P	P		P										P	P					P	P	P
3207	CONTI CORRENTI SENZA INTERESSI	P	P	P		P											P	P					P	P	P
3208	CONTI CORRENTI FRUTTIFERI	P	P	P		P											P	P					P	P	P
3209	DEPOSITI IN CONTO CORRENTE							P	P	P	P	P	P		P	P			P	P	P	P	P	P	P
3300	OTHER FORMS OF FUND-RAISING	P	P	P	P	P			P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
3303	OBLIGAZIONI	P	P	P	P	P	P										P	P	P	P	P	P	P	P	P
3304	RIPORTI PASSIVI	P	P	P	P	P	P				P	P	P	P			P		P	P	P	P	P	P	P
3305	ANTICIPAZIONI PASSIVE		P	P	P	P	P										P		P	P	P	P	P	P	P
3306	ALTRE SOVVENZIONI PASSIVE										P	P	P	P					P	P	P	P	P	P	P
3307	ALTRE FORME DI RACCOLTA					P			P		P	P				P					P				
3309	MUTUI PASSIVI IPOTECARI									P															
3310	MUTUI PASSIVI CHIROGRAFATI									P															
3400	SUNDRY ITEMS	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
3402	DIVIDENDI IN CORSO E ARRETRATI	P	P	P	P	P										P	P	P		P		P			
3403	ESATTORI	P	P	P	P	P			P	P				P		P	P	P	P	P	P	P	P	P	P
3404	CREDITORI DIVERSI O DEBITI DIVERSI	P	P	P		P		P	P	P	P	P	P	P		P	P	P	P	P	P	P	P	P	P
3405	PASSività INERENTI BENI IMMOBILI										P	P									P	P			
3406	PARTITE VARIE			P	P						P	P			P	P				P	P	P	P		
3407	ASSEGNI IN CIRCOLAZIONE CIRCOLARI				P		P												P	P	P	P			
3408	ASSEGNI IN CIRCOLAZIONE ORDINARI				P		P												P	P					
3409	ASSEGNI IN CIRCOLAZIONE	P	P	P		P							P	P					P	P		P	P	P	P
3410	DEPOSITI IN TITOLI		P	P	P																				
3411	ACCETTAZIONI CAMBIARIE	P	P	P													P	P	P	P					
3412	ACCETTAZIONI CAMBIARIE PER CONTO PROPRIO																								
3413	ACCETTAZIONI CAMBIARIE PER CONTO TERZI				P		P															P	P		
3414	CONTO LIQUIDAZIONE																								
3415	CENSI, CANONI E LIVELLI			P																					
3416	PENSIONI VITALIZIE								P	P															
3417	SOPRAVANZI PER VENDITA PEGNI								P	P															
3418	ALTRE PARTITE									P															
3500	BILLS RECEIVED FOR COLLECTION	P	P	P	P	P	P	P					P	P	P		P	P	P	P	P	P	P	P	P
3600	FUNDS OF THIRD PARTIES		P	P	P	P	P						P	P	P		P	P	P	P	P	P	P	P	P
3601	CASSA PREVIDENZA IMPIEGATI		P	P	P	P	P						P	P	P			P	P	P	P	P	P	P	P
3602	FONDI DI TERZI IN AMMINISTRAZIONE		P	P	P	P	P											P	P	P	P	P	P	P	P
3700	DEFERRED INCOME	P	P	P	P	P	P	P			P	P		P	P	P	P	P	P	P	P	P	P	P	P
3701	RISCONTO DELL'ATTIVO		P	P	P		P																		
3702	RISCONTO PORTAFOGLIO ESERCIZIO PRECEDENTE	P															P								
3703	RISCONTO PORTAFOGLIO SEMESTRE PRECEDENTE	P															P								
3704	RISCONTO PORTAFOGLIO E ANTICIPAZIONI SCONTI E INTERESSI ATTRIBUITI ALL'ESERCIZIO VENTURO							P								P									
3800	PRIOR YEAR INCOME	P	P	P	P	P	P						P		P		P	P	P	P	P	P	P	P	P

### Table 5 (follows)

### Balance sheet components by structure

(*P=item present in the dataset*)

[illegible]

Table 6

**Sample distribution by macro area**  
(percentages)

Macroarea	1890	1936	1951	1973
Number				
North	33,1	43,7	58,2	48,5
Centre	22,8	21,7	19,7	19,3
South	44,1	34,6	22,1	32,2
Fiduciary deposits				
North	64,6	65,6	62,1	61,8
Centre	24,2	20,8	24,3	20,5
South	11,3	13,6	13,6	17,7
Loans				
North	54,8	65,9	55,3	53,7
Centre	32,8	19,0	30,1	32,3
South	12,4	15,1	14,6	14,0

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Source: ASCI.



**Average asset shares by bank category and year**  
(average of individual shares; percentages)

Authors' calculations based on closed samples from ASCI and aggregate statistics. For the definition of the closed samples, see Section 7.3. Total banking system as defined in Section 2

**Average asset shares**  
(closed samples and total banking system; percentages)

Authors' calculations based on closed *samples* from ASCI and aggregate statistics. For the definition of the closed *samples*, see Section 7.3. Total banking system as defined in Section 2.

### Correlation of growth rates

*(closed samples and total banking system)*

Authors' calculations based on closed samples from ASCI and aggregate statistics. For the definition of the closed samples, see Section 7.3. Total banking system as defined in Section 2.

Figure 1

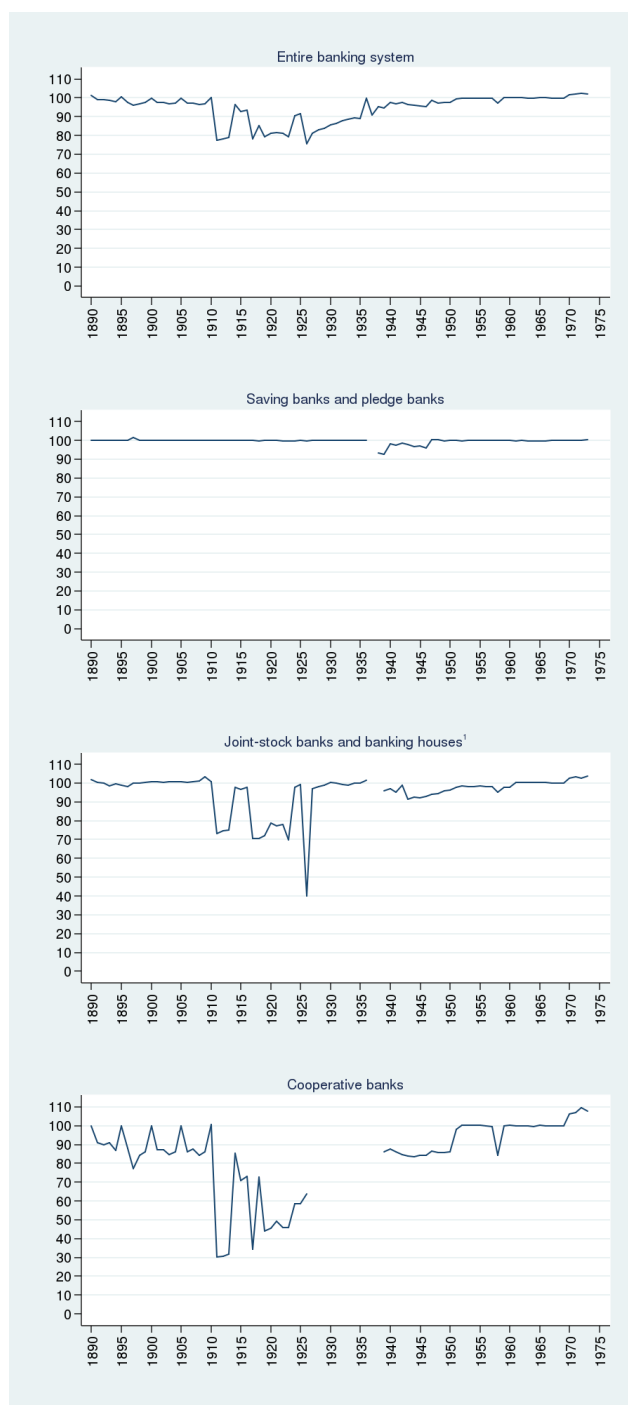
**Sample coverage by category in terms of number of banks**  
(percentage points)



The definition of population can be found in Section 2. The discontinuities for cooperative banks (1927-1935) depend on the lack of data in the sample.

Figure 2

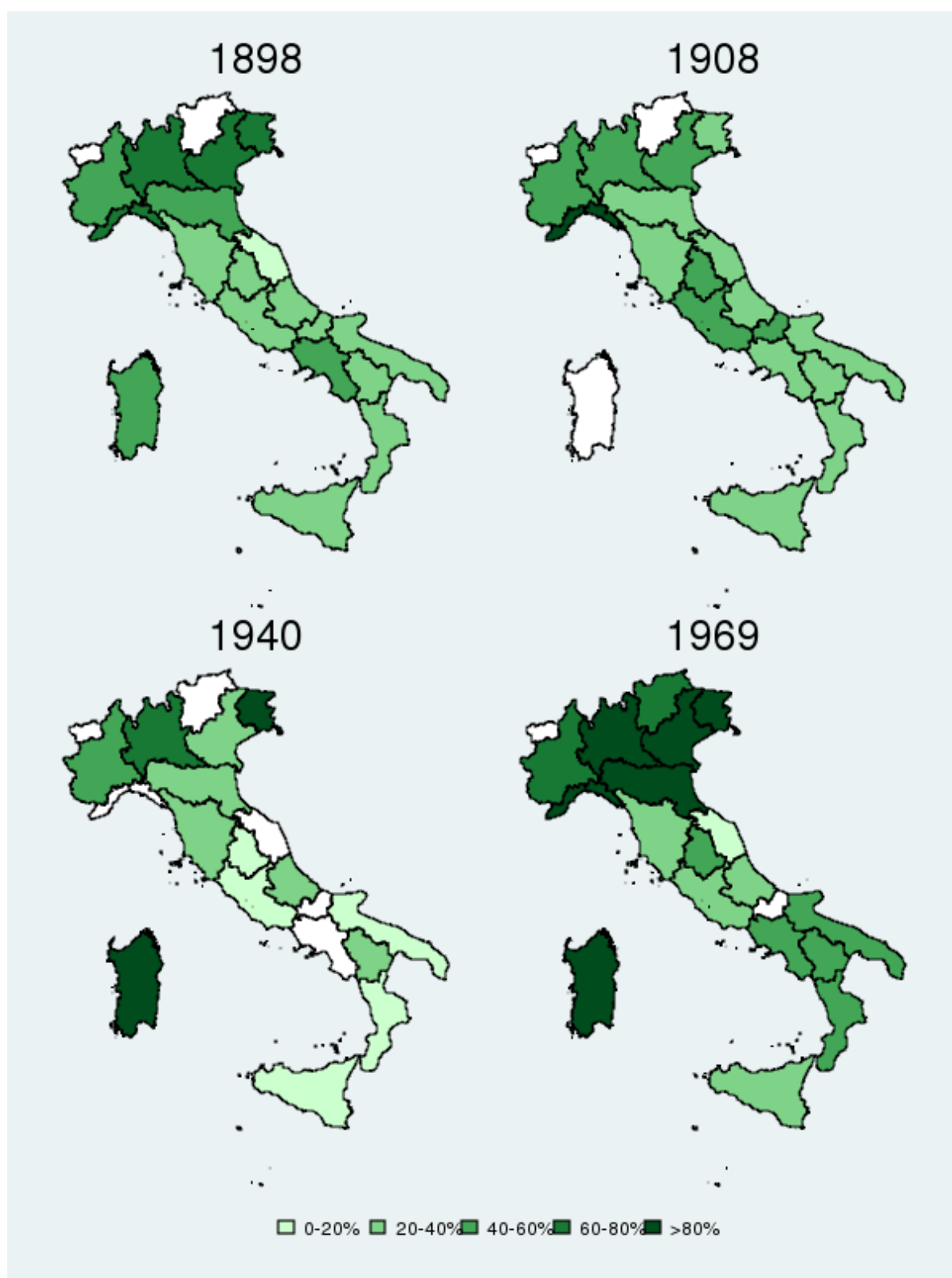
**Sample coverage by category in terms of fiduciary deposits  
(percentage points)**



The definition of population can be found in Section 2. The discontinuities for cooperative banks (1927-1935) depend on the lack of data in the *sample*, whereas the other discontinuities are due to the lack of data on population. (2) Since 1939 the universe aggregate includes banking houses. Therefore banking houses are also included in the *sample*.

Figure 3

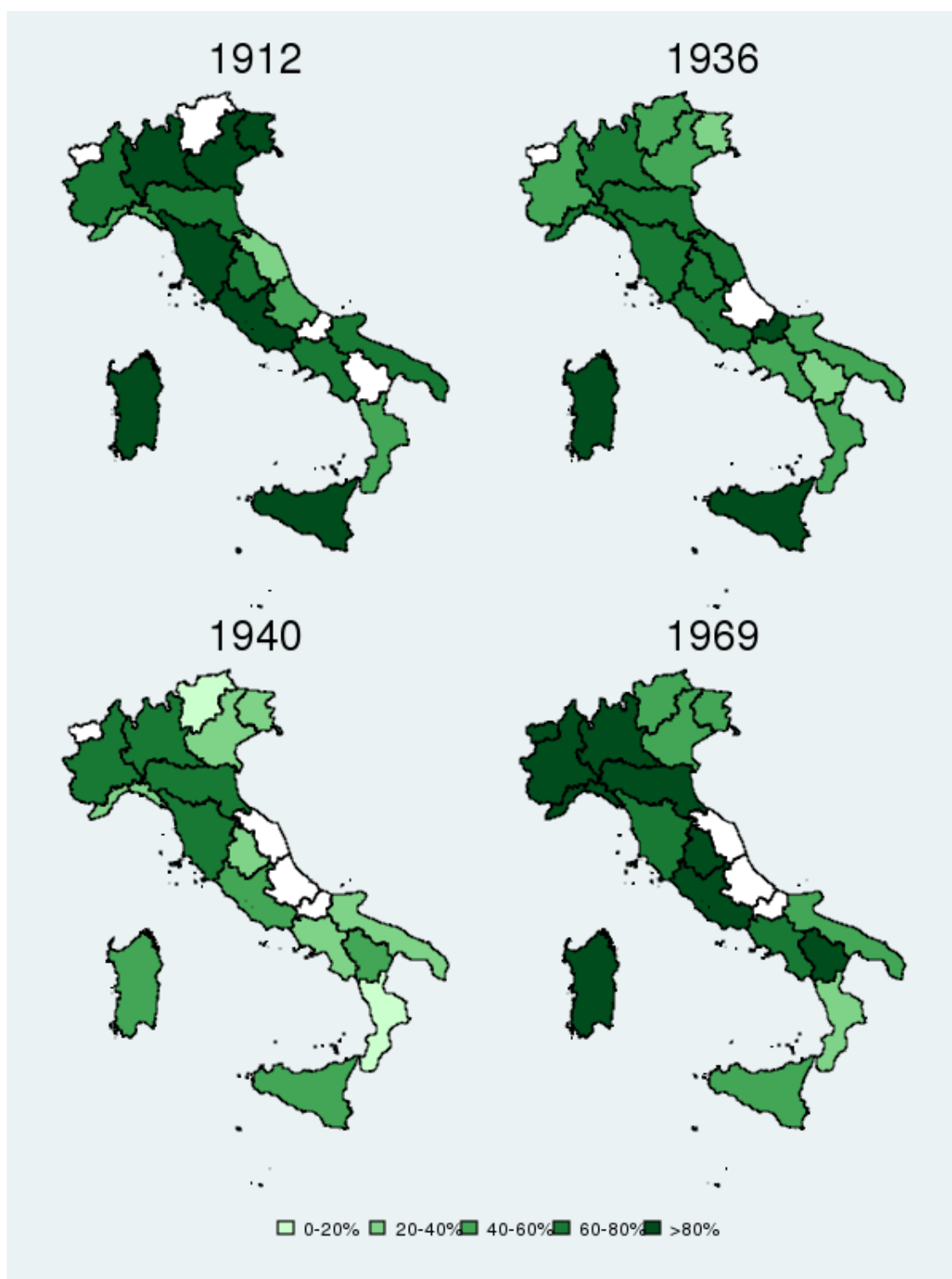
**Sample coverage by region Cooperative banks**  
(location by legal headquarters)



Regions are considered at present boundaries.

Figure 4

**Sample coverage by region**  
**Joint-stock banks**  
*(location by legal headquarters)*



Regions are considered at present boundaries. The maps refer to all categories present in the ASCI, except savings banks, pledge banks and cooperative banks.

Figure 5

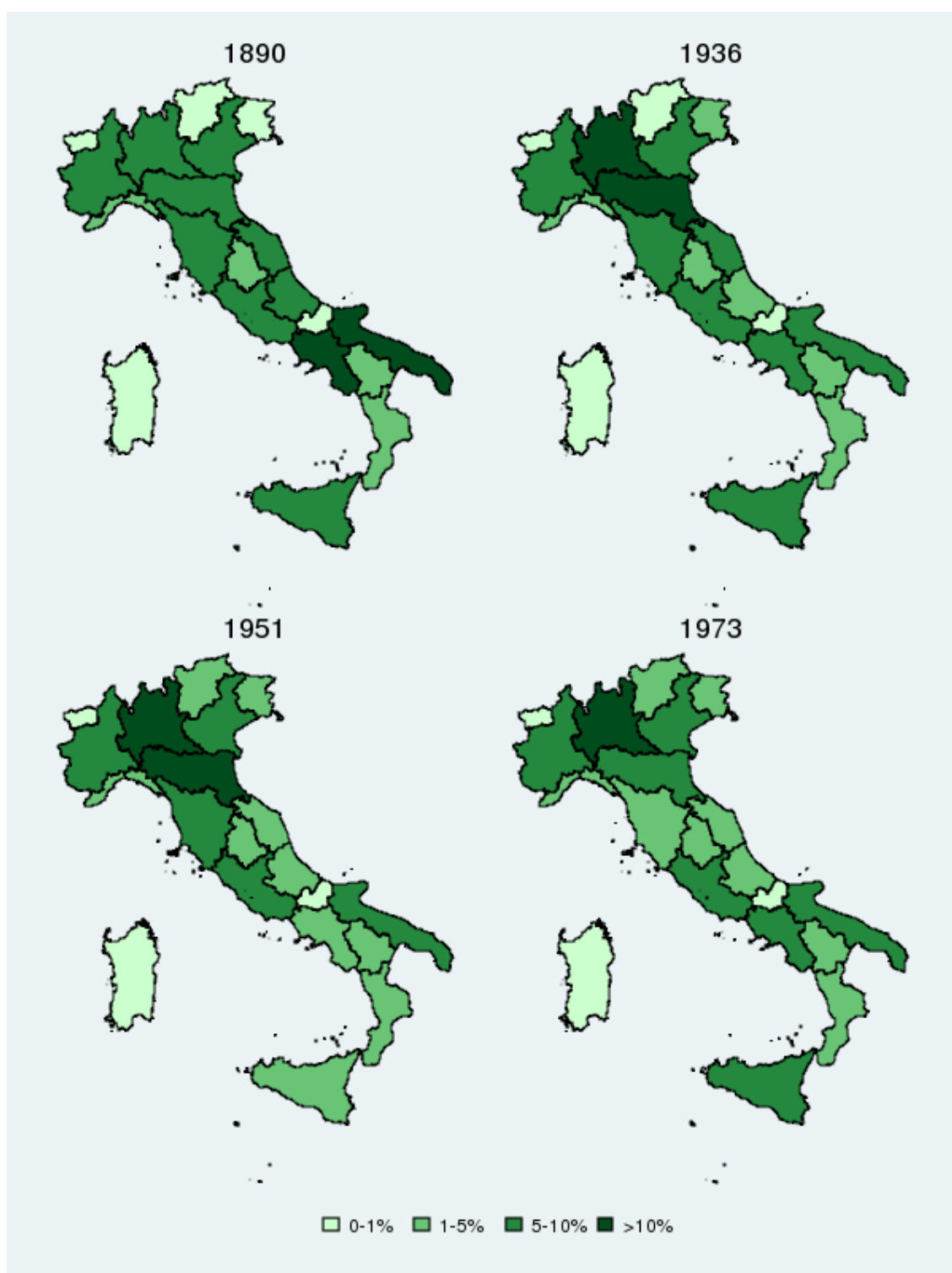
**Balance-sheet composition**  
(percentage points)





Figure 6

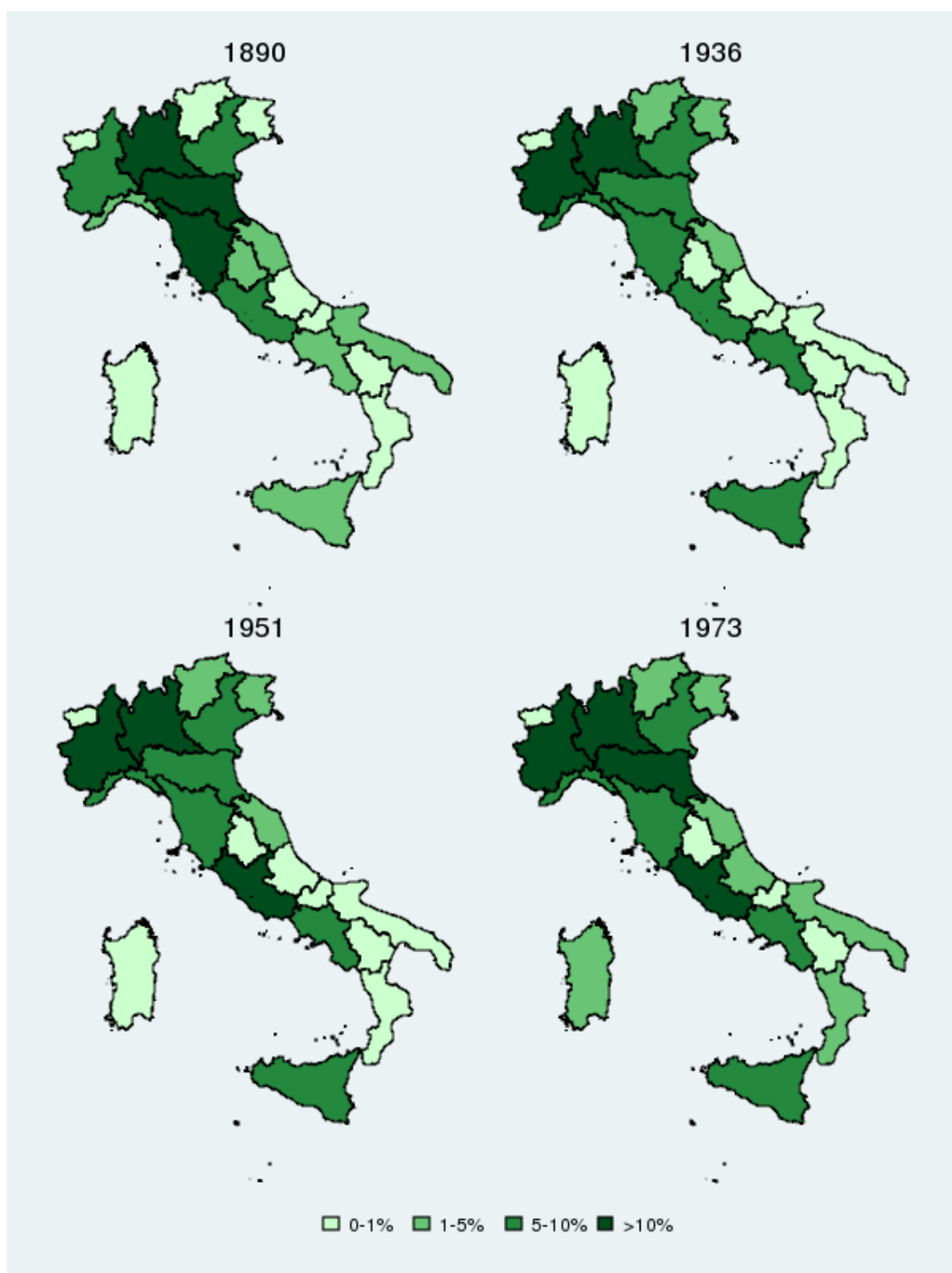
**Percentage of banks by region**  
(location by headquarters)



Regions are considered at present boundaries.

Figure 7

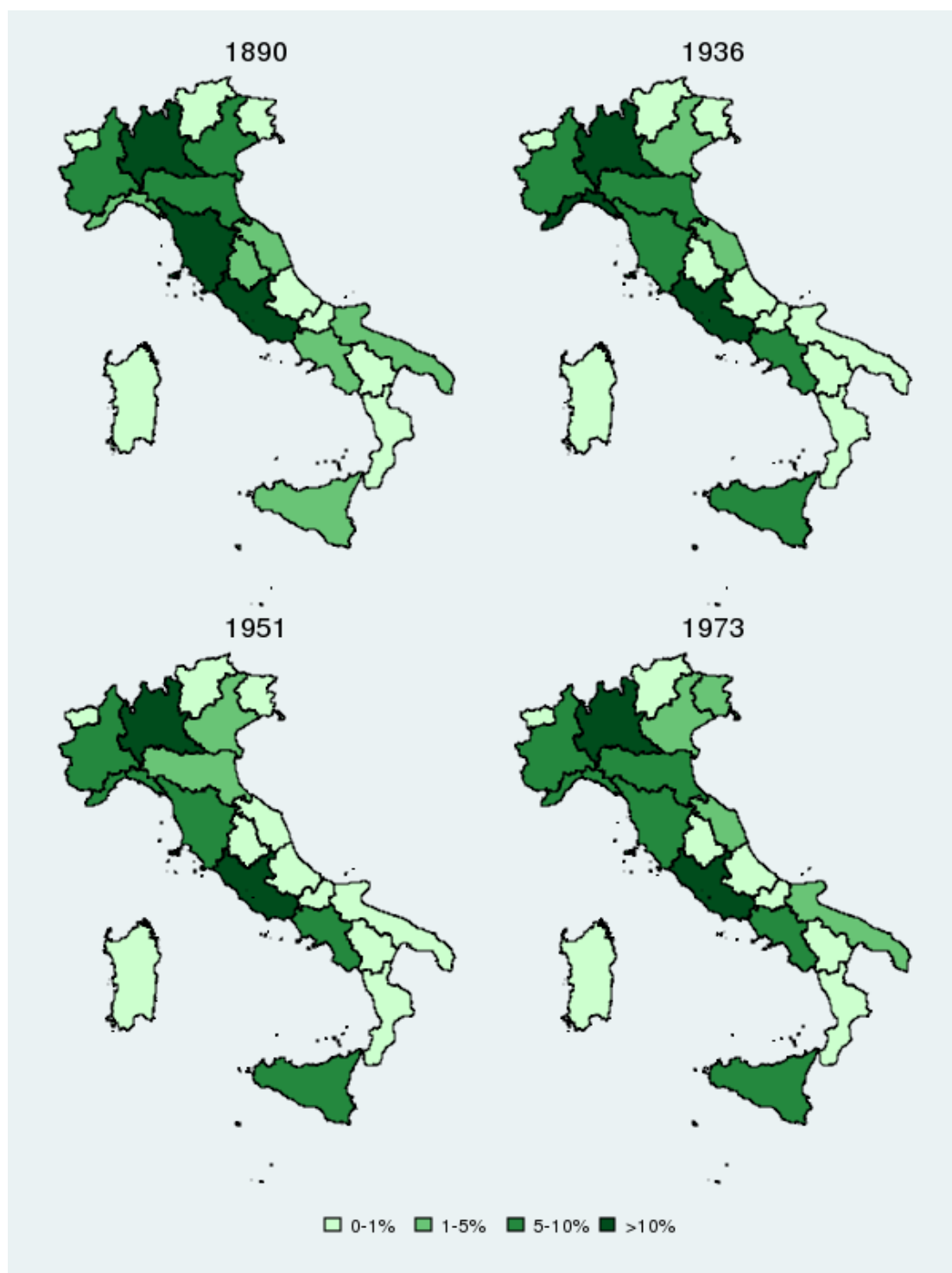
**Percentage of fiduciary deposits by region**  
(location by headquarters)



Regions are considered at present boundaries.

Figure 8

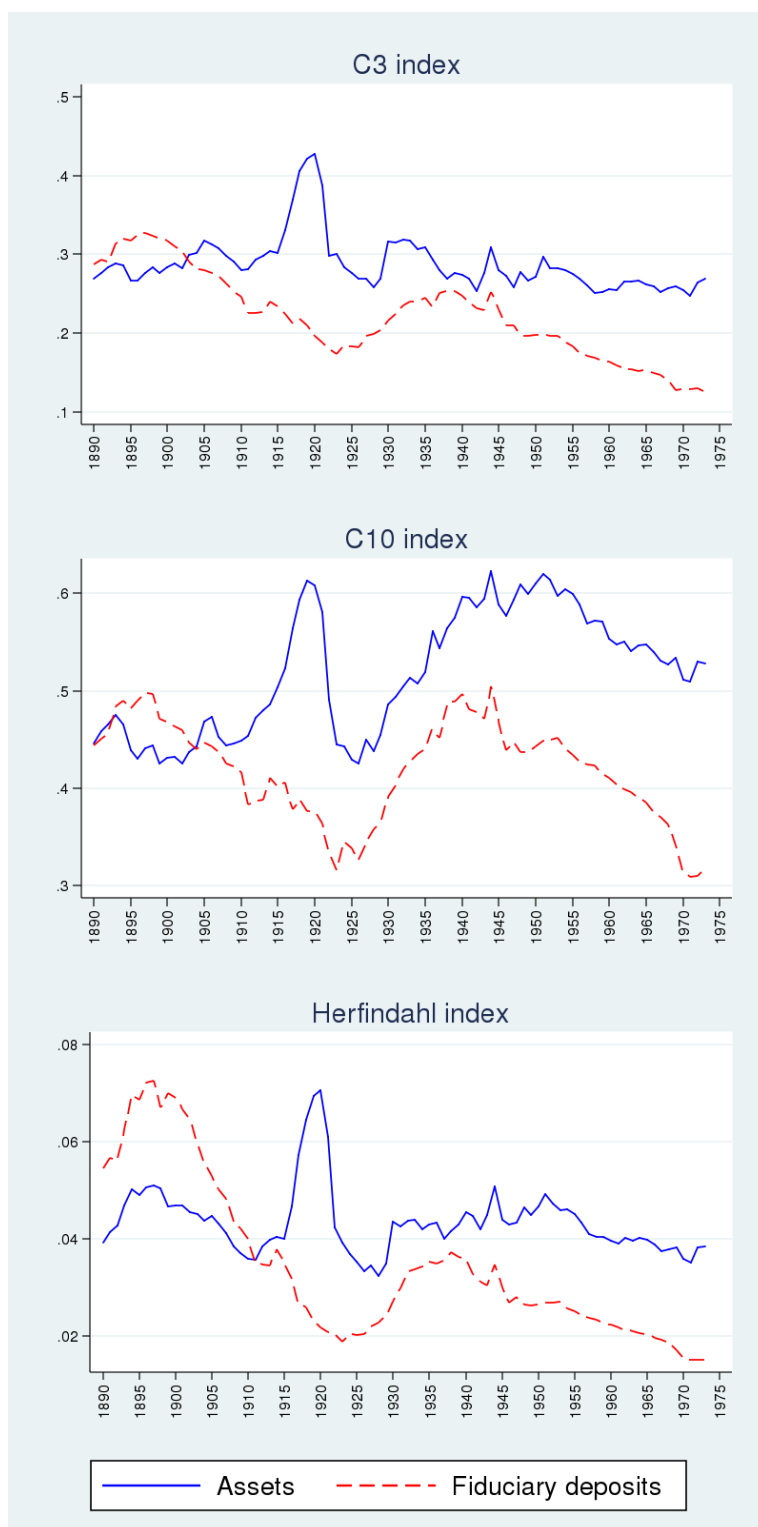
**Percentage of loans by region**  
(location by headquarters)



Regions are considered at present boundaries. Loans include both short and long term loans.

Figure 9

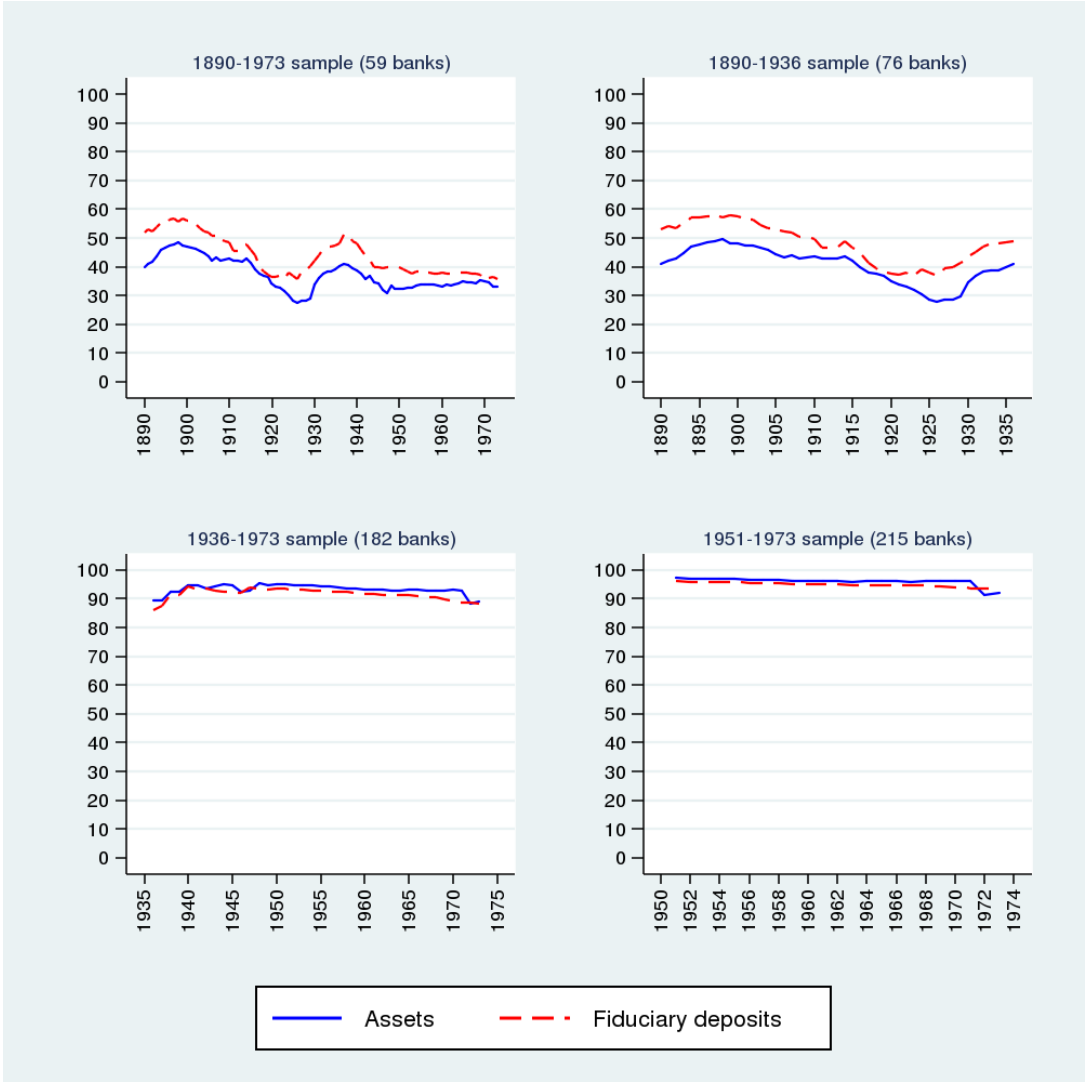
### Concentration within the banking sector



The definition of the population can be found in Section. 7. Since 1970 the aggregates are obtained from ASCI.

Figure 10

**Closed sample's coverages of the banking system**  
*Total assets and fiduciary deposits (percentage points)*

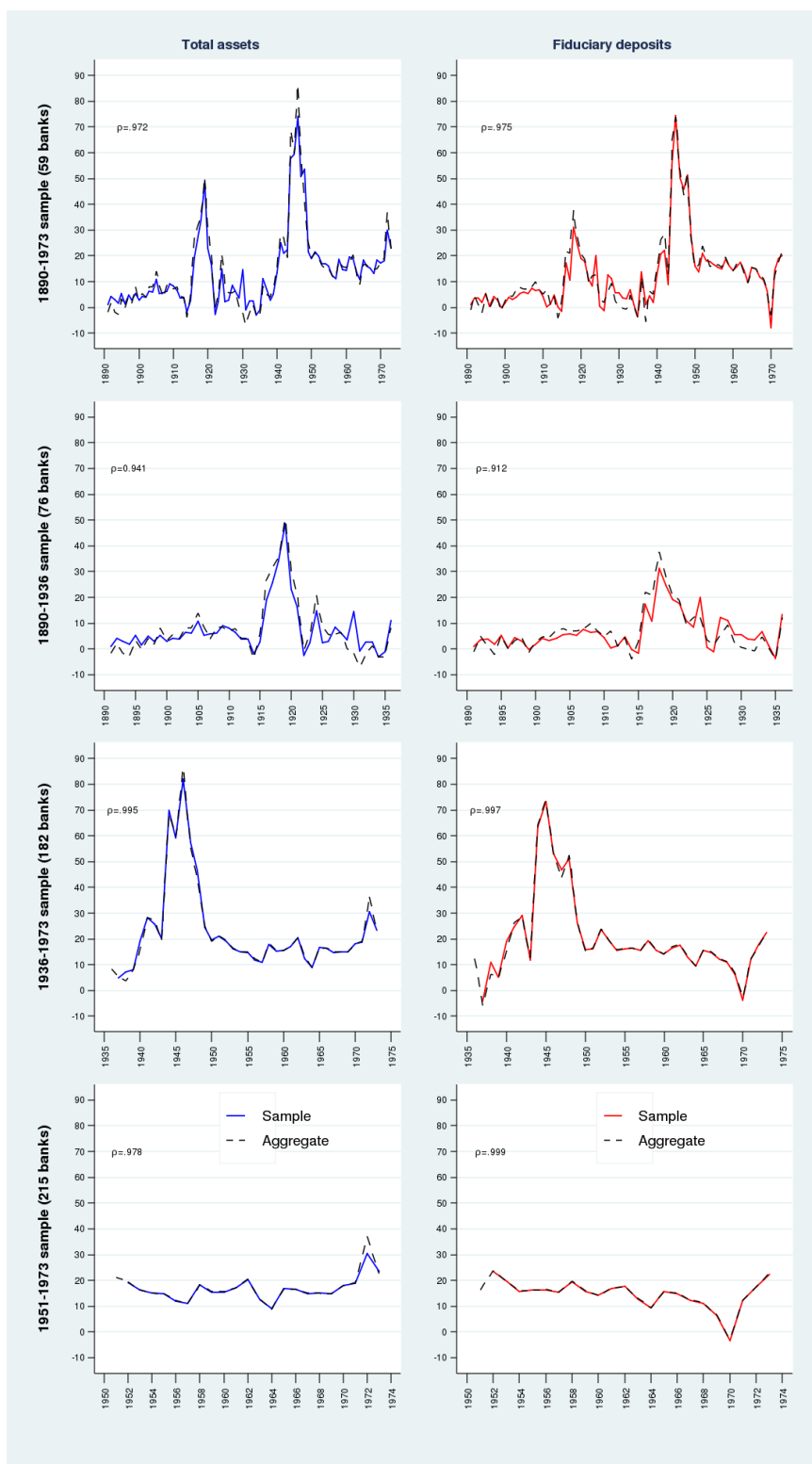


The definition of closed sample can be found in Section 7. Aggregate assets and deposits are described in Section 2. The number of banks in each closed sample is indicated within parentheses.

Figure 11

# Growth rates of aggregates: closed samples and total credit sector

Annual growth rates of total assets and fiduciary deposits (percentage points)



The definition of closed *sample* can be found in Section 7. Aggregate assets and deposits are described in Section 2.





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