

Bulletin

The world's oldest banking magazine – since 1895.



Question 1 —

**Is Switzerland the
Land of Mountains?**

25 Questions about Switzerland

And: Credit Suisse Worry Barometer – the Major Study on the State of the Nation



Ahead of its time.

The new Audi A7 Sportback.

The future begins today thanks to intelligent Matrix LED headlights, Audi connect for easy access to online services and a host of other features.

The new Audi A7 Sportback is also available as an S and RS version.

For more information, contact your Audi partner or visit www.audi.ch/A7

Question 1 —

Is Switzerland the Land of Mountains?



No: Austria's national anthem begins with the words "land of mountains," and so this title semi-officially belongs to our neighbor. It is widely known that the highest mountains in the world are not in the Alps but rather in the Himalayan and Karakorum mountain ranges in Nepal (Mount Everest) and Pakistan (K2). The climbing magazine Bergsteiger counts only one of our stony countrymen among the world's ten most beautiful peaks, the Eiger. A survey of readers chose the Drei Zinnen (Italy), the Shivling (India) and Cerro Torre (Argentina) as winners in this rocky beauty pageant.

Yes: According to the International Climbing and Mountaineering Federation UIAA, the majority of the 4,000 meter peaks in the Alps are located in Switzerland: 48. Italy has 35 four-thousanders, France 25. And Switzerland has made the Matterhorn and its neighbors into a world brand. That is reflected in the country's tourist attractions. According to the Swiss Federal Statistical Office, the largest selection of Swiss hotels can be found in alpine regions. In 2012, 57 percent of all such businesses were in the regions of Graubünden, Lucerne/Vierwaldstättersee, Valais, Eastern Switzerland and Bernese Oberland. Not least, the Matterhorn (cover photo) is considered the most photographed mountain in the world.

2014 CREDIT SUISSE WORRY BAROMETER

The myths of Switzerland, which we look into here and begining on page 5, come from the Worry Barometer (from page 52) and are all considered by the survey participants to be typical of Switzerland.

We Still Have a Few Questions

From one of the greatest Helvetic inquirers of all time comes the question: "Does Switzerland, the Switzerland of today, have an idea?" – "Good question!" we would like to reply to Max Frisch. We gave the authors and interview partners every liberty for this issue of Bulletin – with the exception of using this particular phrase.

Nor would it have been necessary. The 25 answers to the varied questions are – in our opinion – surprising, inspiring, provocative and sometimes humorous. One thing they have in common is that all of the authors are dealing with the issue of a small country in a state of flux; they offer praise and criticism, and in this way, they answer Frisch's question.

This year's Credit Suisse Worry Barometer shows how the Swiss are really doing (starting on page 52). Unemployment is still seen as the most pressing issue facing Switzerland, even ahead of the issues of "foreigners" and "Old Age and Survivors' Insurance/retirement provision." The strong sense of optimism among those surveyed is gratifying; they see the current state and the future of the economy as favorable, particularly compared to other countries. Furthermore, identification with the community is waning, national pride is growing and the relationship to the EU remains an issue, while those surveyed would like to continue the bilateral agreements.

So, the majority of those surveyed consider Switzerland to be in good shape. Another fitting quote: How does the world's best-selling travel guidebook describe Switzerland? The Lonely Planet introduction ends with these words: "Know that life in Switzerland is good." And the British business magazine The Economist seconds this sentiment. In its "Where to be born" index measuring where a newborn child has the best opportunities in life, the list is topped by ... precisely.

With this in mind, we hope you enjoy the Worry Barometer on the state of the nation and the 25 questions about Switzerland.

Your editorial team

Bulletin: 25 Questions about Switzerland

Question 1— Is Switzerland the Land of Mountains?

Question 2— ... of Cheese?	5
Question 3— ... of Watches?	6
Question 4— ... of Cleanliness?	6
Question 5— ... of Chocolate?	6
Question 6— ... of Quality?	6
Question 7— ... of Democracy?	6
Question 8— ... of Security and Peace?	7
Question 9— ... of Neutrality?	7



Question 10— How Is Switzerland Doing?

Question 11— What Should Be Done about Our Direct Democracy?	8
Question 12— Are the Good Offices of Switzerland Still in Demand?	10



Swiss craftsmanship for international artists: Matteo Gonet blows glass in Münchenstein for the French artist Jean-Michel Othoniel.

Question 13— Why Switzerland?

14

Question 14— Who Invented Modern Switzerland?

16

Question 15— Why Do Artists All Over the World Trust Swiss Artisans?

18

Question 16— What Is Knowledge Worth to Us?

32

Question 17— What Stays Private?

34

Question 18— What Makes Bosses Happy?

35

Question 19— Why Does Schwingen Rely on Mind Games?

36

Question 20— How Innovative Is Switzerland?

38

Question 21— Is Switzerland a Nation of Car Manufacturing?

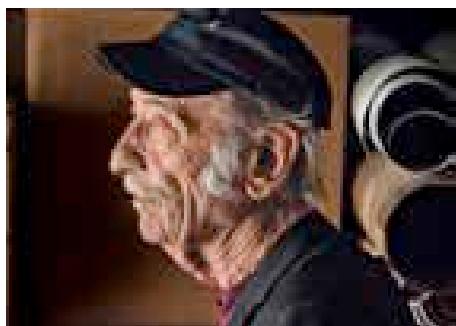
40

Question 22 — What Is a Genevan?

42

Question 23 — Who's Afraid of Nuclear Power?

43



Question 24 — Do You Have a Vision for Switzerland, Mr. Snozzi?

44

Question 25 — How Can We Save Our Social Institutions?

50

The cover features a large white 'X' shape containing the text '2014 CREDIT SUISSE WORRY BAROMETER'. Below the 'X' is the word 'THE ANALYSES'. A list of five articles follows:

- 1 – THE PROBLEMS OF SWITZERLAND p. 54
- 2 – ECONOMIC SITUATION p. 57
- 3 – TRUST p. 59
- 4 – THE ESSENCE OF SWITZERLAND p. 64
- 5 – THREATS TO SWISS IDENTITY p. 67

Below this is a section titled 'THE INTERPRETATIONS' featuring:

- Debate BIGLER (FDP) VS. ROSSINI (SP) p. 61
- The Future of Switzerland MUCH OPTIMISM, BUT PENSIONS GROUNDS FOR CONCERN p. 69
- Switzerland and Abroad POLITICAL OFFENSIVE DESIRED p. 70

Starting on page 52:
The major survey
on the concerns
of the Swiss people.



The following contributed to this issue:

1 Jonathan Steinberg

The American historian is professor of Modern European History at the University of Pennsylvania. His 1976 book "Why Switzerland?" is considered a standard work on the special situation of Switzerland. In this issue, he reflects on Switzerland and looks ahead to the future of the confederation. *Page 14*

2 Daniele Muscionico

The Germanist and art historian is one of the Switzerland's most prolific culture journalists. Muscionico was long responsible for theater and photography at the NZZ and currently writes for a number of German-language publications. For this issue of Bulletin, she visited local artisans who produce works for major artists. *Page 18*

3 Andri Pol

Daniele Muscionico was accompanied on her visits to workshops by one of the best-known photographers in Switzerland. Andri Pol has won countless awards, published a number of books and held numerous shows. The Bern native teaches at the MAZ media school and is photo editor at GEO Switzerland. *Page 18*



Credits: Published by: Credit Suisse AG, project management: Mandana Razavi, Claudia Hager, content strategy, articles: Ammann, Brunner & Krobath AG (www.abk.ch), design concept, layout, production: Craftt Kommunikation AG (www.crafft.ch), photo editing: Studio Andreas Wellnitz, Berlin, pre-press: nc ag (www.ncag.ch), printer: Stämpfli AG, circulation: 130,000, contact: bulletin@abk.ch (content), abo.bulletin@credit-suisse.com (subscriptions)



Available on the App Store

The News & Expertise app, including Bulletin and other current publications of Credit Suisse.
www.credit-suisse.com/bulletin



GUSTAV Residence

Exclusive living with inhouse care

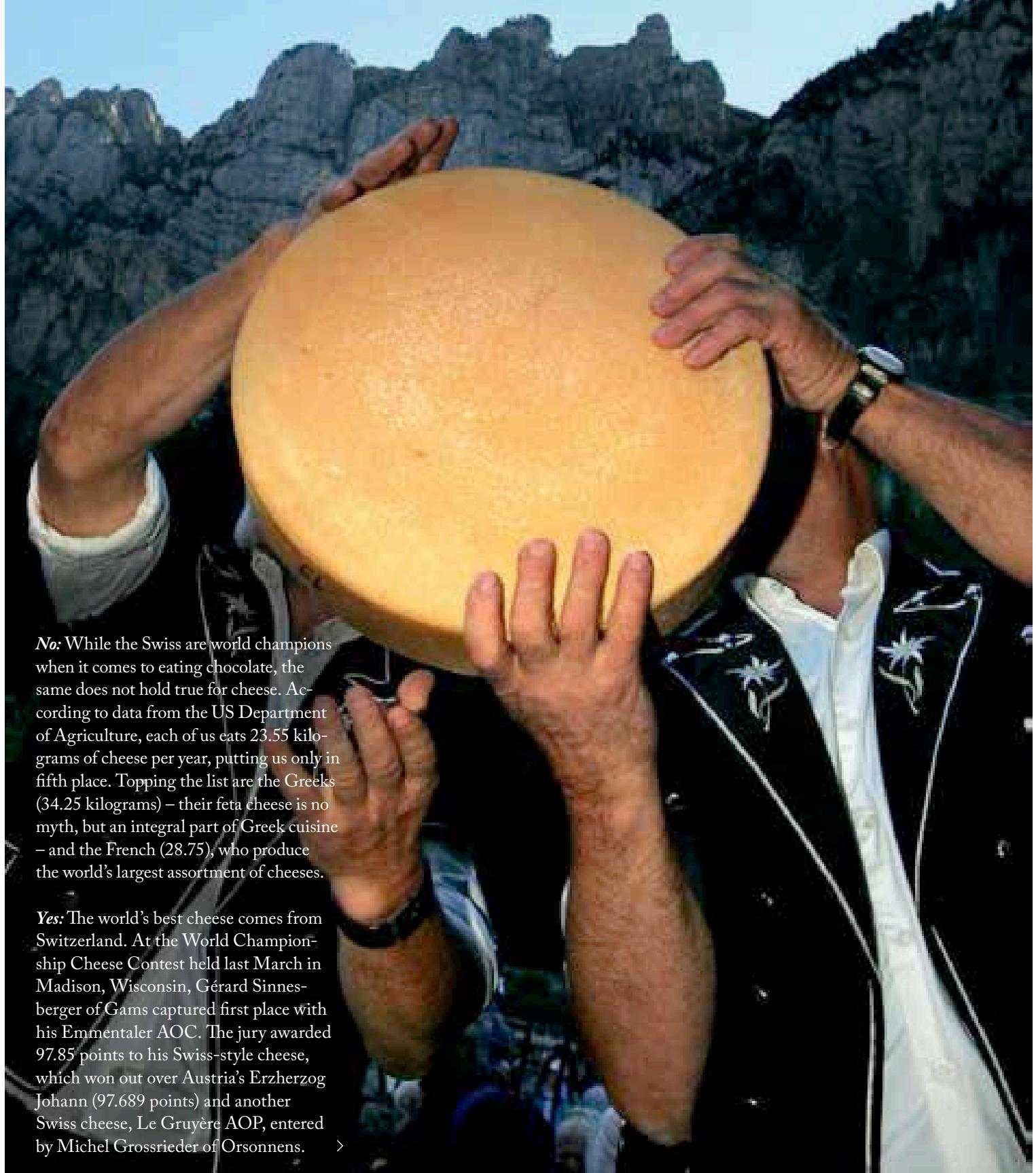
«City life
starts at 70.»

Enjoy the reassurance of having your needs well looked after. At the heart of downtown Zurich in an exclusive residence with 74 apartments for individuals in the prime of life. Featuring spectacular views, 24-hour concierge and standby care service, top-quality cuisine and a comprehensive range of à-la-carte services. Arrange an appointment to view. And remember: Be right at the heart of it. And not just anywhere.

GUSTAV Residence, Gustav-Gull-Platz 5, 8004 Zurich, +41 (0)79 606 64 65, info@gustav-zuerich.ch, www.gustav-zuerich.ch

Question 2 –

Is Switzerland the land of cheese?



No: While the Swiss are world champions when it comes to eating chocolate, the same does not hold true for cheese. According to data from the US Department of Agriculture, each of us eats 23.55 kilograms of cheese per year, putting us only in fifth place. Topping the list are the Greeks (34.25 kilograms) – their feta cheese is no myth, but an integral part of Greek cuisine – and the French (28.75), who produce the world's largest assortment of cheeses.

Yes: The world's best cheese comes from Switzerland. At the World Championship Cheese Contest held last March in Madison, Wisconsin, Gérard Sinnesberger of Gams captured first place with his Emmentaler AOC. The jury awarded 97.85 points to his Swiss-style cheese, which won out over Austria's Erzherzog Johann (97.689 points) and another Swiss cheese, Le Gruyère AOP, entered by Michel Grossrieder of Orsonnens. >

Question 3 –

Is Switzerland the land of watches?

Yes: Switzerland's three largest watch manufacturers, Swatch Group, Richemont and Rolex, command 47.9 percent of the global market (according to data from Vontobel Equity Research, 2013). Worldwide, 95 percent of all luxury watches (costing more than 1,000 Swiss francs) are manufactured in Switzerland. Since the 2009 crisis, the Swatch Group, for one, has increased its sales by 64 percent and its operating profit by an impressive 150 percent. Observers are waiting to see whether the Apple Watch will challenge Switzerland's position of dominance. Interest in Swiss watches is greatest in Hong Kong, accounting for 20 percent of exports, followed by the United States (10 percent) and China (8 percent).

Question 4 –

Is Switzerland the land of cleanliness?



Less dirt: No other country is tidier.

Yes: According to Yale University's 2014 Environmental Performance Index, Switzerland is the cleanest of the 178 countries included in the study. The results were based primarily on two questions: How does a country protect its people against harmful environmental impacts, and how does it protect its ecosystems? The researchers looked at the following: water quality, sewage treatment, agriculture (use of pesticides), woodland areas, landscape conservation,

fish stocks, carbon footprint, access to electricity, health effects of environmental pollution and air quality. Switzerland, the land of recycling and dog-waste disposal units, earned 87.67 out of 100 points, followed by Luxembourg (83.29), Australia (82.4) and Singapore (81.78).

Question 5 –

Is Switzerland the land of chocolate?

Yes: The world's largest chocolate producer, Barry Callebaut AG, is headquartered in Zurich. The company, with sales totaling 4.884 billion Swiss francs in fiscal year 2012/2013, sells chocolate products to commercial customers. The list of the world's top ten producers of chocolate for the end consumer also includes two Swiss companies, Nestlé SA, the producer of major brands from Smarties to Cailler, and Lindt & Sprüngli AG. And finally, the Swiss eat more chocolate than anyone else in the world. According to a KPMG study, the average person in Switzerland consumes approximately 12 kilograms of chocolate each year (2012) – roughly two kilograms more than people in Ireland and the UK, the countries that rank second and third.

Question 6 –

Is Switzerland the land of quality?

Yes: The designation "Swiss made" on an industrial product is extremely valuable. Studies have shown that consumers are willing to pay more for such products, Credit Suisse Economic Research writes. Particularly when it comes to watches and other luxury goods, people will pay a premium of up to 50 percent – in some Asian countries even more than that – if a product bears the words "Made in Switzerland." Consumers are also willing to pay roughly one-third more for Swiss chocolate than for chocolate produced elsewhere. The "Swiss brand" therefore generates additional revenues amounting to at least one percent of Switzerland's gross domestic product (about 600 billion dollars overall).

Question 7 –

Is Switzerland the land of democracy?

No: Andreas Gross, a political scientist and Social Democratic member of the National Council, has studied democracy for decades. He naturally takes a very



A world record: The average person in Switzerland eats 12 kilograms of chocolate every year.



Switzerland has a relatively costly army.

differentiated view of this topic and offers a correspondingly complex response. Among other things, he notes that in order to become more democratic, Switzerland would have to stop “excluding foreigners, particularly those born in Switzerland, from the democratic process to the extent it does today. It should also introduce co-determination in the workplace. It should learn to distribute the country’s wealth, which is created by all, more equitably. It should ensure more equal opportunity among children. And Switzerland should expand the powers of the Federal Supreme Court to provide better protection for fundamental rights and the rights of minorities.”

Yes and no: Democracy researcher Gross goes on to say, however, that “it depends on what people mean when they talk about democracy, and which of the many aspects of democracy they choose to emphasize. For those who focus on a participatory approach, with citizens involved in decisions affecting the country’s constitution and laws, Switzerland ranks at the top. But for those who view democracy as involving more than elections and want to see democracy practiced in the workplace as well, Switzerland is at best in the middle of the pack.” What do other experts have to say? The Democracy Index, published by The Economist, has Switzerland in seventh place, behind

the Scandinavian countries, Australia and New Zealand.

Question 8 – Is Switzerland the land of security and peace?

Yes and no: In the 2014 edition of the Global Peace Index, published annually by the Institute for Economics and Peace, Switzerland is in fifth place among approximately 170 countries. To determine which countries are most peaceful, the scholars looked at such factors as the level of safety and security in society, the number of violent crimes, political stability and spending on defense. Compared with the countries that head the list – Iceland, Denmark, Austria and New Zealand – Switzerland spends a relatively large amount on its army (nearly five billion Swiss francs per year). The countries at the bottom come as no great surprise: South Sudan (160), Afghanistan (161) and Syria (162).

Question 9 – Is Switzerland the land of neutrality?

Yes: Switzerland has been consistently neutral for longer than any other country in the world. And there is hardly another country whose most recent war was so long ago (its last war of conquest was Marignano in 1515; the last war on Swiss soil was the 1847 civil war known as the Sonderbund War). If one were to rank the quality of a country’s neutrality, Switzerland’s might be described as especially “pure”; some would argue that EU countries with similar rankings (Austria, Finland and Sweden) cannot be entirely neutral, since they share a common foreign and security policy with the other EU members. □

Question 10 –

How Is Switzerland Doing?

Switzerland is a prosperous country, and relative to most countries its wealth is quite evenly distributed. This is due not least to a political system designed to promote cooperation and equity. However, this system will face serious challenges in the future.

By Oliver Adler



Switzerland is basically doing well.

1 Switzerland Is Doing Well

Of our three large neighbors, two – France and Italy – are in the midst of an economic crisis. The Swiss economy, however, is still booming. While the global financial crisis of 2008 affected our country as well, its gross domestic product has been growing since 2010 at an annual rate of about 2 percent, after adjustment for inflation.

The phenomenon referred to as a super cycle makes Switzerland seem to be even more of an "economic miracle." At least since the financial crisis, we have experienced extraordinary growth, generated by a combination of low interest rates (which dropped to zero after the Swiss National Bank responded to the revaluation of the Swiss franc), a large number of relatively high-income immigrants and growing demand for real estate.

While there is cause for concern about the consequences of this super cycle (see point 3), a number of measures show that Switzerland is, indeed, doing well:

- With a per capita income of nearly 75,000 francs (2013), Switzerland is near the top of the rankings. Only Luxembourg, a special case because of its strong focus on the financial sector, and some small oil-exporting countries (including Norway) score higher on this measure.

- Even after adjustment for the high cost of living, Switzerland remains a leader in per capita income; aside from the countries mentioned above, only the United States and Hong Kong rank higher.
- Compared with these two countries, however, Switzerland has a “flatter” income distribution, which means that it is wealthier from a social perspective. An OECD comparison shows that Switzerland ranks near the top, behind South Korea, in the distribution of primary income (i.e., not including government transfers), as measured by the Gini coefficient.

A number of other, more specific, indicators also show that Switzerland is doing well:

- The Swiss population is healthy, as reflected in the high life expectancy. The life expectancy of women in Switzerland was 84.9 years in 2012 (compared with an OECD average of 82.8) and for men it was 80.6 (77.5 for the OECD countries).
- The level of criminal activity continues to be low. (In 2012, the murder rate in Switzerland was only 0.6 per 100,000 people; the OECD average was 2.1 per 100,000. Note, however, that Mexico's murder rate, at 22.8 per 100,000, distorts that statistic).
- In terms of fine particles per cubic meter, Switzerland has cleaner air and a lower level of water pollution than almost any other country in Europe.
- In 2012, the purchasing power of the franc allowed the average person in Switzerland to take 1.8 trips abroad, including overnight stays, and in 2010 the Swiss traveled an average of 5,200 kilometers by airplane.

Although there is poverty in Switzerland, of course, there is no doubt that the country is a global leader in terms of material well-being, in both a narrower and a broader sense.

2 Why Switzerland Is Doing Well

There are a number of reasons for Switzerland's prosperity, and some of them are rooted in its history. Clearly all of these factors play a significant role, although it is difficult to determine their relative importance or impact.

They include the following:

- an extraordinary level of political stability, lasting for over 150 years;
- a liberal legal order that promotes security and leaves room for entrepreneurial activity;
- a society (in which small farms play a major role) that has sought for hundreds of years to reconcile competing interests, which limits the potential for conflict, such as that between capital and labor;
- a unique tradition of combining the scientific and the practical – as reflected in Switzerland's dual educational system – that lays the groundwork for technical progress, thus contributing to the diversity and strength of the economy;
- extensive periods of open borders, making it easier for foreign companies, and then foreign workers, to come to Switzerland;
- a tradition of monetary stability, encouraged in part by the interests of the banking industry;
- efficient public authorities and a heightened sense of financial responsibility;
- high-quality infrastructure;
- and finally, the fact that our geography and lack of natural resources have forced us to focus on international trade.

Today Switzerland has both large, successful global corporations and countless small and medium-sized enterprises that are also active throughout the world.

However, the growth in Switzerland's prosperity has not been a linear process. Cyclical fluctuations and the need to make structural adjustments,

whether in specific sectors or in the overall economy, have led to repeated setbacks, or have at least temporarily halted that growth. For the most part, however, such difficulties have been quickly overcome, and have even strengthened our economy – whether it was the crisis of the 1970s, which led to a shift away from labor- and energy-intensive production; the crisis and comeback of the watch industry in the 1980s; or the transformation of the chemical industry into a global leader in pharmaceuticals in the 1990s.

The excellent condition of the Swiss economy today clearly owes much to the lessons learned from the real estate – and to some extent banking – crisis of the early 1990s. The financial sector is currently at a pivotal moment – in part because of the financial crisis, which triggered a need for recapitalization and re-regulation of the banking system, and in part because of international pressure for tax compliance. Here, too, the future success of the Swiss economy will depend on moving quickly and decisively to make the necessary changes.

3 How to Ensure Our Future Well-being

It is impossible to predict the challenges Switzerland will face in the coming years, as circumstances can change dramatically.

But some of those challenges are already apparent:

- Changes in the economic super cycle may cause problems in the years to come. Hopefully the super cycle will end quietly, with the supply of real estate expanding enough to keep prices from rising and with demand gradually decreasing, in part because of credit restrictions imposed by the banks.
- It would be more worrisome if demand were to drop sharply – for example because of a dramatic decline in immigration – quickly producing an over-supply of housing and commercial real

Question 11 –

What Should Be Done about Our Direct Democracy?

More and more, popular initiatives are conflicting with Switzerland's obligations under international law. The constitution may need to be amended.

By Bernhard Ehrenzeller

Popular rights are part of Switzerland, and we take justifiable pride in that fact. At the heart of the Swiss state is the idea that citizens are able to play a role in political affairs not only through elections, but also by making their voices heard on substantive issues. Popular initiatives, in particular, offer the opportunity to bring almost any issue into the public discussion. When an initiative has been approved, its text becomes part of constitutional law. The legally binding nature of such initiatives, coupled with the fact that they can address practically any issue, introduces an unpredictable and radical element. Recently we have seen a number of problematic initiatives that conflict with Switzerland's obligations under international law (the initiative to ban minarets as well as others concerning pedophiles, deportation and mass immigration).

There is nothing in the Federal Constitution to prevent inappropriate, contradictory or politically uncomfortable initiatives. Indeed, the constitution can be amended in whole or in part at any time (Art. 192). The bar for an initiative is low. An initiative can be declared invalid by the Federal Assembly only if it violates the principle of unity of form, the principle of unity of subject matter or mandatory rules of international law (Art. 139 para. 3). However, only a small part of international contract and common law is included un-

estate. Those most affected would be the developers of large-scale projects and perhaps construction companies; this, in turn, would affect banks' loan portfolios. Experience both in Switzerland and abroad has shown that it is crucial in such situations to address problems as quickly as possible, rather than delaying out of consideration for political special interests.

- Restructuring political and economic ties to the EU, Switzerland's primary economic partner, will be of critical importance in the coming years. Approval of the initiative opposing mass immigration has made the situation more difficult. Here, too, we must hope for a "soft landing." This would require implementing the initiative in a way that respects the will of the people, but that is also acceptable to the EU – in other words, that is not perceived as violating the principle of the free movement of persons. In that case, our bilateral agreements would not need to be affected. However, even under those circumstances it will not be easy to strengthen our relations with the EU – for example by reaching a general services agreement or a services agreement designed specifically for the financial industry. The results would be much more negative if Switzerland were to introduce very restrictive quotas for immigrants, leading to the termination of our bilateral agreements. This could lead to the stagnation of the Swiss economy.
- Over the long term, Switzerland, like many industrialized countries, will have to confront the complex problems that come with an aging population. In addition to medical challenges, such as an increase in age-related diseases like dementia, the most pressing problems are financial. Financial promises, whether they concern state retirement provisions, private pensions or healthcare, will have to be adjusted to reflect demographic realities. Ultimately, we need to fill the labor

market gap resulting from the departure of the baby boom generation or to invest more capital. If the labor and capital markets function properly, however, it should be possible to solve this problem.

Meeting the crucial challenges facing Switzerland will require finding the right mix of market-oriented measures and government action. But that will not be possible without political compromise, something that seems to have become more difficult in recent times. Whether the situation will change after next year's parliamentary elections remains to be seen. And let us hope that it will prove possible to maintain political stability in Europe as well as globally. Switzerland's well-being depends in large part on how the countries that surround us are doing. Despite Switzerland's strengths, developed over time, its future could be much less rosy – depending on circumstances in those countries. □

Oliver Adler is Head of Economic Research at Credit Suisse.

2014 CREDIT SUISSE WORRY BAROMETER

Ninety-two percent describe their current economic situation as quite good, good or very good.

der “mandatory rules of international law”; most is not. Only four petitions for a referendum have ever been declared invalid.

A Dilemma for Legislators

Switzerland has never left room for doubt that it intends to abide by its international obligations. When popular initiatives conflict with international law, legislators are faced with a choice: either to implement their constitutional mandate in a way that conforms to the constitution but violates international law, or to do so in a way that conforms to international law but violates the constitution. This situation is ultimately unsustainable, in terms of our democracy as well as the rule of law.

Many ideas for solving this dilemma have been put forward. At one end of the political spectrum, the Swiss People's Party is apparently formulating a petition to amend the constitution to the effect that national law would take precedence over international law, with the exception of mandatory rules of international law. The Federal Council has taken a very different approach; it would like to allow a broader range of reasons for declaring an initiative invalid, for example by requiring that initiatives be in keeping with fundamental rights. The Council has also suggested that the executive branch be permitted to undertake a preemptive and

non-binding review of initiatives. Neither of these proposals has received significant public support, and neither is being pursued. Any reform proposal will have difficulty passing if it is perceived to infringe on the people's rights.

Is there a way to reconcile the conflict between direct democracy and international law? The Federal Constitution does not give absolute precedence to international over national law. This is wise, as it allows for weighing the relative merits of important national and international values and interests. Switzerland's pragmatic and differentiated attitude toward the primacy of international law has served it well. By the same token, if the constitution were to determine that national law took precedence over international law, it would have a harmful effect on the fundamental values enshrined in that same constitution. Furthermore, it would not solve the problem of a possible violation of international law. In any event, as approval of the initiative opposing mass immigration demonstrates, authority to withdraw from conflicting agreements should be the subject of a separate proposal to be put to a popular vote.

Parliament's hands are not completely tied. Even without a constitutional amendment, there are a number of ways in which the Federal Assembly could estab-

lish more definitive guidelines for determining an initiative's validity. In the case of the Ecopop initiative, for example, it could have placed more emphasis on the principle of unity of subject matter. This also applies to compliance with the mandatory rules of international law, which should not be compromised by the so-called *Durchsetzungsinitiative*, which is designed to enforce the deportation of foreigners involved in criminal activity.

Waiting Is Not an Option

Nevertheless, even if the Federal Assembly were to take a strict and predictable approach to deciding whether or not popular initiatives are valid, the basic problem of petitions that conflict with international law – or more accurately, petitions that would lead to a violation of international law – remains. In the past, it has proved possible to find pragmatic solutions to the danger of violating international law. This is likely to become more difficult if constitutional initiatives jeopardize the substance of contractual obligations and the respective agreement cannot be amended. Not only would Switzerland's reputation suffer in such cases; it would also face real penalties.

Sooner or later, the constitution will have to be amended. There is no need to expand the possible reasons for declaring an initiative invalid; this would curtail democratic discourse too quickly. However, it is worth considering restructuring popular initiatives so that they are formulated as general proposals. This would allow for a popular vote as well as giving the Federal Assembly freedom in the implementation of an initiative, since its wording would not be specifically formulated. There is no perfect solution. But it cannot be in our interest, as proponents of direct democracy, to simply allow events to take their course until a disaster occurs. □



At the heart of Switzerland's concept of the state: voting on the initiative opposing mass immigration on February 9, 2014, in Ascona.

Bernhard Ehrenzeller is a professor of public law at the University of St. Gallen.

2014 CREDIT SUISSE WORRY BAROMETER

What makes Switzerland successful?
Thirty-five percent of respondents say that the right to express an opinion is one of the country's greatest strengths.

Question 12 –

Are the Good Offices Still in Demand?

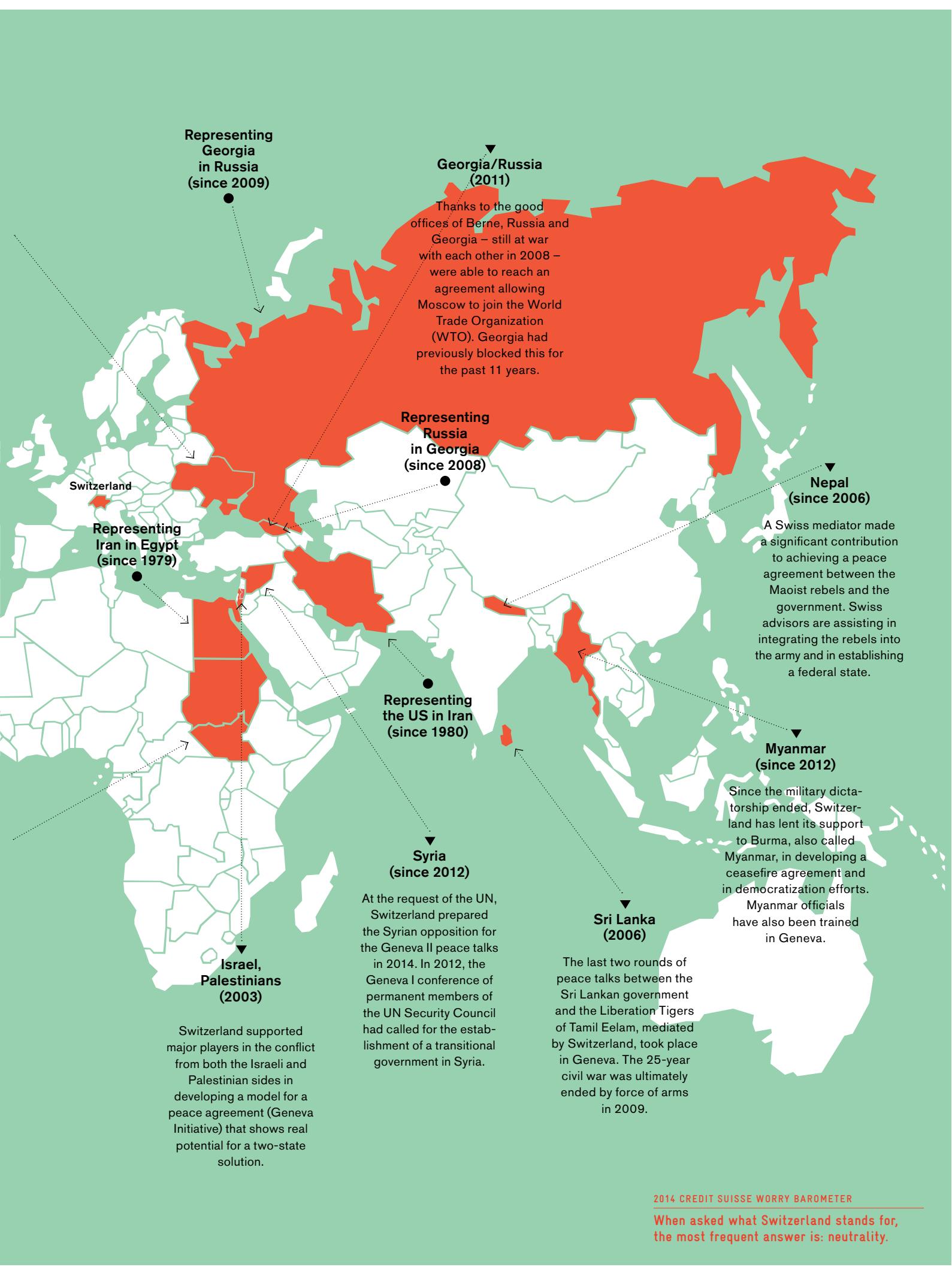
Neutral Switzerland mediates on every continent between various conflicting parties.

Depending on your point of view, Swiss neutrality will celebrate either its 500th birthday (Battle of Marignano, 1515) or its 200th (Second Treaty of Paris, 1815) in 2015. The “good offices” are currently the most visible of neutrality’s functions. They can be limited to Switzerland offering its services as a location for negotiations in a conflict. Or go as far as Switzerland actively establishing contact with the parties to a conflict and offering to act as an **intermediary**. The most recent example of this is Ukraine.

Safeguarding the interests of others is both the oldest and most well-known component of the good offices. Switzerland acted as a so-called **protecting power** for the first time in the Franco-Prussian War of 1870/71. A protecting power comes into play when two governments break off diplomatic relations. At that time, it assumes part of the tasks of the previous representation. During the Second World War, Switzerland held 219 mandates thanks to its neutrality, representing up to 35 countries at the same time in relations with their wartime enemies. In 1973, during the Cold War, it held 24 mandates. Switzerland currently still holds six protecting power mandates.

Switzerland has been involved in more than two dozen peace processes and conflicts since the end of the millennium, including in negotiations on Iran’s nuclear program, peace talks in Burundi and the conflicts in Thailand and Indonesia. Many of these interventions never become public because the parties to the conflict insist on confidentiality.





Question 13 –

Why Switzerland?

In 1976, American *Jonathan Steinberg* explained to the world how Switzerland works. “Why Switzerland?” has been deemed a modern classic. Now the historian takes a fresh look at the country – and sees clouds on the horizon.



Yes, the country is a special case: The alliance of Uri, Schwyz and Unterwalden, 1291.

In the late medieval period, a decentralized political structure which we now call Switzerland formed in the middle of Europe. Three specific factors combined to create the conditions for the survival of the state. And yes, these three factors made the country an exception.

1. Political Continuity

The history of the Swiss confederation began with a unique document, the Federal Charter of 1291, 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.”

Agreements among communities in the early thirteenth century were common. This alliance, however, was something unique. In the new history of Switzerland which came out this year,

Jean-Daniel Morerod and Justin Favrod note: “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.”

The three communities that signed the agreement – Uri, Schwyz and Unterwalden (now divided into Ob- and Nidwalden) – are still there, and they still reject “foreign judges” in their valleys, though today those are often understood to be the European Union. No other society in the world, be it China, Japan, the Vatican, the US or the UK, can claim that its founding institutions are still alive and well after more than seven hundred years.

2. The Survival of Pre-modern Switzerland

The wars of religion in Europe came to an end with the Peace of Westphalia in 1648 and the end of the Franco-Spanish War in 1659. The modern state began to emerge as a result. The Thirty Years War de-

pended on mercenaries and commanders who hired themselves out to foreign rulers. The Dutch, the Swedes, the French and the Prussians realized thereafter that they needed standing armies. All that cost money and gave birth to the modern state which collected taxes, subdued its nobility and raised its kings to absolute power.

Not in Switzerland. The wars of religion (between the Catholic areas of inner Switzerland, along with Valais and St. Gallen on one side, and Protestant Zurich, Bern and Geneva on the other) went on longer and only ended in 1712, with the fourth Landfrieden. Nobody had won. The basic pattern of medieval rule, with its loose alliances, outlasted the French Revolution, and its decentralized, pre-modern forms survived into the new era following the Congress of Vienna in 1815, after the fall of Napoleon.

The subject territories and their “Gemeinden” (constituent communities) wanted to be sovereign, and the Catholics wanted to withdraw. There was a civil war, the Sonderbund War (November 3 to November 29, 1847), which was the last military conflict on Swiss soil. The Protestants won, but were shrewd enough to let the people vote for the constitution of 1848 and to preserve the extensive self-determining powers of the cantons.

Switzerland went from early modern to modern without alteration of its medieval structures: its Bürgergemeinden, its peasant republics and its oligarchical city patricians. Those disenfranchised by the traditional liberal distrust of the masses continued their struggle and in 1869 achieved an important victory with the Zurich Constitution. It contained the declaration that “the people exercise the legislative power with the assistance of the cantonal council.” Most of the other cantons followed Zurich’s example. By 1891, the right to initiate measures to alter the constitution was approved.

Modern Switzerland combines the most archaic constitutional structures with advanced and democratic elements. It is distinguished by a complicated system of power balance and arose not because the Swiss people specifically wanted direct democracy, but rather because the

political authorities never had enough power to be able to oppress their people.

3. The Bottom-up Economy

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 specialization. The production of high-value goods. The slow spread of railways. The presence of water power and mills. The absence of coal. The high rate of savings. The geographical concentration of economic activities in certain regions, where peasant households supplied the work force. The accumulation of liquid capital in towns, and banks entrusted with investing it. The absence of patent restrictions until 1907.

These peculiarities created an economy which nestled neatly in the institutional network of jurisdictions and authorities, communities, cities and cantons. Yet at the same time Switzerland maintained a flourishing, highly specialized agrarian economy based on milk products, exporting cheese and chocolate. In 1950, 21.5 percent of the Swiss population worked in agriculture, compared to 6.5 percent in the UK, 12.3 percent in Belgium, and 17.8 percent 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 percent of gross national product and about a quarter of all exports. Tourism, combined with milk and cheese production, sustained substantial populations in the remoter rural cantons. The Alps have been an important “invisible export” in the last century and a half.

These “bottom-up” economic structures collapsed in the wake of the global crisis of the 1970s. Dozens of independent watch makers all went broke together and the banks formed conglomerates which became the Swatch Group; later the Richemont and LVMH groups bought up the rest. Tourism declined because the strong Swiss franc made Switzerland too expensive. Chemical produc-

tion has been internationalized and very little of old Basel remains in the new conglomerates. Even in Switzerland, the link between economic decentralization and political structures has gone.

The End of Consensus Politics

The Swiss, who were accustomed to small-scale structures, now live in a society of big units – big pharma, big banks, big industrial concerns and big cities. The contrast between the surviving political and popular realities produces friction. The traditional parties like the FDP and the CVP have lost votes and direction.

The stable consensus politics of the second half of the twentieth century has given way to a polarization that is more acute and more menacing than any since the General Strike or the wars of religion. At the moment the populist right has all the trump cards. It exploits unease and works through direct democracy instead of parliament. It has shown itself to be far more effective as a means to specific ends. It knows what it hates: the élites and the “Überfremdung” (foreignization) of the country. At 27 percent of the population, the proportion of immigrants in Switzerland is the highest in history.

The US pressure on Swiss banks has produced a loss of sympathy for the Americans. The European Union, and especially the Commission which issues regulations binding all 28 members to common actions (in everything from refuse disposal to air pollution) acts like a “foreign judge.” The Swiss, with two laws and twelve regulations on waste disposal, have cleaner cities than any EU country and need no lessons from a remote bureaucracy in Brussels.

The establishment in Switzerland has lost authority. It made a complete mess of Swissair and brought humiliation to the entire country when the prestige carrier had to be grounded in 2001. The military has lost its social relevance. The members of the “Bundesrat” (governing Federal Council) seem to be competent and hard-working people, but have no strategy to combat the wave of populist initiatives and propaganda campaigns. No one in the government has the charisma to step forward as a leader. The rules

which govern the seven members bind them to deliberate in secret and announce their decisions as a group. The demagogues run rings around them.

Swiss Remain Swiss

In spite of that, I remain optimistic. Swissness and Swiss attitudes are not the product of any particular arrangement of political institutions. The Swiss were Swiss under the Ancien Régime, during Liberal dominance in the nineteenth century, in the crises of the First and Second World Wars. They will still be Swiss when the consensus model of politics crumbles under the blows of successive initiatives. Their respect for the sovereignty of the people, tolerance of different views, and patience with the long processes of legislation and compromises that become necessary – all this will not disappear. The same goes for rootedness in place, dialect, language and respect for regional differences.

The Bundesrat may have to learn to campaign against initiatives that it considers harmful. Large, well-financed movements to fight the right-wing populists will have to raise their voices. The referendums organized by the right will have to be met with mass movements of the center and left.

All that can be done, and the Swiss will find their own way to do it. They have found imaginative solutions before. It may take time – everything in Switzerland takes time – but it will happen. □

Jonathan Steinberg, 80, is a professor of Modern European History at the University of Pennsylvania. In 1976 he wrote the oft-cited book “Why Switzerland?”

2014 CREDIT SUISSE WORRY BAROMETER

National pride has never been so high:
90 percent are somewhat or very proud of Switzerland. In 2004 it was 73 percent.

Question 14 –

Who Invented Modern Switzerland?

The first two decades after 1848 would prove decisive for the young Swiss confederation. A small group of liberal business leaders took on the task of shaping politics *and* the economy; their decisions would have enormous consequences for the future. *By Joseph Jung*



Zurich politician and business leader Alfred Escher (1819–1882) is enshrined in history as one of the pioneers of modern Switzerland.

Switzerland in the mid-19th century was a backwater: unstable, agrarian, a typical emigration country. It lacked some of the key elements needed for political and economic development. Hundreds of internal tariffs, as well as waterway, bridge and roadway tolls hindered commerce within Switzerland; government structures were inadequate for the challenges of managing a modern state.

Then came the Federal Constitution of 1848, a brilliant document. It laid out the framework for the new Switzerland. But a constitution alone was not enough to provide for all of the structures, institutions and processes of a modern state. Rapid economic and socio-political development after the mid-19th century was propelled by the strength and confidence of the representative democracy, the upper middle class and big business. This development also occurred during a brief period of economic liberalism, which



**1848
A BRILLIANT DOCUMENT**

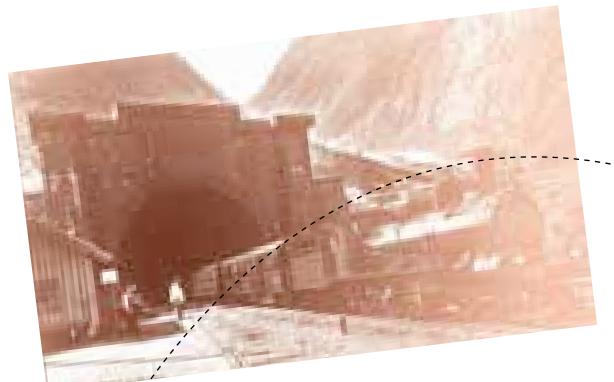
The Federal Constitution of 1848 created the framework for a new Switzerland.

commenced in 1848 and gradually came to a close at the end of the 1860s.

Immigration Contributes to Success

During this time, a group of pioneering leaders associated with Zurich politician and business leader Alfred Escher embraced a vision of Switzerland as a leading, economically successful state with a modern infrastructure. The failed revolutions of 1848 in neighboring lands set in motion a wave of immigration that brought a burst of innovative thinking and entrepreneurialism to Switzerland. Immigration made a key contribution to success.

The pioneers believed that those things government can do better than private business should be delegated to the public sector. But where the private sector can offer better, more efficient solutions, it should hold sway. This was the thinking behind an 1852 decision that would have implications for the next hundred years. Instead of putting control in the hands of government, construction and operation



1852

A BETTER SOLUTION

The decision to leave railway construction to the private sector would impact the economy for a century.

of the railways would be left to private business. The relationship between the Confederation and the cantons also had to be defined. Radical politicians called for a centralized state, but the liberal pioneers favored federalism, including in matters of taxation. There were a few areas important for the establishment of an economic region where they saw a role for the national government, for example minting coins and customs administration. A good measure of the young country's astonishing success can be traced to this astute division of responsibilities.

Economy Steams Ahead

The real engine of development was the privately financed construction of the railways. The rail companies' competition for control of the routes and for market share imposed a growth strategy. The rise of the steam engine set in motion further developments. The Swiss Federal Institute of Technology Zurich (founded 1854/55) was a response to the need for a workforce equipped with the scientific and technological skills required by new companies and by the large and small projects being undertaken in the new



Switzerland. Credit Suisse (founded 1856) supplied the credit needed to power the national economy. It also played a central role in the establishment of the insurance companies Swiss Life (founded 1857) and Swiss Re (founded 1863).

This crucial period of economic liberalism sowed the seeds that would make Switzerland a center of research, manufacturing and finance. The rail era also ushered in the rise of Switzerland as a tourist destination. The robust transportation infrastructure provided the necessary conditions for the hotel boom that began in the 1860s.

Switzerland Goes Bilateral

The epoch was marked by the interplay of politics and business. At times, fully half of the members of parliament held a top position with a private railway, a financial institution or a textile company. This led to strident criticism. Some feared that Switzerland had been effectively handed over to "federal barons." Suspicion centered on the group of businessmen in the Federal Parliament associated with Escher, who were accused by conservative voices in the opposition of colluding to intermingle private ends with public initiatives.

In the 1850s and 1860s, Switzerland concluded many bilateral agreements with other states, which made an impact on the economy that cannot be overstated. Not surprisingly, the pioneers of the lib-

eral economy pursued trade agreements during this period and ushered them through the political process with aplomb, seizing a moment when the Federal Council's ability to shape a strong foreign economic policy was considerable.

Various agreements from 1864 exemplify this. The first was with the Tai-kun of Japan, when the countries conferred "most favored nation" status on each other, and Swiss companies gained the right to do business in select Japanese ports. Another example is the agreement with France. In addition to most favored nation status, which was crucial for the export of watches, silk ribbons and cotton products, the agreement allowed all French people to settle in Switzerland regardless of religion. This meant that Swiss Jews, who did not have the freedom to live where they chose, were at a disadvantage compared to French Jews. The situation led to a partial revision of the Federal Constitution in 1866.

Prosperity was on the rise in all quarters. Despite economic growth, new businesses, jobs and a rising stock market, 1869 saw the liberals in Zurich swept out of power and a new cantonal constitution put in place. This event marked a political turning point as other cantons, too, underwent political changes. Eventually these changes led to a revision of the Federal Constitution in 1874. The referendum on Federal Acts was introduced.

Popular Rule

The basic political structure of Switzerland had changed. A wide range of socie-

tal groups came together in new political blocs, and direct democracy by the people, today the hallmark of Swiss democracy, had begun. Some responsibilities shifted from the cantons to the Confederation, and in some areas the federal government took on roles previously left to the private sector. Gone were many elements of large-scale capitalism focused on the upper-middle class, which the federal government had laid out during the two decades following 1848. The era of the petite bourgeoisie, parties, interest groups and direct democracy followed, and they continue to set the agenda for Switzerland today. □

Joseph Jung is managing director of the Alfred Escher Foundation and has been chief historian at Credit Suisse for a number of years. The professor emeritus maintains his association with the University of Freiburg as a visiting professor. His biography of Alfred Escher is a bestseller: "Alfred Escher 1819–1882 Aufstieg, Macht, Tragik," 5th edition, Verlag NZZ 2014.

2014 CREDIT SUISSE WORRY BAROMETER

Sixteen percent of Swiss people consider its innovative capacity to be one of the country's greatest strengths.

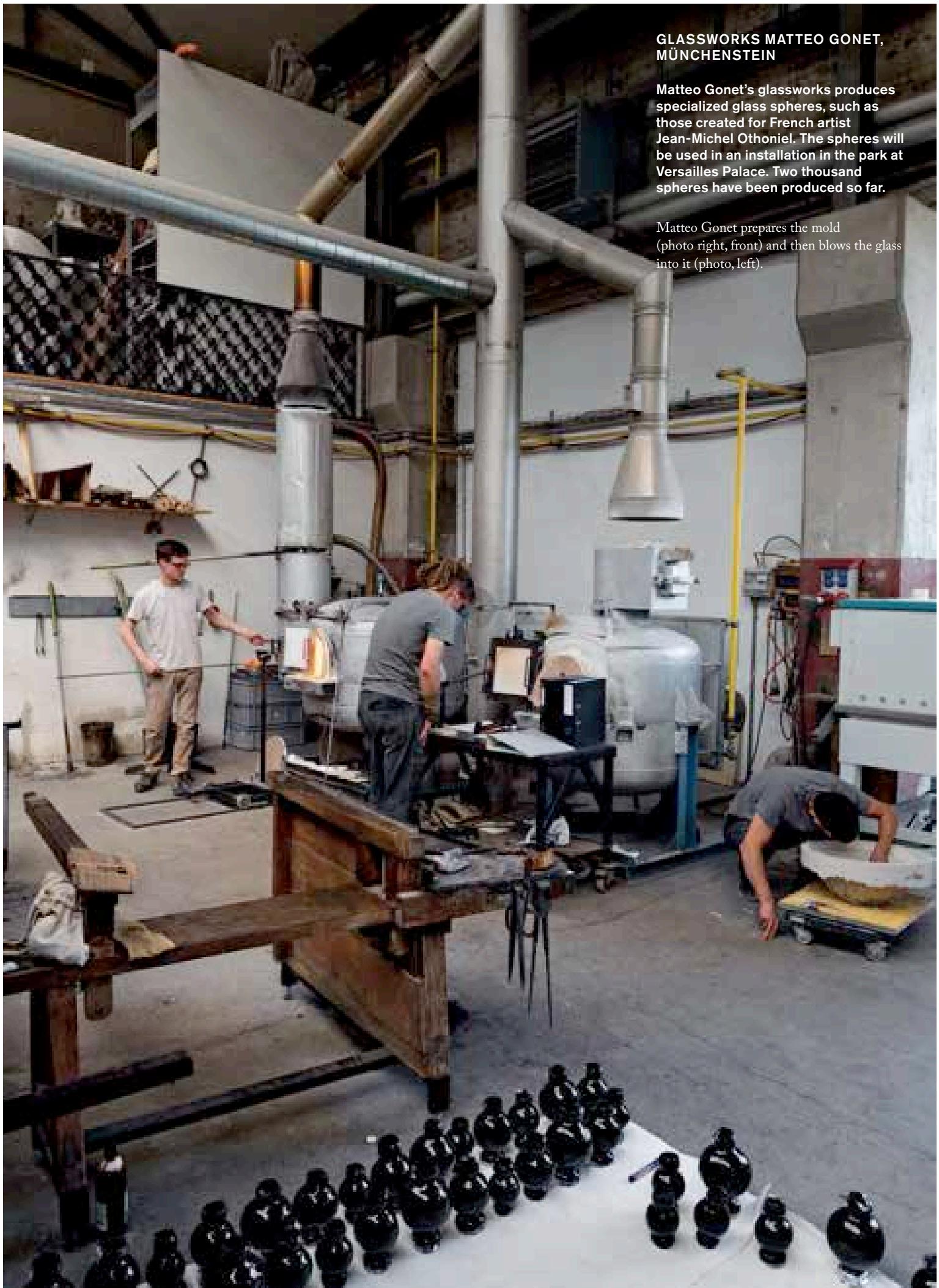


Question 15 –

Why Do Artists All Over the World Trust Swiss Artisans?

Swiss artisan craftsmanship is well respected. Major names in the art world travel from all over to Müntschemier, Zofingen and St. Gallen to print, film and cast their visions. A visit to six workshops.

By Daniele Muscionico (author) and Andri Pol (photography)



**GLASSWORKS MATTEO GONET,
MÜNCHENSTEIN**

Matteo Gonet's glassworks produces specialized glass spheres, such as those created for French artist Jean-Michel Othoniel. The spheres will be used in an installation in the park at Versailles Palace. Two thousand spheres have been produced so far.

Matteo Gonet prepares the mold (photo right, front) and then blows the glass into it (photo, left).

Swiss workshops are in demand among top artists. Few other places in the world can realize their fantastic visions as directly as here – the craftspeople customize their processes, collaborate, and produce outstanding quality with reliable probity – but above all, with great discretion. The pieces produced in the foundries, printing studios and glassworks in collaboration with the artists later find homes in first-class galleries from Shanghai to New York. They are purchased by museums and collectors and can easily fetch several hundred thousand Swiss francs at auction.

Swiss craftsmen are known for being reliable art collaborators. What's more, they remain in the background (with the exception of reports like this one). If they do have a chance to speak and enjoy a moment in the limelight, it is as a passing mention in the preface of an exhibition catalog for a show. But the show becomes an event because the artistic spirit and artisan craftsmanship work hand in hand during the preparation process. Far from the glamor and splendor, the experts at the art foundry in St. Gallen work with artists like Paul McCarthy (performance and sculpture), Urs Fischer (sculpture), Pierre Huyghe (film, objects) or Peter Fischli and the late David Weiss (film, sculpture and many other media).

They develop new technologies together and experiment with new processes for realizing the works. Pipilotti Rist and Roman Signer entrust the implementation of their video work to the team at the Videocompany in Zofingen.

Just as sculptor Henry Moore, painter Oskar Kokoschka and illustrator Alois Carigiet came and went at Johann Edwin Wolfensberger's printing establishment in Zurich a century ago, contemporary greats such as media artist John Baldessari frequent the lithography studio of Thomi Wolfensberger, Johann Edwin's great-grandson. He works there with the very same presses, stones and techniques as his great-grandfather over 100 years ago – and combines them with the latest printing methods.

Painter and concept artist Ilya Kabakov and photographer Roni Horn place their trust in Lorenz Boegli's silkscreen printing. And when one of France's most important cultural properties, the garden at Versailles, is to receive its first permanent art intervention in over 300 years with glass sculptures by Jean-Michel Othoniel, this national business is not turned over to a venerable glass atelier in Murano, Venice. No, the job goes to Matteo Gonet's small glassworks in Münchenstein near Basel. The young glassblower has worked closely with the French artist for over fifteen years. Their most famous collaboration is the "Kiosque des Nocambules," which graces the Palais Royal metro station in Paris.

Experts agree that the strength of Swiss artisan craftsmen lies in their traditional awareness of quality, as well as in their high level of training and the care with which they maintain their skills. The leading expert on the topic, Swiss art historian and curator of the 2011 Venice Biennale, Bice Curiger, cofounder of Par-

kett magazine and the current artistic director of the Fondation Vincent van Gogh in Arles, names another unique characteristic when she says, "Pragmatism is part of our culture. These wonderfully inspired art collaborators are also capable of putting their knowledge at the service of art, without ideology, in order to apply it innovatively. It takes a great willingness to not just do things in a certain way because they've always been done that way."

Glassworks: Spheres from the Inferno

It's hot in the studio, 1,600 degrees Celsius inside the furnace. Two young men with powerful biceps work with medieval-looking instruments: wet, spoon-shaped wooden blocks, tongs, straight and diamond shears. They shape, pinch and nip the viscous clumps of glass. Terse instructions are given in French, English and German: "Turn it more slowly!" Glowing spheres the size of a child's head are just a few meters from their faces. Burn blisters, wear marks, sweat. The furnace roars infernally; it has been running for over three years without interruption. Matteo Gonet, the man in the shadows, cannot afford to let it cool down. It would take too long to bring it back up to temperature. Cool, polish, number: The glassblower and his team have produced 2,000 glass spheres for French artist Jean-Michel Othoniel. The challenge was >



Craftsmen and artists: with Youri Messen-Jaschin.

LORENZ BOEGLI'S SCREEN PRINTING STUDIO, MÜNTHSCHEMIE

Screen printer Lorenz Boegli considers himself a service provider to artists. He has printed a fully knitted wool jacket and expanded his printing presses to print in a particularly large format.



Proud craftsman: Screen printer Boegli checks his colors on plexiglas.



Handwork: Rinsing out a print screen.



Ready for transport: "Anne-Sophie," a sculpture by Alex Hanemann, will be installed at Hard Turm Park in Zurich.

ART FOUNDRY,
ST. GALLEN

Founded in 1983, the workshop includes casting furnaces, studios, workshops, editing suites and a photo lab where works are created for A-listers in the art market, such as Fischli/Weiss and Urs Fischer.





Quiet nucleus of inspiration: Thomi Wolfensberger works on a print project from Nic Hess.

WOLFENSBERGER LITHOGRAPHY STUDIO, ZURICH

Thomi Wolfensberger is the great-grandson of lithographer Johann Edwin Wolfensberger, who set new standards in the graphics industry. His descendant is considered one of Switzerland's most important "art patrons."



"Computer to Stone": stone plates as print templates.



The printer and his tools: The dye is applied with a roller.



"It's always about the project." Photo artist Shirana Shahbazi with printer Wolfensberger.

to make the glass as durable as possible. The spheres will be installed in the park at Versailles and must withstand wind, weather and major temperature changes. Gonet had the spheres tested by the Swiss materials testing and research institution EMPA, but several hundred spheres are stored in reserve just in case.

Othoniel requested glass spheres with gold inlay, and Gonet developed an ideal technique for incorporating the 22,000 sheets of Florentine gold leaf. They are individually brushed into the sphere's hollow center – a Sisyphean task. "We are small and flexible," says Gonet, thereby explaining his full order book. Others, like art expert Augustin Scott de Martenville, a professor at the ÉCAL (Ecole Cantonale d'Art de Lausanne) describe him as an "*expérimentateur de génie*." Why? Because he is an interpreter of artists who goes to the very limits in a technical and creative regard. When speaking of his favorite Swiss craftsman, Othoniel says, "Gonet's atelier is a place of experimentation, with people who are extraordinarily competent and full of curiosity. Creating a work of art alone, and not in a team, would be absolutely impossible."

Boegli Screen Printing Studio: Provincial Soloist

"A good craftsman has to recognize the artist's vision and needs." Lorenz Boegli, who speaks of himself in this way, seems not only to recognize these things, but to do so possibly even faster than the artist himself. This proud craftsman tries to implement the unspoken idea. He works at least as intensively with his head as with his hands. He learned his craft from one of the most prestigious screen printers of all, Swiss printing pioneer Albin Uldry. Screen printing technology in postwar Switzerland is associated with the success story of Swiss poster art at a time when graphics, typography and photography were in their heyday.

These days, Boegli does not work solely for the big fashion houses in Paris and major Swiss watch brands – he con-

siders himself primarily a service provider to artists. Printing on the machine is done purely by hand, pneumatic printing is retouched by hand afterward and refined to achieve the ideal result. But before that, the artist collaborates on selecting the process, material and color. Boegli, a soloist in the Bernese countryside, works without employees and has the reputation in professional circles of being anything but timid. He is always testing new materials to see if they are suitable for printing on – concrete, PVC, silk paper.

When Scottish painter Peter Doig sought his help, Boegli expanded his printer so it could print the largest possible format; for Italian performance artist Vanessa Beecroft, he kept trying new things until he fulfilled her wish for "more shining." And for Parkett, the international art magazine, Boegli makes the seemingly impossible possible – again and again. Last time he succeeded in printing a fully knitted wool jacket by artist Eija-Liisa Ahtila across the sleeves and back.

Art Foundry: On Planet Art

It's like being on another planet here in Sittertal near St. Gallen. There are cows grazing in meadows – and countless production halls serving as a large workshop. Works that land on the A-list of the art market are created here in casting furnaces, in ateliers, workshops, editing suites and a photo lab. The art foundry needed just one hall when it was founded in 1994. Since then, the company has expanded into neighboring redesigned spaces in a former textile dyeing plant – and has become a successful business. The very image of a utopian blessed with luck and tenacity, Felix Lehner is a bookseller by trade and a foundry artist by passion. Lehner is surrounded by approximately 50 craftspeople from every field working for prestigious artists like Fischli/Weiss or Urs Fischer. Colossal sculptures are their specialty. Lehner started learning traditional bronze casting when working closely with Hans >



Technical masterpieces: Pipilotti Rist's "Ever Is Over All," 1997.
An employee adjusts the projector.

Josephsohn, and later forged ahead into new technological terrain with Urs Fischer and other artists. For the giant Fischer candle works, they developed the translucent properties of the wax to be able to imitate skin or marble. A subsidiary was opened two and a half years ago in Shanghai, a Swiss model workshop that can produce even larger formats.

Traditional techniques and high-tech are merged here; antique welding techniques are reconstructed. And when American performance artist Paul McCarthy had a 5.6-ton sculpture cast here in bronze, he answered the question of why here and not back home: "In America it's all about the money, not the art. I want to be taken seriously as an artist, and Felix does that."

However, what makes Sittertal unique is actually something else entirely. Research and archiving also take place here, demonstrating "that a person's own work is always reflected in greater historical and cultural dimensions," as Bice Curiger puts it. The art foundry offers

artist studios a fabulously endowed library as well as an open material archive. This site is not only for production, it also creates the conditions for ongoing innovations – in an interdisciplinary training network for teaching, research and practical application.

Lithography Studio: The Wolfensbergers

The wolf at the front door has made history. It is the company logo of a pioneer who united his "graphic studio," an "art salon," and living quarters under one roof in an imposing new building in Zurich in 1911. Johann Edwin Wolfensberger (1873–1944) set new standards in the graphics industry and established an important platform for modern art in Switzerland. His great-grandson Thomi Wolfensberger was raised in this upper-middle-class home.



In the editing studio: Aufdi Aufdermauer (right) and Davide Legittimo.

VIDEOCOMPANY, ZOFINGEN

The Videocompany has supported Pipilotti Rist's work since it opened 25 years ago. It supports young artists by providing them with technology for their first exhibits. The Videocompany is a collective, not a one-man show.

Today he runs an unpretentious studio in a rear courtyard in Zurich and has dedicated himself to art prints. His reserve is his style as well as his message: Innovation and tradition rule equally here, and this is the enemy of vain bluster, of glitz and glamor. "Computer to Stone" is what Wolfensberger offers. He made a name for himself among artists when he took over the lithography studio after completing his training in the mid-80s, and began printing directly on the high-speed press without doing a hard proof first on the hand press. That was even more challenging than the traditional process. To this day he still works with the same presses, stones and techniques as his great-grandfather – but with art in the spotlight.

It is this radical nature, his incorruptibility and his ethos to always put his work behind the artwork that makes Thomi Wolfensberger one of Switzerland's key "art patrons." In his studio no one talks about the who's who among his customers, although Wolfensberger – who



Switzerland's largest video art archive: Videocompany Managing Director Karin Wegmüller.

also runs an exquisite art book publishing company – could easily write a book of anecdotes about artists himself. But Wolfensberger's studio is a quiet nucleus of inspiration. It is a silent monad of exchange, and such a thing needs protecting. Representing the many who work here without needing to talk about the how and why, photo artist Shirana Shahbazi says, "I'm here because it's never about the name, it's always about the project."

Videocompany: The Mind of a Global Artist

Would Pipilotti Rist and her image orgies, technical masterpieces, and first-rate digital flights of fancy exist without this studio? Perhaps – but how? The technical mind that has inspired this global artist since the beginning, fueling the realization of her imagination to this day, lies in Zofingen. It is the team surrounding Aufdi Aufdermauer, who

stood behind the second camera when the unforgettable video was shot: "Ever Is Over All," 1997. A cheery young woman slams a club-like flower on the windshields of parked cars. The "Compañeros" who work here alongside Aufdermauer are at least as important as he is, says the "oldest one, but not the boss." Davide Legittimo, for example, who worked with Rist to realize the installation in San Stae in Venice, or Martin Anner, who got Dieter Roth's defective installation back up and running.

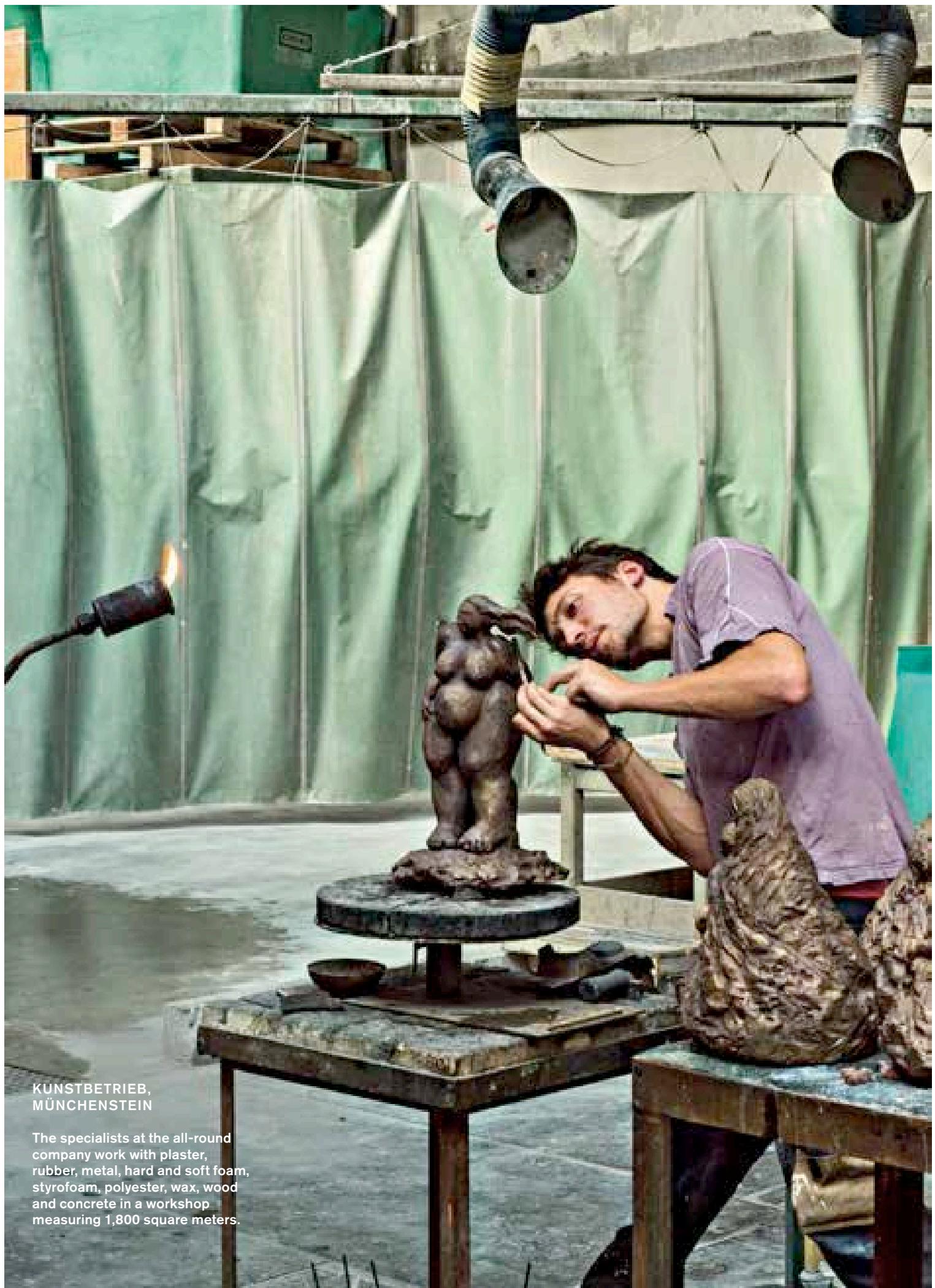
For "Parkett" editor-in-chief Bice Curiger it is clear that "The Videocompany has certainly grown through the challenges arising from its extraordinary collaboration with Pipilotti Rist. It's also about investing as a business in new technology and material at the right moment to be able to offer state-of-the-art services and structures." The company most recently completed a projection in Graz for Rist.

For 25 years, they have been doing work for international artists, far removed

from any publicity or marketing interests, just as passionately as their work in supporting rising talents by providing technical assistance for their first exhibit. A great deal, if not everything, is done here with the least amount of PR possible. For instance, the fact that this inconspicuous location on a thoroughfare houses Switzerland's largest video art archive. Understatement is the religion and party line at the Videocompany.

Kunstbetrieb Art Workshop: Everything Is Possible

"Swiss quality with Chinese speed," is how British artist Angus Fairhurst (installations, photography, video) described the unique character of the all-round company located in the former aluminum rolling mill in München- >



**KUNSTBETRIEB,
MÜNCHENSTEIN**

The specialists at the all-round company work with plaster, rubber, metal, hard and soft foam, styrofoam, polyester, wax, wood and concrete in a workshop measuring 1,800 square meters.



Left: Buffing and cleaning a sculpture by Sandra Schaller.

Right: Sanding off corners and edges created during welding and casting; this work of art was created by Beat Zoderer.





Specialists for everything: Casting small sculptures by John Armleder.

stein. When this member of the group of Young British Artists, a contemporary and co-exhibitor of Damien Hirst, needed to cast an artwork, he would often travel from London to Switzerland. The company consists of twenty expert craftspeople, most in their mid-30s and each one a specialist in being able to do everything when it needs to be done. They work with plaster, rubber, metal, hard and soft foam, styrofoam, polyester, wax, wood. Concrete, too, of course. They have the infrastructure to cast metals with sand casting or lost wax casting, in bronze, aluminum and other non-ferrous metals. The Kunstbetrieb takes care of the transport and assembly, and restores sculptures made of every material. 1,800 square meters of workshop space and 1,000 square meters of storage, some of it climate-controlled, a 10-ton crane and huge factory doors – nearly everything imaginable can be done here. But the unique characteristic of this first-rate pool of specialists is doubtless that the

employees combine their craftsmanship to its full extent with digital expertise. And they work as a family. Personal responsibility is emphasized; no one needs hierarchies. The founders were involved in the early years of the St. Gallen art foundry. They launched their own business in 2006 and many major artists followed them. Trained art founder Martin Hansen's motto is pure idealism: "For us, the financial bottom line is less important than that the projects work as art." □

Daniele Muscionico is an award-winning art and culture journalist. **Andri Pol** is one of Switzerland's most famous photographers.

2014 CREDIT SUISSE WORRY BAROMETER

95 percent of those surveyed are proud of Switzerland's international reputation for quality.



PERSPECTIVES 2014

An annual publication highlighting
our economic activities and
their impact. Read online or order
[your personal copy:
www.responsAbility.com/csbulletin/QR/en](http://www.responsAbility.com/csbulletin/QR/en)



You can invest in new perspectives!

Investing money where it can work effectively: This is what responsAbility aims to achieve through its development-related investments in the finance, agriculture, education, health and energy sectors.

For ten years, we have been creating value for investors by providing people in developing and emerging economies with new perspectives.

Ask your financial advisor about the investment opportunities offered by responsAbility or visit our website:
www.responsAbility.com.

responsAbility Investments AG
Josefstrasse 59, 8005 Zurich, Switzerland
Phone +41 44 250 99 30
relationship.management@responsAbility.com
www.responsAbility.com

responsAbility

Question 16 –

What Is Knowledge Worth to Us?

As a component of the economy, continuing education has become a core value. It is both a status symbol and the foundation upon which careers are built. Nowhere is this more clearly evident than at the legendary Migros Club School. *By Denise Bucher*

Friday evening, just before 6 p.m. A man and a woman sit at a small cafeteria table, huddled over a book. She is explaining subordinate clauses in German to him. A vending machine hums. And nearby, one of the women at the reception desk speaks High German tinged with a Swiss accent. Slowly. Clearly. She hands her customer the books he requested. He pays and hurries off. The German class at the Migros Club School in Zurich is starting in three minutes.

German classes are by far the most popular of the courses offered at the Migros Club Schools, with 43,100 people taking classes in 2013. Everything started with language classes back in 1941. Migros founder Gottlieb Duttweiler decided to offer something new to his customers who shopped for groceries in his stores. A portion of revenues would be used to support cultural and social institutions. Continu-

ing education, in particular, could by no means be taken for granted 70 years ago. Since 1944, a portion of this so-called Culture Percentage goes toward education.

Today, continuing education enjoys a high social and economic status in Switzerland. In 2011, 63 percent of 25 to 64-year-old Swiss people took part in some form of continuing education. Along with Sweden and Austria, Switzerland is among the European countries with the largest share of “companies engaged in continuing education” according to the Swiss Federal Statistical Office (SFSO). According to an OECD study published in 2012, the percentage of employees taking part in continuing education in Switzerland only trailed Sweden, and is followed by Norway, the US and Finland. The percentage of those participating in continuing education is lowest in Greece, Turkey and Hungary.

In 2011, 83 percent of Swiss companies supported continuing education for their employees. According to the SFSO, 85 percent of large companies include expenses associated with continuing education in their budget. These companies invest an average of 0.8 percent of total labor cost – made up of gross wages, employer social security contributions and expenses for continuing education. It is striking to note that men are three times more likely to take career-oriented classes in continuing education than women, who tend use continuing education to pursue personal interests.

Italian for Five Swiss Francs

Continuing education classes for such personal interests were also the issue when Migros published the first advertisement for language classes in Italian, French, En-



Erika Mattle, French Conversation

“French is like a sport for me. Where does the ‘accent’ go, when is the ‘Subjonctif’ used? And it is important for my career as a freelance travel agent.”



Daniela Sigg, Leadership with SVF (Schweizerischer Vereinigung für Führungsausbildung) certificate

“I really enjoyed this continuing education class. This course is perfect for me.”

glish, Spanish and Russian in the magazine “Brückenbauer” in the spring of 1944. The fee for a class was five Swiss francs. They expected that the idea might be well received, but everyone was surprised when 1,400 people registered for the classes. When demand didn’t dwindle, more courses were added. In 1948, the languages were joined by fencing, painting, beauty care, dancing and plant care, and the institution received its name that same year: Migros Club School.

Today, there are 50 Club School centers in Switzerland under a federalist organization. The profitable schools support those generating losses. Any shortfall is made up with the Culture Percentage. In 2013, a total of 120 million francs was available. Of that amount, 49.3 percent went toward education, with the remainder invested in culture (such as providing funding for films), leisure activities (e.g. children’s theater in four different parks),

society (including a project promoting contact between different generations), administration and business.

In the various centers, 600 different classes and courses are offered in the areas of languages, culture and creativity, exercise and health, management and business, IT and new media. A diploma is awarded upon completion of many of the classes – particularly in languages and management, which is either one awarded by Migros or the “Diploma” accepted throughout Switzerland. Graduates can also earn internationally recognized certificates like those awarded by the Goethe Institute, the Cambridge English Language Assessment or the International Project Management Association.

“Schwyzerörgeli” on Friday Evening

On average, almost 400,000 people take part in the classes every year. Even today, languages are among the most popular classes offered. German and English top the list with 43,100 and 27,469 people attending in 2013, respectively. French, Spanish and Italian are currently being pushed down the rankings by cooking classes and Zumba – a combination of aerobics and dance.

The long list of classes also includes the unexpected. “Walk with elegance and confidence – even in high heels,” for instance. Or Schwyzerörgeli, the traditional



Simon Cathomen, Digital Photo Editing

“After a trip to China, I became interested in editing my photos. Soon, my own picture of the Great Wall of China will be hanging in my living room.”



**Reinhard Voegle,
Investing**

“I would like to learn the basics of the financial sector. Continuing education is very important to me.”

Swiss accordion. Schwyzerörgeli, you ask? Why not, is the response of the four participants in the beginner level class held on Friday evenings in Zurich. The three men and a woman sit in a circle with class instructor Ursula Kühne, playing what they have been practicing. She praises her students, “All of you are shooting stars ... with jet engines!” Kühne herself began taking accordion lessons at a Club School 17 years ago. “I had a good teacher, no pressure, and it was excellent value for the money.”

Her students also appreciate this aspect, as 10 lessons are offered for only 400 Swiss francs. “You can try classes out to determine whether it is the right fit for you and whether you would like to continue on to the next level. There is no huge commitment like at other schools,” David says. But it isn’t just the money. “It’s nicer to practice in a group than alone or with only a music teacher,” he says.

Demand for the Schwyzerörgeli is growing. “There are three teachers, and we offer over ten classes. We don’t play quite as traditionally as what you would hear in restaurants and bars in Central Switzerland or in the Bernese Oberland,” says class instructor Kühne. It doesn’t always have to be traditional folk tunes like “De Schacher Seppli.” “We are open to much more: jazz, blues, new things.”

The Club School has anticipated some trends. In the 1950s, they tried to teach men kitchen skills by offering cooking classes for bachelors. In 1984, they offered the first computer classes that were not aimed at IT specialists. Otherwise, the classes are developed based on the needs of

the population. They are advertised, and if the response is favorable, the range of classes is expanded. Timing is crucial. When it comes to software, demand for classes on something new may not even exist yet.

New Clients: Large Companies

The range of classes offered at the Migros Club Schools is “unique” (their own description) – but there is competition, of course. The Bénédict School focuses on languages and business training. At Juventus, the emphasis is mainly on business, technology, health and IT. The Club Schools differ from the adult education centers in Switzerland primarily because Migros operates nationally, while the adult education centers are organized on a cantonal level. In 2013, the adult education centers had 130,000 participants in their wide range of reasonably priced classes.

The Club School does not do it all themselves. Companies like Microsoft,



**Nathalie Kummer,
Cupcakes**

“I can express my creativity decorating cupcakes. Different types of marzipan or sprinkles – there are so many options.”

Apple and Orange approach Migros with course offerings. But you don’t have to be a corporation in order to submit a proposal for a class. Anyone who is good at something can submit their idea – from endangered languages to uncommon crafts – and if it is considered to be good, a contract is drawn up. If the class is offered, the class instructor is paid according to age, experience and educational background. >

Question 17 –

What Stays Private?

For a long time, the Migros Club School focused on leisure time. Due to the growing significance of the range of continuing education classes for employees, they then began to reach out to a new customer segment: large companies. Employee classes are now offered for Swisscom, SBB, Swiss Post and banks. There are language classes specifically for housekeeping and nursing staff. Future managers can further their careers with classes addressing “conflict management” and “time management” or “business etiquette.”

Silvio Gardoni from the Federation of Migros Cooperatives says that funding classes commissioned by large companies with contributions from the Culture Percentage is fine. Because when service providers are taking care of the skills and health of their employees, that in itself is a service to society and in the spirit of Gottlieb Duttweiler. □



**Pascal Mühlebach,
Business School 1 with
“Diploma”**
**“Two years from now, I
would like to emigrate to
Canada and open a
bakery.**
**This training will be the
foundation for my own
business.”**

Denise Bucher is a freelance journalist in Zurich.

CREDIT SUISSE · 2014 WORRY BAROMETER

Education is considered Switzerland’s greatest strength, even before the right of co-determination and neutrality.

Data is like oil or gold: a commodity on the rise. How can we protect sensitive data? A leading cryptographer provides some tips. *By Jan Camenisch*

I am probably the only cryptographer in the world who was influenced by his grandmother. I grew up in a quaint Swiss village with fewer than 400 inhabitants, and while such locations look charming on postcards, living in such a place is a different story. In small towns like this the locals have gossip down to a science, and everyone knows everything about you.

When I was in my early 20s I was collecting signatures for a citizen’s initiative related to animal protection. I started collecting votes from my immediate family, including my grandmother. Before putting the pen to the paper she asked me if anyone else would see these signatures. After I explained that the local town officials would have to confirm her signature, she refused to sign it. She didn’t want the other people in our town to know that she was in favor of such a law.

This had a profound impact on me because here was a citizen who wanted to exercise her right, but couldn’t because of a lack of privacy. Of course I didn’t know it at the time, but I would eventually dedicate the next stage of my life to finding solutions for such problems.

Zettabytes of Data

If we think back to when the internet went mainstream roughly 20 years ago, it was smaller, slower and mainly text-based. But perhaps most importantly, back in 1995 users could be completely anonymous online, if they wanted to be. Before cookies and Big Data analytics, whatever you did on the internet was your personal business. Today, it is a very different story.

Six billion people now have cellphones, which are contributing to the 40 zettabytes (1 zettabyte = 10^{21} bytes) of data that will be created by 2020 – a 300-fold increase since 2006. (By comparison, the internet contained an estimated four



We’re being watched: Every click on the internet is tracked with incredible precision.

zettabytes of data in 2013). We call this Big Data and, like oil and minerals, it is a natural resource that can be mined to find value. For example, scientists were able to analyze 70,000 scientific articles using the IBM computer system Watson in order to predict proteins that activate or deactivate a nasty cancer protein known as p53. This automated analysis led Baylor College of Medicine cancer researchers to identify six potential proteins to target for new research – in the last 30 years scientists have typically found only one protein annually.

The currency of human-generated Big Data is privacy, which is shared and sold to help marketers to provide more targeted products.

They Know Everything

Every search, click and comment is tracked with incredible precision – so retailers know that they should entice a young, newly married couple with travel offers and not retirement plans. The problem is that society is infatuated with free services, like cloud storage and instant

Question 18 –

What Makes Bosses Happy?

Christina Zech surveys leaders about their happiness. Now she is publishing the first “Joy Barometer.”

By Simon Brunner



“Clear Vision for Opportunities”: Christina Zech.

Ms. Zech, what makes bosses happy?

Most of all, they are happy about their family life: finding a partner, the birth of a child, the support of their family. They also express joy about overcoming illnesses. The second most frequent source of happiness is their own personal development, whether by experiencing their own creativity, or by enrichment through other cultures.

You conducted your survey in different countries. What is special about the Swiss leadership?

In my “Joy Barometer,” today’s leadership personalities appear to be very aware of the prosperous country in which they live.

What did you find most surprising?

Two things. First of all, I learned how important inner happiness is for a person’s creative power. In the responses, you can feel how their vision for the future is borne by the positive energy generated by major joyful events. Second, that those surveyed in China

already ranked “thankfulness” in fourth place. In our highly developed countries, we are used to people prioritizing personal needs. But China has caught up with astonishing speed.

There are millions of surveys – why do we need a “Joy Barometer”?

The “Joy Barometer” is of central social importance. In our industrialized countries, we are losing awareness of our high standard of living. With it, the willingness to continue to keep working toward maintaining it is dwindling, too. A look back at history shows that many advanced civilizations failed precisely at the height of their prosperity. Our own continuous development is therefore necessary to ensure our long-term success. Happiness is a core component of this. After all, happiness makes it possible for us to have clear vision for opportunities, for positive development and so for our prosperity.

What can we do?

We are at a key point in time. The potential for innovation is progressively shifting into the Asian region. The countries there are way ahead of us when it comes to the number of better-trained workers and in terms of natural resources. We need to diligently foster our strongest potential, our innovative strength and pursuit of quality, in order to continue to play a crucial role at an international level. □

chat apps, yet society is also concerned about how this data is used and by whom.

For example, a video streaming service is offering films that have age restrictions. To stream a 16+ movie the users need to prove that they are at least 16 years of age. The typical way to do this is to type in your full date of birth, but this actually reveals more than is necessary. Identity Mixer software can simply confirm that the user is at least 16 without revealing the month, date and year of birth, thus protecting their privacy, which becomes particularly critical if the service is compromised in the future.

Most recently, we completed a successful project at IBM called ABC4Trust. One of the scenarios in the pilot masked the identities of students as they rated their teachers and courses, so that they only had to reveal that they had taken the course in question.

One thing is for sure: Technology is ready to protect you and all of the grandmothers of the world, but first, you need to ask for it. Now we must wait for society to determine what is private and what crosses the line, which will be different for each country. □

Jan Camenisch is one of the world’s leading cryptography researchers. The Swiss national works at IBM Research in Rüschlikon.

* The Identity Mixer was developed by a number of scientists, institutes and companies under the direction of IBM. It is a cryptographic algorithm which encrypts the certified identity attributes of a user, such as their age, nationality or address, in such a way that the user is able to reveal only selected pieces to requesting parties.

CREDIT SUISSE · WORRY BAROMETER 2014

Nine percent of all Swiss citizens are concerned about data protection on the internet and cyber espionage.

Christina Zech conducted the “Joy Barometer” survey for the first time in 2014 as a privately funded initiative in cooperation with the Swiss Federal Institute of Technology in Zurich. As part of the survey, she interviewed several hundred leaders in Switzerland, China, Germany and other EU countries.

For more information, go to:
www.connectworlds.org/Freudebarometer

CREDIT SUISSE · WORRY BAROMETER 2014

92 percent think that their economic situation will remain the same or improve.

Question 19 –

Mind Games?

Guys built like tree trunks step into the sawdust ring. Heavyweights go at it against one another in Switzerland's national sport of "Schwingen." Yet strength without mental discipline is nothing. *By David Schnapp*

Skiers, football players and tennis players: Many athletes place their trust in psychologists, mental trainers and other specialists when it comes to getting fit for competition – both mentally and physically. But Swiss wrestlers? You would think that these guys built like tree trunks hone their strength high up in the Alps or by throwing hay on a steep slope.

A co-organizer of one of the regional competitions laughed when asked about mental training in the sport of Schwingen. These wrestlers find their mental strength more from working outdoors in nature than in talking to psychologists, he explained. One wrestler begs to differ. And he would know. Christian Dick, aged 38, a police officer from Bern, recently retired from competition after winning 101 wreaths. The quiet and calm man responds, "Many wrestlers do mental training nowadays. It's definitely becoming more popular." However, just as not everyone who has seen a therapist likes to talk about it openly, athletes who have received "mental help" tend to be more reserved about it.

Win or Lose

Switzerland's national sport does have its traditional side, and that is important, says Dick, "The traditional festival events and rituals must be maintained. Physically, however, wrestlers nowadays work out using modern training methods. Your mental strength can decide whether you win or lose."

Christian Stucki agrees. Stucki, built like a mountain at 1.98 meters and 140 kilograms (competitive weight), trains under professional conditions at the National Sports Center in Magglingen. There, he and his trainers also address the strength of

his psyche. According to Stucki, "the deciding factors for success are about 60 percent physical and 40 percent mental." Mental training helps him to concentrate, and it helps him turn things around when he's losing a match. "At that point, I visualize positive images, like a good victory, to evoke emotions that motivate me." Stucki says that mental training is a tool that can help athletes to get better.

Stucki's colleague Christian Dick learned this from his sister. Eveline Steinemann is a project manager for the Swiss Skills Championship and has also made a name for herself as a mental trainer. She works with various wrestlers, a handball team as well as in change management: "Both in business and in sports, your attitude makes or breaks you. Sports and business have basic conditions that are out of your control. In Schwingen, it's the weather, the scheduling and the referees. In your job, it's usually your supervisor or colleagues," she says. Those who fight against things that cannot be changed waste energy that could be used instead for essential matters.

Images of the Forest

According to Steinemann, there are different tools available to get one's head in the right place at just the right moment. For outsiders, these tools may seem really mundane, but ultimately it's all about flipping "a mental switch" at the right moment. You have to switch off all negative thoughts and the fear of losing. Some do this using visualization, some respond to touch in the palm of the hand, and others to sound.

Music has often helped Christian Dick. Before a fight, he listened to AC/DC or Anastacia. "He's a Pirate" from the "Pirates of the Caribbean" soundtrack has also

motivated him. At the same time, it is important not to become too dependent on such aids. "I should always be able to get into the ring and compete, even if I forget my MP3 player at home or the batteries aren't charged," adds Dick.

Left Outside Alone

Dick liked to work with visualization when competing. In his free time, he can often be found logging in the forest: "During a match, I often used to recall the image of the forest and the smell of sawdust from a freshly-felled tree."

Schwingen is a sport that he practiced with heart and with passion. That's why he got "a tingling feeling" before every fight. On the outside, he may have come across as calm and composed, but on the inside, he was extremely nervous when things became serious. This is the moment when the right image or right tone can be decisive. Because in Schwingen, as one of Dick's favorite singers Anastacia sings in one of her hits, you are "left outside alone." □

CREDIT SUISSE · WORRY BAROMETER 2014

Only seven percent of those surveyed believe that Switzerland stands for tradition. The top three: neutrality (20 percent), security and homeland (18 percent each).



Visualization and music: Christian Stucki (top, red shirt) and Christian Dick (bottom, in white) rely on both physical and mental strength.

Question 20 –

How Innovative Is Switzerland?

Many of the country's best startups are developing applications in clean tech. Why is clean technology such a good fit for Switzerland? *By Simon Brunner*

*Eleven of the best 100 startups in Switzerland are in the field of clean technology.**

Is this the new internet?

A good indicator of the sustainability of the clean technology industry is the fact that more than ten percent of the 100 best startups are in the clean technology sector. From this perspective, clean technology is becoming a mainstay of the Swiss technology landscape, which is being shaped by the internet, nanotechnology and biotechnology.

Is Switzerland an especially good location for these startups?

The high level of innovation found in Swiss universities and technical colleges provides clean technology startups with the means to catch up with other countries, especially those in northern Europe and North America. Targeted funding programs, among other things, have historically given these countries a head start. The recent changes brought about by targeted funding for the clean technology sector in Switzerland have added momen-

tum and made the country more attractive to companies.

How do startups become successful companies?

First of all, by focusing on solving customers' problems and combining this focus with the ability to execute ideas. Both require the team to have practical experience. For institutional investors it's important to have a solid team, a product or service, and a defined market. If these criteria can be met and the startup also has good initial sales and draws an attractive clientele, then attracting investors is practically guaranteed. These days you also need good commercial participation, or in other words, recognizable financial success.

Is it fundamentally better to be the only provider in a small market or to develop the 100,000th solar panel?

Neither. From the investor's perspective an attractive market is distinguished by healthy competition that drives innovation and fuels the market. If there is only

one vendor, you should ask yourself if there really is a need for the product in the long term. If there are too many vendors in a market, it's difficult to differentiate yourself except by price. That can lead to sinking margins, a loss of innovation, and a loss of diversity in the medium to long term.

What do they do better in Silicon Valley?

Nowhere else in the world brings together the same concentration of capital with business models. This also allows for failure, a basic prerequisite for success. Here in Switzerland we should think outside the box more and be more conscious about taking entrepreneurial risks. □

Eric Gisiger is investment director at SVC – Ltd. for Risk Capital for SMEs, which invests in small and medium-sized Swiss businesses and young entrepreneurs.

*The website for young entrepreneurs, startup.ch, in conjunction with the Handelszeitung, selects the 100 leading startups in Switzerland every year. The rankings are put together by 100 experts.

CREDIT SUISSE · WORRY BAROMETER

Fifty-two percent of those polled believe that the environment in Switzerland will improve over the next 10 years.

The top five clean tech startups in Switzerland (startup.ch)



Rank: 2/100
L.E.S.S. – Light Efficient System SA, Lausanne

L.E.S.S. has developed nanofibers the thickness of a human hair for use in distributed lighting. In contrast to other systems, it offers high brightness and flexibility within a small form factor, with applications in display backlighting and inspection lighting.



Rank: 6/100
Bcomp AG, Fribourg

This new company develops and patents technologies and products made from high-performance composite materials produced from natural fibers. These materials can be used in a diverse range of products, such as ultra-light core material in skis, in high tech textiles, and as a replacement for carbon and glass fibers.



Rank: 7/100
Climeworks AG, Zurich

This spin-off of the Swiss Federal Institute of Technology Zurich has developed a method of capturing CO₂ from ambient air and turning it into a renewable commodity. Climeworks' portable unit uses chemical processes to filter up to a ton of CO₂ from the air each year. Once the filter is full, it is heated (90 percent by sunlight) to produce high-purity gaseous CO₂.



Rank: 12/100
Kandou Bus SA, Lausanne

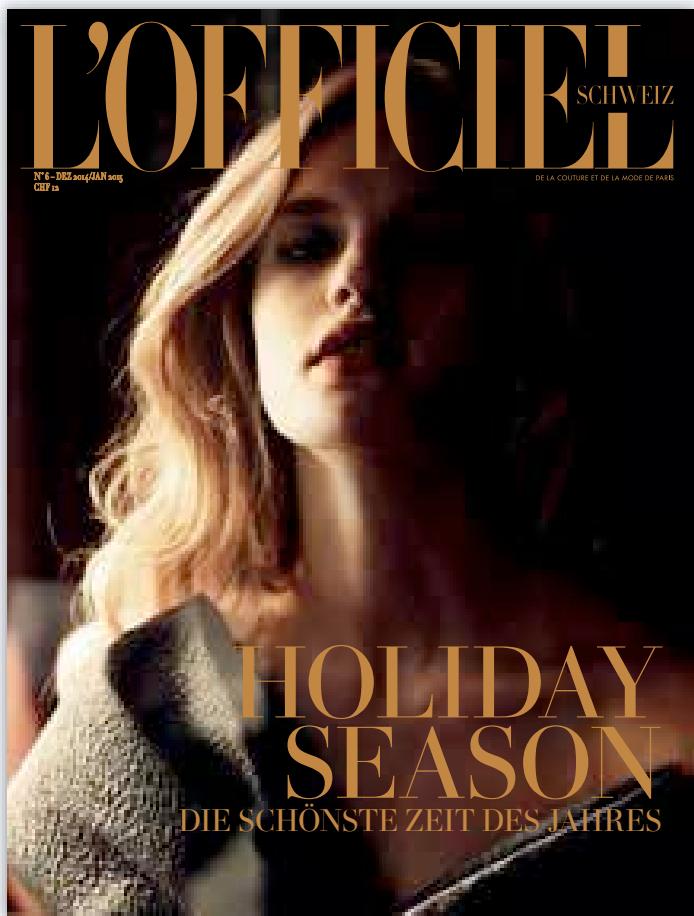
Kandou's Chord™ technology moves signals through electronic devices more intelligently. Data can be transferred twice as quickly and with a quarter of the energy expenditure. In February, the startup presented its technology for the first time at a forum in San Francisco and met with great interest from potential customers.



Rank: 27/100
Bluetector AG, Lucerne

The mobile BlueBox system treats very dirty water, such as from portable toilets. Customers need only rent the BlueBox Vactor in a standard container, and transporting untreated water becomes a thing of the past. Additionally, it will be possible to extract oil from the sludge in the future.

The Best of Fashion & Luxury Lifestyle!



L'OFFICIEL SCHWEIZ

With the launch of its Swiss edition earlier this year, the French style-bible **L'OFFICIEL** has already become an indispensable point of reference for knowledgeable and relevant insights into the world of fashion and style.

Switzerland's first and only international magazine aims to support Swiss women in finding their own style and expressing it in a confident manner by drawing inspiration from the latest trends.

L'OFFICIEL offers a unique gateway to the continually evolving world of fashion, providing its readers with the pleasure of exploring the work of both local and international fashion talents and enjoying unique and luxurious experiences.

Get a personal or gift subscription to 10 issues of **L'OFFICIEL** delivered directly to your mailbox before it hits the newsstands, including:

- **L'OFFICIEL HOMMES**
The magazine for connoisseurs and discoverers
- **L'OFFICIEL VOYAGE**
Taking you to the world's most alluring destinations
- **L'OFFICIEL ART**
Revealing the imperatives in the art world today

As a Bulletin reader, you enjoy the following special conditions:

10 issues of L'OFFICIEL including 2 issues of L'OFFICIEL HOMMES, L'OFFICIEL Voyage and L'OFFICIEL Art for the special rate of CHF 84 (instead of CHF 156).

Available in German and French editions.



You can order your subscription to L'OFFICIEL by phone, mail or on the web!
(Please be sure to include the special promotional code: CDBL2014)



Hotline:
Tel. 041 329 23 40



Email:
abo@lofficiel.ch



Online:
www.lofficiel.ch/subscription

Question 21 –

Is Switzerland a Nation of Car Manufacturing?

Yes! Without Swiss businesses, a Ferrari would not sound like a Ferrari, a VW would be much heavier and a BMW not as comfortable. Swiss automotive suppliers boasted a workforce of 24,000 and posted annual sales of CHF 9 billion in 2013. There is a piece of Switzerland (and a bit of Lichtenstein) in almost every car in the world. An overview of the largest and most interesting companies. *By Anja Schulze*

ASETRONICS

The mid-size company with headquarters in Bern brings light in the darkness. **LEDs** from Asetronics are used in car headlights, indicator lights and side marker lights. LEDs are powerful, economical and long-lasting, and more and more cars are being equipped with them. Asetronics produces complete LED modules along with the corresponding control unit.

AUTONEUM

The Winterthur-based company with about 10,000 employees worldwide (annual sales: CHF 2 billion) influences the noise from cars, as well as how hot they become. These two areas – in which Autoneum is a world market leader – appear to have nothing in common, but in fact, noise and heat come from the same place: the engine compartment. Products from Autoneum do not offer any visual appeal, but without **engine hood** and **front wall absorbers, compartment partitions** and **engine covers**, the Mercedes wouldn't purr, the Lamborghini wouldn't growl and no one would hear that Ferrari roar.

BRUSA ELEKTRONIK AG

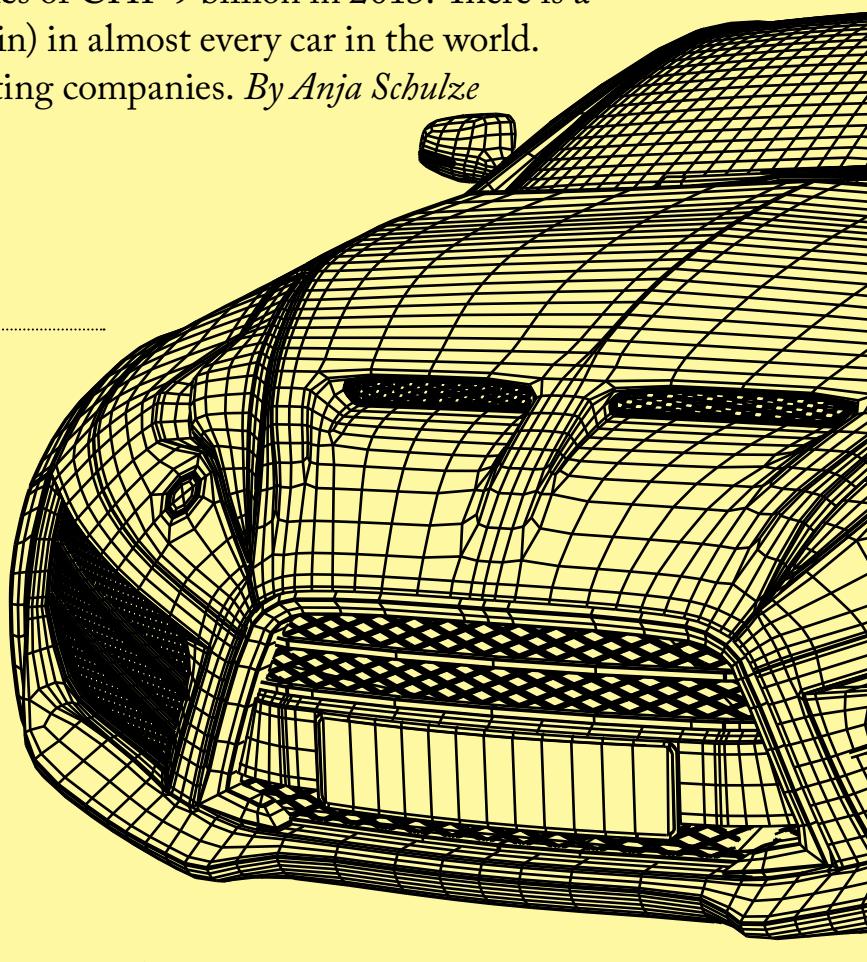
Brusa is an SME headquartered in the Rhine Valley. For 30 years, its engineers have been designing and building innovative alternative drive technologies. The company produces **electric motors** for automobiles. But an electric motor does not make for an electric car. It also needs a storage battery, designed for the longest possible distances. Brusa's product range therefore includes **batteries**, as well as the charging systems to charge the batteries quickly.

DGS DRUCKGUSS SYSTEME AG

The east Swiss company based in St. Gallen is active internationally and casts metal parts such as **gear housings, body panels, hand brake systems** and much more. These parts have to be durable, precise and reliable, but above all, light. Cars should consume as little energy as possible while also maximizing comfort and safety, which means increasing the number of electronic systems in the car. Weight must be minimized. DGS and its products help achieve this by using light metal alloys and special moldings for cast parts.

EMS-CHEMIE

The plastic automobile components made by EMS Chemie couldn't be more diverse. They include **armrests, door handles and fuel lines**. The chemicals company, based in Domat/Ems (Graubünden), does not produce the plastic parts itself. Together with its customers, it develops the geometry and structure of the parts, and then delivers plastic for their production. However, its product range is much broader. EMS produces igniters for airbags, anti-corrosion waxes, coatings to protect against stone chips and much more.



GLAS TRÖSCH AG

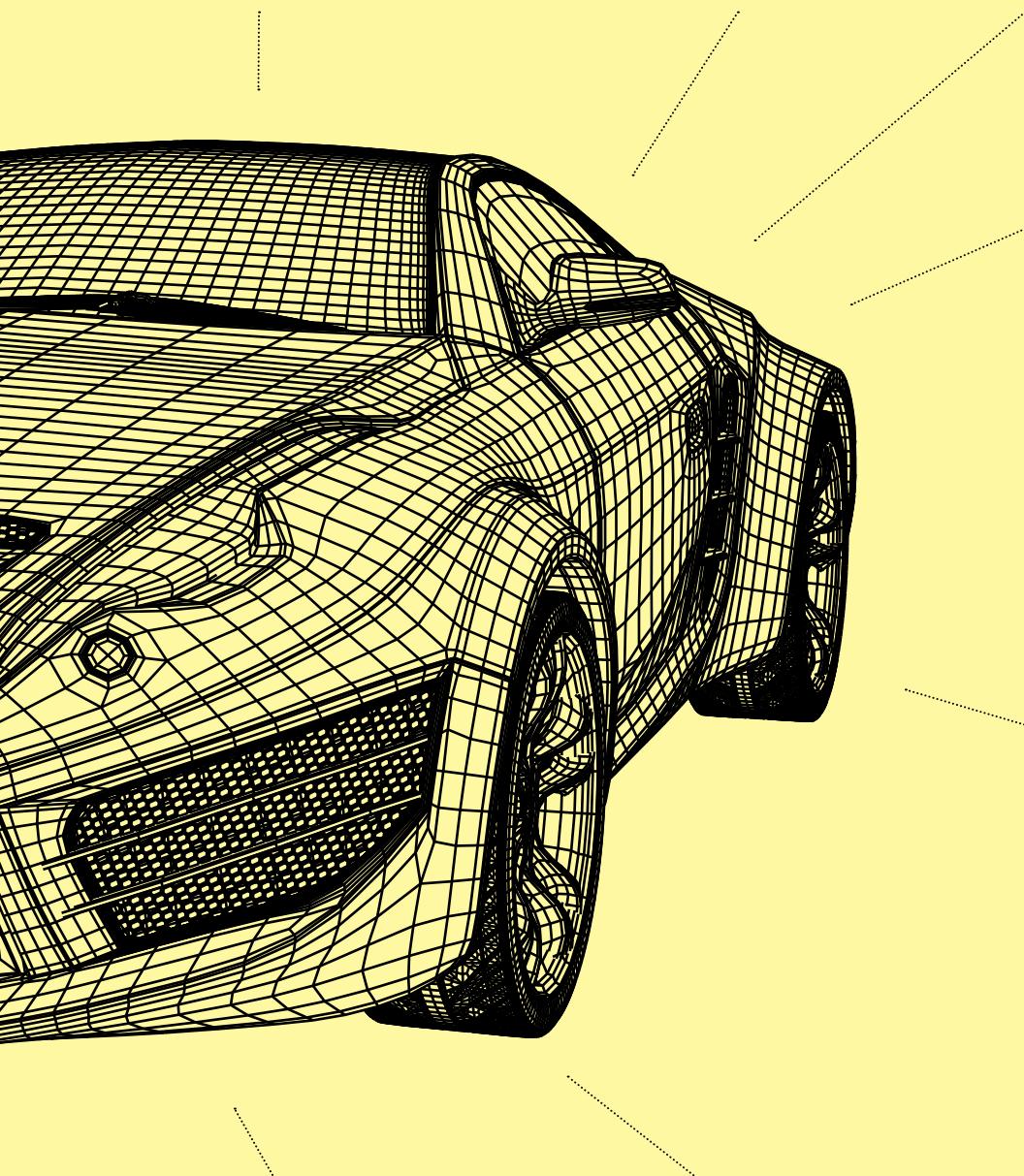
This company, with a global workforce of 5,300 and headquarters in Bützberg (Canton Berne), ensures visibility. It produces **front** and **rear windshields**, and **roof, door** and **side windows** for prototypes and small-batch production. A car windshield or window is more than just (laminated safety) glass. Often, it is equipped with a multitude of functions, such as heating and antenna systems or sun and heat protection.

MAXON MOTOR

The company is based in Obwalden and has over 2,000 employees worldwide (sales: CHF 360 million). It produces micro drives. These (often very small) **electric motors** operate quietly, reliably and covertly. Without them, components such as fuel pumps, fuel injection pumps or power steering would not work. And when we need our air conditioning, these little motors from Maxon do the job.

SWISSFLOCK

Products from SwissFlock, an SME located in Emmen, ensure comfort and design. The company produces **flock coatings** made of polyamide and polyester. The short fibers are applied as a textile surface to door and window profiles, storage compartments, seals, glove compartments, ABC pillars and upholstery for door and roof paneling. The flock coating not only improves the vehicle's interior look but also prevents condensation, eliminates squeaky and scratched window panes and reduces the noise level.



THYSSENKRUPP PRESTA AG

As the largest employer in Liechtenstein (1,700 employees in-country, about 5,000 employees worldwide), the company is one of the leading suppliers of **steering systems**. These join the steering wheel to the axle and today not only transfer the steering motion to the road, but also offer comfort and safety. Steering columns from Presta can be vertically and horizontally adjusted and absorb the force generated in case of a collision by pushing together. They cushion road shock to the steering wheel and give the driver a feel for the road.

WEIDMANN PLASTICS TECHNOLOGY AG

The company employs about 800 worldwide (annual sales: CHF 220 million) and produces plastic parts. In the car, these parts serve practical and safety-related functions, such as seals. Their **plastic paneling** also increases the owner's comfort factor. Or the company can turn the car into a designer object with its illuminated door sill panels, for example. The Automotive & Industrial Division was recently sold to the US company Techniplas, but will remain a separate unit with headquarters in Rapperswil.

SIKA GROUP

Sika, a Zurich-based chemicals company with over 16,000 employees worldwide (annual sales: CHF 5 billion), is, among other things, a specialist in **structural reinforcement**, **sealing** and **adhesives**. Its products are found not only in the construction industry, but also in cars. That's because automobile production no longer involves only bolts and welds, but also, frequently, adhesives. They are used for windshields, sunroofs and headlights, as well as door paneling, sun visors and the interior roof liner. This is not only faster and less expensive than using bolts or weld seams, but also looks better.

SFS INTEC

The international east Swiss company with more than 7,000 employees worldwide (annual sales: CHF 1.3 billion) delivers precision plastic and metal molded parts. Its customers (also suppliers) need the **gearwheels**, **clamps**, **filters** and **bolts** to manufacture other products, such as airbags, seat adjusters, belt systems, brakes, sensors and much more. Though none of the auto parts mentioned bears the name SFS, a lot of SFS can be found in some cars.

Anja Schulze is a professor for Technology and Innovation Management and lectures at the Swiss Center for Automotive Research (Swiss CAR) at the University of Zurich.

CREDIT SUISSE · WORRY BAROMETER 2014

95 percent of those surveyed are proud of the strong Swiss brands abroad.

Question 22 –

What is a Genevan?

While Genevans are rarely in agreement, they do unite on one thing. Above all, they see themselves as citizens of Geneva, now and forever. *By Christophe Büchi*

Geneva is a very special place – a big city and a small town in one, but also complex and often perplexing.

Surely no other European city of comparable size has produced – or offered a home to – so many distinguished individuals as Geneva, the capital of the proud “République et canton de Genève.” The 16th century lawyer John Calvin transformed the fun-loving city of Geneva into what it is today: a Protestant and almost excessively independent “res publica” whose influence is felt throughout the world. Calvin himself was not born in Geneva, but rather in the Picardy region of northern France. But it was Geneva that made Calvin the person he became – and Calvin, for his part, made Geneva the city we know today.

Jean-Jacques Rousseau’s story was different. Rousseau, the 18th-century writer, philosopher and widely-read author who launched the “back to nature” movement, and whose “Contrat Social” played a major role in the downfall of the Ancien Régime in France, was a dyed-in-the-wool Genevan. Although he was no longer able to return home after being convicted in absentia for “anti-religious writings,” and his books were burned in Geneva, he proudly called himself a “citoyen de Genève” until the end of his life.

Both Cosmopolitan and Parochial

Horace-Bénédict de Saussure, the great naturalist who was among the first to reach the summit of Mont Blanc, was a Genevan as well. The general and topographer Guillaume-Henri Dufour, who led Switzerland more or less safely through the civil war known as the Sonderbund War, came from Geneva, as did Henry Dunant, co-founder of the Red Cross. The impressive list of Genevans also includes psychologist Jean Piaget, who was born in Neuchâtel but taught in Geneva for most of his life. Whether Jean Ziegler, born Hans Ziegler

in Thun, should be considered one of the great Genevans is a matter of some dispute. At any rate, he is still recognized worldwide as one of the best-known citizens of Switzerland (or Geneva).

Just as certain, however, is that while many Genevans are intelligent, cosmopolitan and devoted to upholding important principles, Genevans can be quarrelsome and parochial as well. It has happened on occasion that a member of the cantonal parliament has hurled a glass of water at a colleague, or started a fistfight in the cafeteria. Indeed, some incidents might be mistaken for the plot of a village theater production. A judge in Geneva was recently called upon to reach a decision in a case involving two other Genevan judges; they had feuded for months, and their disagreements had repeatedly become violent.

Much as the republic of Geneva likes to cite the famous “esprit de Genève,” it is not always the cosmopolitan city it claims to be, but more like the Gaulish village depicted in the Asterix comic books, where people agree on only one thing – that they are in fundamental disagreement.



Like the Gaulish village in the Asterix comic books, Geneva became part of Switzerland only 200 years ago.

At least the people of Geneva are conscious of their propensity toward the kinds of scandal and political discord that they refer to as “Genfereien,” a term derived from the German word for Geneva. There is now even an annual prize for the best “Genferei.” This, too, is typical of Geneva.

Different and Better

Genevans are often convinced that their way of doing things is not only different, but better. Both leftists and conservatives in Geneva are frequently heard to say that “the entire world envies our quality of life!” Conservatives take pride in Geneva’s financial sector and prosperity; those on the left of the political spectrum are proud of the government’s social services – funded in part by the financial industry.

The conviction that Geneva is something special is part of the city’s collective subconscious. When tourism officials recently went looking for a new slogan, they came up with “Genève – un monde en soi” – a world of its own. This may perhaps sound grandiose, but no more so than “Zurich – downtown Switzerland.”

Question 23 –

Who's Afraid of Nuclear Power?

Even the great French diplomat Talleyrand, who, not without hesitation, agreed to Switzerland's annexation of Geneva at the Congress of Vienna in 1814/1815, is reported to have observed that "there are five continents – and Geneva." Whether he actually said that is unknown, but Genevans enjoy citing his alleged remark.

Not everyone in Geneva seems to have heard the news that their city has been part of Switzerland for 200 years. Travelers heading east still say, "On va en Suisse" – we're going to Switzerland. And the road leading to Nyon is still known as the "route de Suisse."

Official Geneva, however, is certainly aware of its ties to Switzerland. Every year, on June 1, Geneva celebrates the "union" between Switzerland and Geneva. A statue of two women standing arm in arm, symbolizing that union, stands on the shore of Lake Geneva. The figures are of the same size, indicating that the two are equal partners.

The bonds between Geneva and Switzerland continue to hold. While they are not close, they are strong. And although the people of Geneva are proud of their independence, they show no interest in the siren song of separatism. Genevans are intelligent people. After all, what is the alternative? Joining France is not an attractive option. Establishing an independent state à la Monaco? *N'y pensez pas.* Genevans realize that they benefit from being part of Switzerland; it is not only Switzerland that benefits from Geneva.

The bottom line: While many Genevans are not necessarily interested in being entirely Swiss, they find the idea of being French or anything else even less appealing. Most of all, they want to be one thing: one hundred percent Genevan. And that's enough. □

Christophe Büchi, born in 1952, was a correspondent for the newspaper Neue Zürcher Zeitung (NZZ) in French-speaking Switzerland for many years and continues to write for the newspaper. An author, essayist and journalist, he lives in Champéry (Canton of Valais) and Lausanne.

CREDIT SUISSE · 2014 WORRY BAROMETER

Seventeen percent of respondents feel most connected to their communities, 31 percent to Switzerland. The study does not reveal whether the results would be different for Geneva.

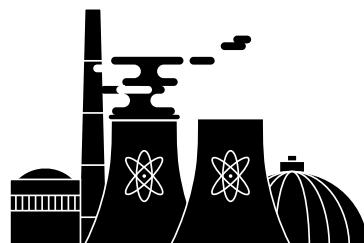
Studies conducted by the Consumer Behavior faculty at ETH Zurich point to a different explanation. As many studies have shown, the perceived benefits, as well as risks, also figure in the acceptance of nuclear energy. In this context, the perceived benefits are a greater factor for acceptance than the perceived risk.

In German-speaking Switzerland, the perception of benefits declined after Fukushima, while it increased in Western Switzerland. This was reflected in a trend reversal for nuclear energy acceptance.

What Are the Neighbors Doing?

The varying energy policies of neighboring countries may be one reason for the different perception of benefits. Due to the geographic and linguistic closeness, German-speaking Switzerland aligns itself more with Germany's energy strategy. It is taking on a leading role in promoting renewable energy in the energy transition. The energy transition is discussed widely in the German media and therefore is a hot topic in German-speaking Switzerland. Belief in the feasibility of renewable energy could grow in Switzerland. The necessity of nuclear power for energy production no longer seems to be a given, and German speakers see less benefit in it.

In Western Switzerland, perceptions are influenced by French energy policy, in which nuclear power plays a key role. That may be why this technology is considered more beneficial in French-speaking Switzerland. These diverging perceptions of benefits result in differing acceptance of nuclear power and different awareness of problems with regard to energy topics. □



Benefits and risks: nuclear power plants.

Background: in this year's Credit Suisse Worry Barometer, 20 percent of those surveyed in German-speaking Switzerland consider nuclear energy to be one of the country's top five problems. Only 10 percent of people share this opinion in the French-speaking part of the country. The situation was reversed back in 2010, when 21 percent of French-speaking Swiss considered nuclear energy a problem, while only 8 percent of German speakers did. What happened?

German-speaking and Western Swiss citizens differ in their personal values. According to studies on the Swiss Sinus-Milieus, the Western Swiss are open-minded, experience-oriented and modest, while the German Swiss are performance-conscious, strive for status and are very environmentally aware. However, the differing perception of problems and the shift in direction cannot be explained by a fundamental change in values, because values tend to be relatively stable over time.

Bernadette Sütterlin is a docent and research staff member of the Consumer Behavior faculty at the Institute for Environmental Decisions at ETH Zurich. She conducts research primarily on energy issues.

CREDIT SUISSE · 2014 WORRY BAROMETER

The "rösti divide" on nuclear energy:
20 percent of German-speaking Swiss see it as a major problem, while only 10 percent share this opinion in the French-speaking part of the country.

Question 24 –

Do You Have a Vision for Switzerland, Mr. Snozzi?

Ticino native Luigi Snozzi, 82, is one of Switzerland's best-known architects, although few of his designs have actually been built. Why? *By Simon Brunner (interview) and Andri Pol (photo)*

Mr. Snozzi, the arts magazine "Du" devoted an entire issue to you, and you have taught at the Ecole Polytechnique Fédérale de Lausanne (EPFL) and ETH Zurich as well as in Sardinia. You have received numerous prizes and honorary doctorates, and exhibitions have been dedicated to your work. But when it comes to actually building your designs, there has been less interest – how poor is your record in that regard?

I'm 82 years old. Over the course of my life, I've entered roughly 100 public competitions. I won 30 of them, and a handful of those projects were actually built.

How is that possible?
I don't know. I really don't.

Are you too stubborn?
Until I was 40 years old, I refused to compromise – at all. Today I'm smarter. An architect who refuses to give an inch is weak – some compromises move a project forward.

Are you too expensive?
No, my projects have always been relatively cheap.

Have you paid too little attention to the requirements of the competitions?
One problem, I'm sure, is that my designs tend to require changes in the surrounding area, for example new roads. Communi-

nities don't like that at all, since it adds a great deal to the cost.

Which project do you most regret not being able to build?

The apartment building in Brissago – I had a really good idea for that one – and a major project in the Netherlands that redefined the metropolitan experience by adding a gigantic, circular railway viaduct in the middle. I created the design for a new city center in Vaduz, but it was never built. The same was true of the church in Vaduz – I won the competition, and then it was built by someone else. And so on.

Are you too expensive? –
"No, my projects have always been relatively cheap."

Are you bitter?
Not at all, each of us has our own destiny. Mine began when I was very young. I was far to the left politically; my friend Livio Vacchini would always complain, "We never get to build anything, because you're so political." Some clients wouldn't even consider us. But the reason why we eventually stopped working together was something else, something very trivial: I

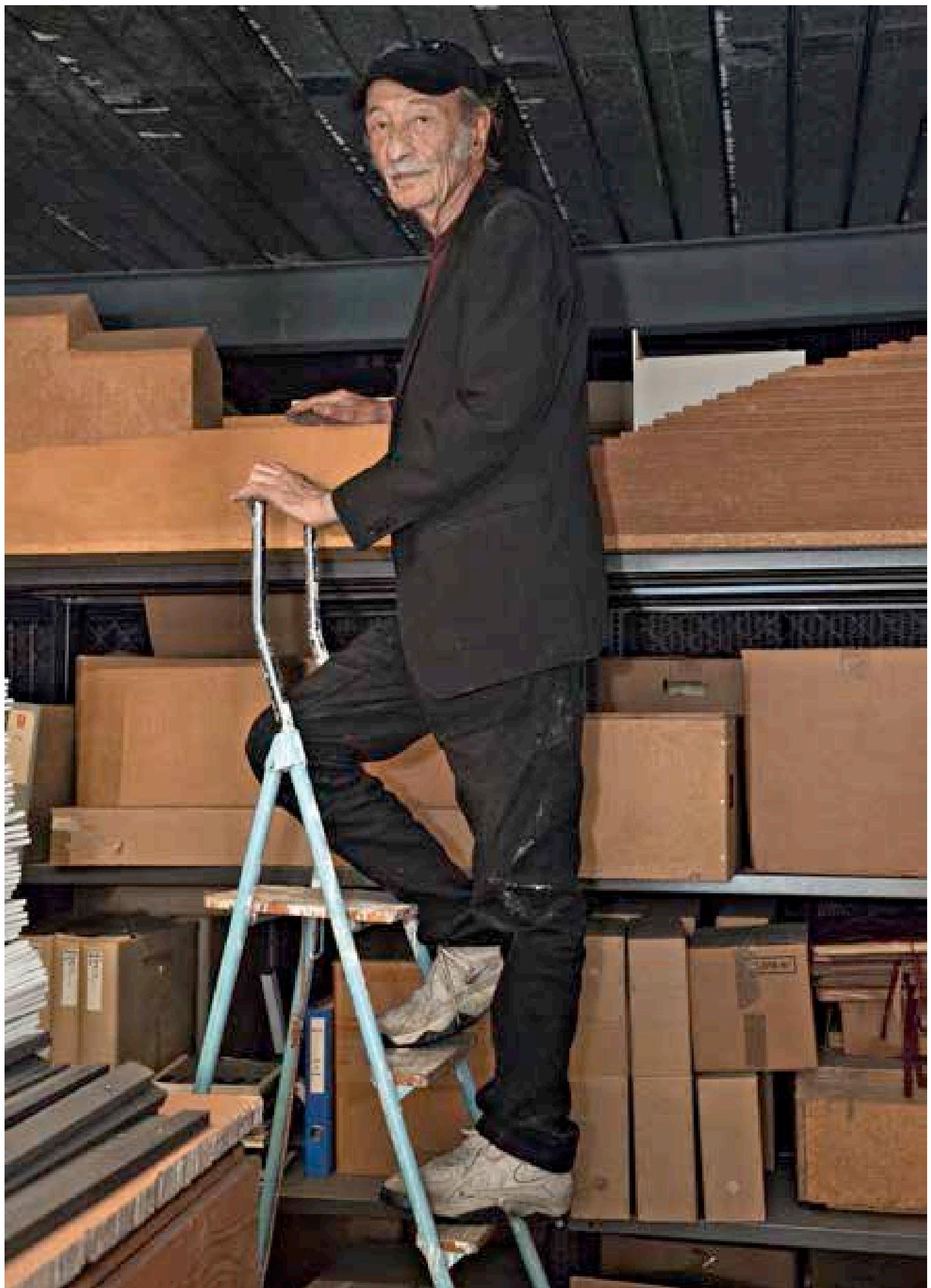
designed a residential complex without bidets, and he said no, he wouldn't do that. So we went our separate ways – but became close friends.

You've always been an outsider.
Yes. I'm well known because of Monte Carasso, which I redesigned practically from the ground up around a new village center. But the canton of Ticino never liked it. They tolerate it, though, because it won a number of prizes and gained international recognition. No one is interested in what might be learned from it – it's too radical. Breaking the rules, major architectural intrusions – the Establishment doesn't like any of that.

You used to tell your students, "Take the rules and turn them on their head, and then you'll produce something good." Is it ultimately easier to be a nonconformist than to play by the rules?

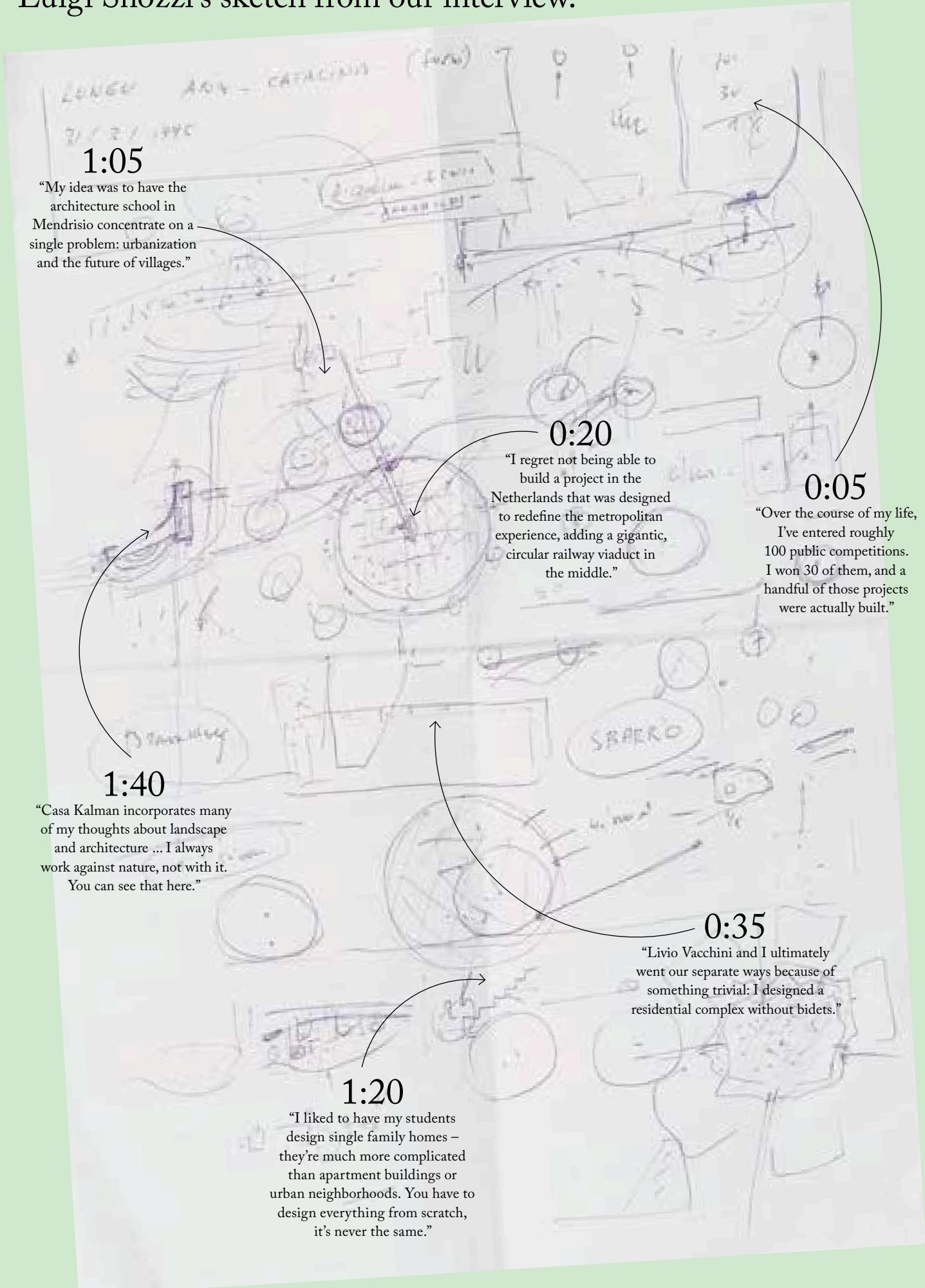
It's not that simple. If the rules are stupid, then you have a duty to break them. But when they're good, you should respect them. In Monte Carasso, for example, we followed only a few rules, some of which date back to the 15th century.

What is an architect's primary responsibility?
To replicate things that are good. That's all. I've always told my students that a good architect has to be both a thief and a



"If the rules are stupid, then you have a duty to break them": Professor of Architecture Luigi Snozzi in his archives.

Luigi Snozzi's sketch from our interview.



butcher. One of the best contemporary architects, Portugal's Álvaro Siza, is a superlative thief – he steals from everyone. But stealing is difficult; you have to make what you have stolen into something of your own. Few are able to do that.

And why do you have to be a butcher?
Architects have to be brutal. I have always built things that run counter to nature – you can't be afraid to destroy something.

How do you approach a new project?
As an architect, I can answer only one question at a time. If there are two questions, I need to eliminate one. Every project is the answer to a specific challenge. If you don't keep that in mind, you're doomed.

Many well-known Swiss architects have been your students.

Yes, that's true. I gave some of them failing grades. That happened often. Great architects are difficult students; they lack discipline, and they often ignore the assigned task, like Roger Diener.

You've never followed the rules, either. Couldn't you understand where they were coming from?

You have to know how to play by the rules before you start breaking them. But I've always been able to recognize talent.

What do you think of contemporary architecture?

Today's star architects have huge offices, with 300 employees. I think quality suffers as a result. The boss isn't involved in everything – and how could he be? And many contemporary architects believe that they have to be constantly inventing something new. But as I said before, there's nothing new to invent in architecture. It's all about knowing how to look back. I don't like it when architects are always trying to find a gimmick.

How do you feel about sustainable construction and the Minergie standard for energy consumption?

I'm not a fan. The architect's job is to create a roof between the earth and the



"I'm no longer interested in anything else." Casa Kalman in Brione, built in 1976.

sky, and to find a connection to the land. That's been true since Egypt's pyramids were built. The focus should be on the architecture, nothing else.

You've always been at the left of the political spectrum, but you've never been an environmentalist.

I've always opposed the Greens. They make too many rules, sometimes achieving the opposite of what's intended. And besides, I really enjoy driving my car, and I love planes and airports.

Do you have a vision of what Switzerland should look like in 50 years?

No.

No?

I think people should live in the here and now. In that respect, I'm like the Chinese. I don't spend a lot of time thinking about the future. We need to solve the problems we have today!

If you were an urban planner ...

... Let me stop you right there! Urban planning and architecture aren't two separate disciplines. I don't see how it is possible for one person to plan and another to put that plan into effect. I would

abolish training for urban planners. People who worked with me always had to do both.

How does that work?

One example: When an architecture school was being planned in Mendrisio, Mario Botta asked me to help determine its focus. My idea was for the school to concentrate on a single problem that involves both planning and construction, namely urbanization and the future of villages. Milan, for example, is expanding into Ticino and swallowing up small residential areas – which are responding with hostility and isolation. I don't think that's good. My idea was that people should welcome the city and make it part of their lives. But that sometimes means having to tear down half of the village.

Architects have to be brutal. I've always built things that run counter to nature.

Let's guess – did things turn out differently?
Botta was more interested in creating a school that could be an international star. So we drifted apart. We still say hello, and today we had lunch together, but we have a strained relationship.

Which discipline is most difficult for an architect?

I liked to have my students design single family homes – they're much more complicated than apartment buildings or urban neighborhoods. You have to design everything from scratch, it's never the same. And there's no repetition, which is so important for the rhythm of architecture.

Clients are demanding, too.

People building a single family home are the most difficult clients of all. They're thinking about their own specific concerns, while the architect wants to build a

house that solves a general problem. Two of my clients died while construction was still going on. If I had complied with all of their requests, their heirs would never have been able to sell the houses. A good architect doesn't build for the owner.

But you can't tell the owner that.

I'm no diplomat. I've always had arguments about this issue, lots of arguments. I fought with a 75-year-old woman for a year and a half. I finally told her that I was only willing to build the house that I wanted to build – which was the opposite of what she wanted. She wanted wood, I chose concrete. She wanted a pitched roof, I built a flat roof. She wanted shutters, there were no shutters.

Did she pay you?

Yes, she was thrilled. I built the right house.

Do architects have to force clients to do what is best for them?

Sometimes you have to help them open their eyes.

Which of your houses is the best?

Casa Kalman is the only house that I still visit, and the one where I feel comfortable. I'm no longer interested in any of the others.

Why not?

Casa Kalman, built in 1976, incorporates many of my ideas about landscape and architecture. My friend, Pritzker prize winner Paulo Mendes da Rocha, has said that nature is just dirt. What did he mean? The landscape isn't made for human beings; it has to be changed. That sums up my philosophy quite well: I always work against nature, not with it. That's clear when you look at Casa Kalman.

Mrs. Kalman is my grandmother – when she saw the house for the first time, she was shocked. She asked: "Can I sell it?"

I didn't know that. She's a wonderful woman. I was in England recently, at one of the big universities – there were models of Casa Kalman everywhere, every architecture student is familiar with it.



"A new village center": Monte Carasso made Luigi Snozzi famous. The village was run-down and marred by poorly planned construction; Snozzi redesigned it in the 1970s.

Photos: 1. Home of the former mayor; 2. A former Augustinian convent that Snozzi transformed into a primary school and a cultural and recreation center; 3. Private home; 4. Sports center.

Students constantly come by, wanting to look at it.

It's unbelievable the significance it still has, even though it's so small and didn't cost much.

You never wanted to build a house for yourself. Why not?

How I live isn't important. I've always lived in very ordinary homes.

Why is that?

Although I've lived in Locarno since 1958, I've fought with the community for years. In 1989 I won the competition to redesign the Piazza Grande, but my design was never built. I'll never do anything for the community again; we no longer communicate. But Locarno isn't my home. My home is Lake Maggiore. It's peaceful there.

How have you changed over the years?

I don't know. I'd say that my thinking is still the same. I'm pretty consistent. □

Luigi Snozzi was born in Mendrisio in 1932. He is one of Ticino's best-known architects, but fewer of his designs have actually been built than those of his contemporaries Mario Botta, Livio Vacchini and Aurelio Galfetti. Snozzi is a professor emeritus and maintains a small office in Locarno. He has three daughters.

CREDIT SUISSE · WORRY BAROMETER

Fourteen percent of respondents are proud of Switzerland's countryside.

In the
App Store

The News & Expertise app,
featuring the latest issue
of Bulletin as well as other
Credit Suisse publications,
articles, and videos.

Subscribe to Bulletin ...



... or order other Credit Suisse publications free of charge at
www.credit-suisse.com/shop (publications shop).

Electronic newsletters on current topics related to business,
society, culture, and sports are available for subscription
at www.credit-suisse.com/newsletter.



Question 25 –

How Can We Save Our Social Institutions?

Scientifically speaking, what needs to be done in order to secure Old Age and Survivors' Insurance, unemployment benefits and health care? The answer is clear but difficult to implement. Social institutions must be skillfully modified with a social investment policy as the goal.

By Silja Häusermann



Who will pay my pension? Young people have no political lobby.

Concerns about the stability of social institutions rate high on the Credit Suisse Worry Barometer each year. At first, this may seem surprising in light of Switzerland's consistently low unemployment figures, comparatively generous benefits from the major social insurance programs and the balanced budgets of the social institu-

tions (FSIO 2013). Nevertheless, these concerns reflect the significant economic and demographic challenges confronting all welfare states of the western democracies: weak economic momentum, low birth rates and increasing life expectancy coupled with widespread political skepticism towards immigration.

This combination of challenges leads to a sense of "permanent austerity" (Pierson 2001). In other words, the sociopolitical budget is tight and it will remain so. This raises some difficult questions. In times of weak economic growth, how can sufficient tax receipts be generated in the long term in order to provide coverage for major life risks? If the money falls short, which risks have priority? Who should fund the pensions of future generations? How can high-quality health care be secured for everyone? And how can solidarity between social classes, generations and other risk groups be maintained?

Radical Cutbacks or Blockades?

For a long time, social policy research has been asking which of two scenarios would be more probable in the current political context: radical cutbacks to employee benefits or a blockade on reforms – a sort of freeze on existing social institutions. There are plausible theoretical arguments in support of both scenarios. Arguments in favor of cutbacks include financial constraints and reinforcement of employer interests against sociopolitical demands. On the other hand, the enormous popularity of the social institutions, a factor which could keep politicians from reducing benefits, argues against cutbacks.

Until now, research on Switzerland as well as on the other European welfare states has been unable to find empirical evidence supporting one or the other scenario. It has been difficult to find a pattern in the reforms enacted to date because these two scenarios – cutbacks or defending the status quo – are not the only options for sociopolitical reform. That is a good thing because neither radical cutbacks nor a blockade on reforms would stabilize comprehensive social security in the long term, much less save it.

For a Few, Not for All

The point is that cutting back or expanding social institutions are not the only two options. First and foremost, they can also be modified in one of two ways, nearsighted or farsighted. The nearsighted approach to sociopolitical reconstruction consists of defending and maintaining ex-

isting social institutions but only for a limited part of society. Researchers describe this reform option as the “dualization” of welfare states (Emmenegger et al. 2012). A core of insiders receives generous social security benefits while a growing group of welfare state outsiders is marginalized. Specifically, access to established, regular employee benefits is restricted for certain groups. Under the Swiss unemployment insurance reform of 2010, for example, it became more difficult for young employees and women returning to work to gain access to unemployment benefits while the benefits for regular employees remained untouched. These widespread dualization

“Cutting back or expanding social institutions are not the only options. First and foremost, they can be modified.”

reforms include limited, minimal benefits for atypical employees, young people or people from outside Switzerland. These reforms are commonly described as “strengthening the insurance principle” (in contrast to the solidarity principle), which in essence means that people who contribute more (because they earn more) also receive higher benefits. In the short term, this reform strategy does stabilize the social institutions. In the long term, though, the foundations of social cohesiveness could be undermined to such an extent as to jeopardize social security.

Wanted: Social Investment Policy

Another type of modification provides more stability in the long term, but is politically much more difficult to achieve. This approach involves strengthening social investment. Social investment policy is based on the idea that social policies support the earning capacity of the population and should also serve to increase it, rather than only compensating for loss of income (Morel et al. 2012). In order to secure retirement provisions, unemployment benefits or health care in the long term,

investments in human capital must be made today in the form of education beginning in early childhood and continuing with training and development at all levels. In order to achieve this, structures are needed to support gainful employment: child and elderly care, qualifying activation for the unemployed, social security for atypical employees.

These investments must reach all of society in order to foster social cohesiveness on one hand and, on the other hand, to create the necessary economic foundation for funding social institutions in the long term. The focus of Swiss unemployment insurance and Federal Disability Insurance on activating the unemployed and temporarily disabled is a step in this direction. Social investment policy even includes reform efforts to expand supplementary childcare services or to include atypical employees in employee benefits insurance, although these are making slow progress in Switzerland.

The key to securing social institutions in the long term is to cultivate and activate human capital. Unfortunately, however, this reform option is probably the most difficult to implement. Dualization, cutbacks and status quo are easier. One reason for this is that the direct, short-term beneficiaries of these policies – young people, atypical employees, the poorly or inadequately trained, including many women with part-time positions – do not have a strong political and economic lobby compared to companies and employers, on one hand, and the interests of the core workforce, on the other hand.

Expanding social investment policy in addition to existing welfare state benefits is therefore often met with political resistance. And shifting resources from securing income to social investment affects the direct interests of those who are currently well insured.

Experience shows that such reforms (particularly in Switzerland) are usually only successful when broad coalitions form including, to some extent at least, political groupings of both the left and the right, thus often also dividing them (Häusermann 2010, Bonoli and Natali 2012). However, the growing polarization of the

partisan landscape in Switzerland represents a serious problem precisely for such broad reform coalitions – and therefore also for the long-term maintenance of social institutions. □

Silja Häusermann is professor of Political Science at the University of Zurich. She has received multiple awards for her books and studies comparing welfare states in western countries.

Bibliography:

- Bonoli, Giuliano and Natali, David (2012). “The Politics of the New Welfare State.” Oxford: Oxford University Press.
- FSIO Federal Social Insurance Office (2013). Swiss social insurance statistics. Berne.
- Emmenegger, Patrick, Häusermann, Silja, Palier, Bruno and Seelieb-Kaiser, Martin (2012). “The Age of Dualization. The Changing Face of Inequality in Deindustrializing Societies.” Oxford: Oxford University Press.
- Häusermann, Silja (2010). “The Politics of Welfare State Reform in Continental Europe. Modernization in Hard Times.” New York: Cambridge University Press.
- Morel, Nathalie, Palier, Bruno and Palme, Joakim (2012). “Towards a Social Investment Welfare State?” Bristol: Policy Press.
- Pierson, Paul (2001). “The New Politics of the Welfare State.” Oxford: Oxford University Press.

CREDIT SUISSE · 2014 WORRY BAROMETER

37 percent are worried about AHV,
only unemployment and immigration issues
are seen as even bigger problems.

2014 CREDIT SUISSE Worry Barometer



THE INTERPRETATIONS

Debate
**BIGLER (FDP) VS.
ROSSINI (SP)**
p. 61

The Future of Switzerland
**MUCH OPTIMISM, BUT PENSIONS
GROUNDS FOR CONCERN**
p. 69

Switzerland and Abroad
**POLITICAL OFFENSIVE
DESIRED**
p. 70

1 – THE PROBLEMS OF SWITZERLAND

p. 54

2 – ECONOMIC SITUATION

p. 57

3 – TRUST

p. 59

4 – THE ESSENCE OF SWITZERLAND

p. 64

5 – THREATS TO SWISS IDENTITY

p. 67



What worries the Swiss? What do they identify with, who do they trust? For almost 40 years, the Credit Suisse Worry Barometer has provided answers to the general mood of the nation.

The representative survey has been conducted since 1976, thus allowing the current temperature to be measured among Swiss voters and a comparison to be made over the years. What are the key results of the 2014 survey? As before, unemployment is the main concern of the Swiss. They have a great deal of trust in the Swiss National Bank and consider neutrality to be the most important distinguishing characteristic of Switzerland. Looking ahead, those surveyed are satisfied with the economic situation. In contrast, they have an ambivalent relationship with foreigners living in Switzerland and with the European Union. Self-confidently, the majority of those surveyed would like to see politicians take a more offensive stand on an international level.

The most important results of the Worry Barometer are summarized in five articles and two special analyses. In a lively dialogue, Stéphane Rossini, incoming President of the National Council, and Hans-Ulrich Bigler, Director of the Swiss Chamber of Commerce, discuss the results of the survey.

The editors

The survey: On behalf of and in cooperation with Credit Suisse, the research institute gfs.bern conducted a representative survey of 1,010 eligible voters in Switzerland from July 28 to August 16, 2014. The statistical sampling error was ± 3.2 percent. Scientific analysis in the two studies "Swiss Voters Don't Quite Trust the Current

Favorable Economic Situation" (Credit Suisse Worry Barometer 2014) and "Relationship to and Differentiation from the EU as a Driver of Swiss Identity" (Credit Suisse Identity Barometer 2014) was conducted by a project team consisting of Claude Longchamp, Lukas Golder, Martina Imfeld, Thomas

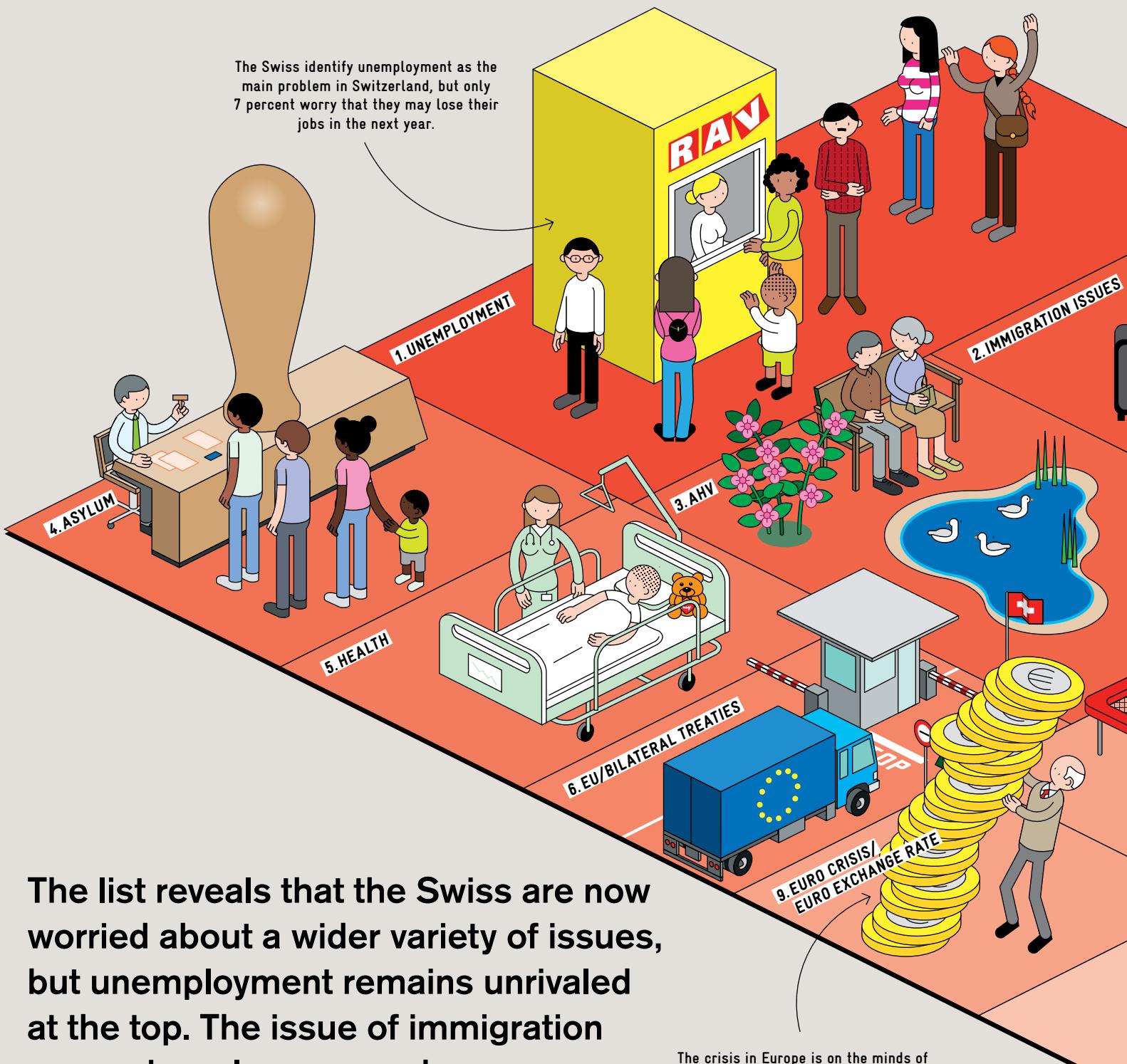
Milic, Stephan Tschöpe, Meike Müller, Philippe Rochat, Cloé Jans and Johanna Schwab.

The analyses for Bulletin were prepared by Andreas Schiendorfer (*schi*).

The Worry Barometer was illustrated by QuickHoney.

1 – THE PROBLEMS OF SWITZERLAND

Our Worries



> Continued page 56

Percentage point comparison with prior year (in parentheses)

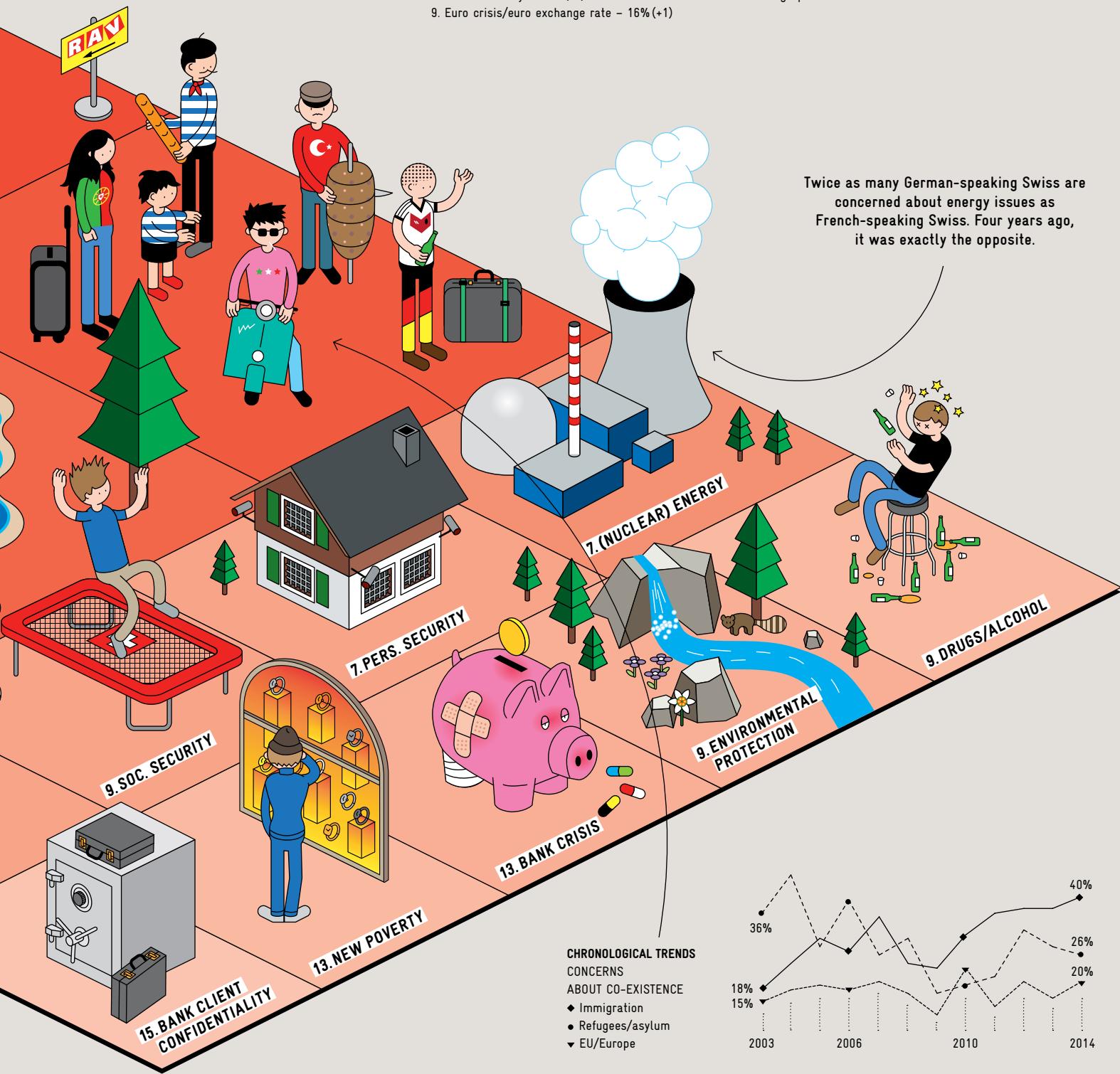
Fig. 1: KEY CONCERNs OF PEOPLE IN SWITZERLAND

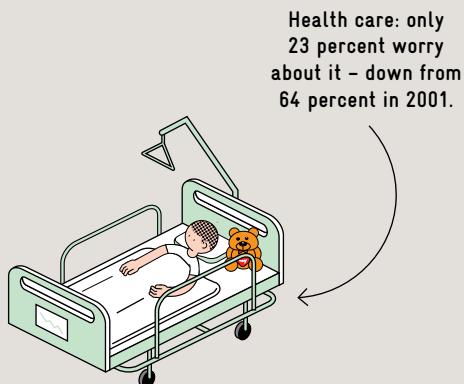
THE LIST

"Out of all of the cards, please choose those five that you personally consider to be Switzerland's five most significant problems."

1. Unemployment - 51% (+7)
2. Immigration issues - 40% (+3)
3. Retirement provisions - 37% (+8)
4. Refugees - 26% (-2)
5. Health - 23% (+2)
6. EU/bilateral treaties - 20% (+4)
7. (Nuclear) energy - 17% (-2)
7. Personal security - 17% (-7)
9. Social security - 16% (-5)
9. Euro crisis/euro exchange rate - 16% (+1)
9. Drugs/alcohol - 16% (+2)
9. Environmental protection - 16% (-)
13. Bank crisis - 14% (+3)
13. New poverty - 14% (-4)
15. Bank client confidentiality - 12% (-)
15. Transportation/
New Transalpine Railway - 12% (-1)*

*Not included in graphic





Fifty-one percent of Swiss voters agree that unemployment is one of the five biggest problems in the country – it is the greatest source of anxiety in Switzerland, like every year since 2003 (compared to last year: +7 percentage points). One might ask if this is essentially an expression of national solidarity, because the voter's own job security plays only a secondary role. In other words, only 7 percent are worried about losing their job during the next year, and only 14 percent rate their job as somewhat or not at all secure. There is, in fact, a genuine basis for anxiety concerning unemployment. The long-term comparison shows that there is a high correlation between the actual unemployment rate and the perception of unemployment as a concern. Despite a certain correction in last year's low figure, we are far from the record highs posted in 1993 (89 percent – unemployment 4.5 percent) or, more recently, in 2010 (76 percent – 3.9 percent), although the current unemployment rate is quite high at 3 percent.

Number of Immigrants Stirs up Fear

Immigration came in second again at 40 percent, gaining in significance most likely due to the federal popular initiative "against mass immigration" (+3 pp). Similar to the unemployment rate, the issue of immigration shows a correlation between the real situation and the perceived situation. The higher the number of foreigners living in Switzerland (currently at 23.8 percent, and even higher among 20–39 year-olds at 33.2 percent), the more respondents indicate that it is an issue that worries them.

Asylum-seekers represent a special category of immigration and were ranked fourth on the list of worries. It continues to

be seen as a problematic issue by 26 percent of the population (-2 pp). Though this is a high number, it is in no way comparable to the record of 45 percent from 2004. Once again, this issue can be linked to a key indicator. It rises and falls parallel to the actual number of asylum-seekers in Switzerland.

AHV and Health Care Are Still Relevant

Ranked third on the list, Old Age and Survivors' Insurance is another perennial issue, with 37 percent concerned about retirement provisions. Many of those surveyed presumably worry about whether their pensions are secure. In the German-speaking region of Switzerland, the issue of retirement provisions ranked somewhat higher than in the French-speaking region, and it is clearly more of

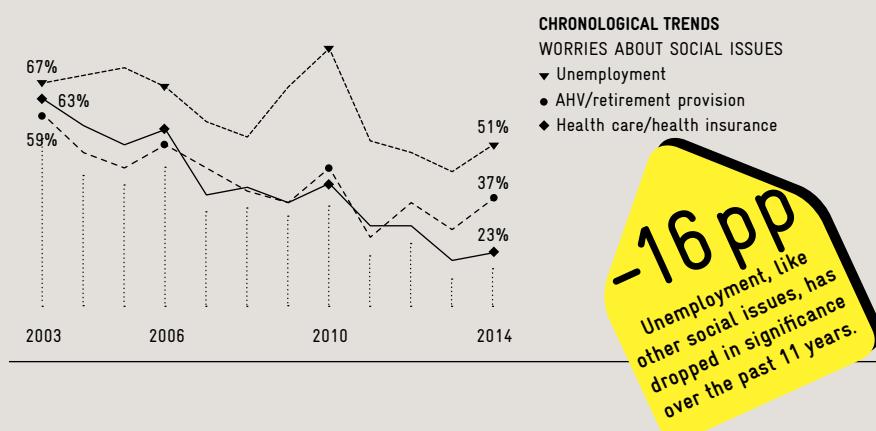
tion and energy have gained in relevance since 2009, though this year both issues saw a slight dip.

French-speaking vs. German-speaking

When comparing the language groups, relatively clear differences can be seen among four issues. In the French-speaking region, unemployment and foreigners are perceived as much bigger issues than in German-speaking Switzerland, where the issues of energy and retirement provisions are more prevalent.

The gender-based differences for most issues are minor, although women appear to worry far more about retirement and health care.

When viewed based on the different communities – where those surveyed live – rural communities worry more about un-



an issue for respondents aged 70 and older (55 percent) than among those under 30 (33 percent).

Health care placed fifth on the list, with only 23 percent of the population naming it an issue (+2 pp). This issue hit a record high of 64 percent in 2001 when the situation looked much different. In the meantime, the successful battle against rising health insurance premiums was able to ease people's anxiety. It will be interesting to see how this ranking changes next year when premiums are set to rise again.

Next on the list after Swiss-EU relations (20 percent) came six additional mid-range issues that about one-sixth of the population (17 respectively 16 percent) perceive as problems. Besides drug and alcohol addiction and the Euro exchange rate, the joint issues of personal and social security have continued to drop in significance. In contrast, environmental protec-

tion, energy, and the euro crisis than towns and big cities.

All in all, the group-specific differences are only seldom greater than the statistical margin of error. We can therefore conclude that in Switzerland there is a fairly uniform perception of problems – and it is usually linked with the actual situation, as shown. This finding represents a good basis for political discussions. (sch) □

2 – ECONOMIC SITUATION

Barely a Cloud in the Sky

The Swiss are satisfied with their own economic situation, but the good mood wanes when it comes to the upper income levels. There is moderate optimism about future economic development.



The Swiss are very satisfied with their own economic situation. Only 6 percent classify it as poor, while 60 percent (+4 pp) say it is good or even very good. The last time better figures were recorded was in 2000.

The level of satisfaction – unsurprisingly – depends on income. The higher the salary, the more optimistic a person's view of their own situation. But it is precisely in the very high income bracket (incomes above 9,000 or 7,000 francs) that the positive sentiment seems to run out. In these two groups, the proportion of people with a positive view of the past two years has

shrunk from 73 percent to 65 percent and from 67 percent to 62 percent. One explanation for this trend could be the growing tax burden.

At least 35 percent (+4 pp) of those in Switzerland who earn less than 3,000 francs still classify their situation as good or very good.

Economic Pessimism in Schaffhausen
In geographical terms, economic satisfaction is highest in Central Switzerland, peaking in the Canton of Lucerne. Here, 71 percent of people have a positive view of their current economic situation, and at least 11 percent believe that things will only get better for them next year. The fact that this assessment is generally less positive in the French and Italian speaking regions of Switzerland, particularly in the Jura, is not surprising considering the higher unemployment rate of 4.3 percent compared with the national average of 3.0 percent (August 2014).

But in Schaffhausen, too, where the structural problems of a small canton are becoming increasingly apparent, despite the unemployment rate being average, there is some pessimism about the economy. Only 46 percent rate their current economic situation as good or very good, and only 5 percent expect to see an improvement during the coming year. The national average is 18 percent. This is somewhat less than in the previous year (-4 pp), but still more than the long-term average. This compares with 7 percent (+1 pp) who fear a deterioration in their economic situation in the future.

Ninety-seven percent consider the general situation of the Swiss economy as quite good or very good compared with other countries. This equals the record set last year; with the slight restriction that the "very good" portion decreased by 7 percentage points to 28 percent.

Eighteen percent (+2 pp) of the respondents are of the opinion that the >

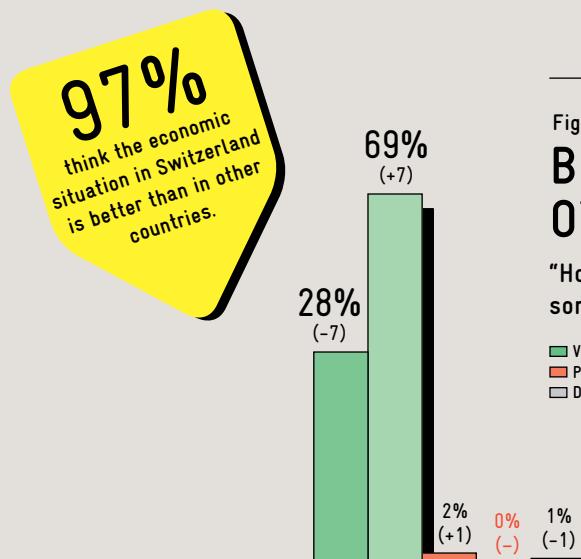


Fig. 2: COMPARISON WITH OTHER COUNTRIES

BETTER THAN OTHER COUNTRIES

"How is the Swiss economy doing in comparison with the economies of other countries?"

█ Very good █ Fairly good
█ Poor █ Very poor
█ Don't know / no answer

general economic situation has improved over the last 12 months, 63 percent (+7 pp), think it has remained the same. Only 17 percent (-8 pp) think they have seen a deterioration. This shows a certain feeling of economic balance. The last time this analysis had more positive results was in 2007, before the beginning of the financial and economic crisis.

Things Are Improving (Slightly)

Again, the outlook for the future has not been better since 2007; an indication of how much people were caught off-guard by the economic slump. At the moment, 20 percent (-1 pp) currently believe that economic development will be positive, 62 percent (+5 pp) think that it will stay the same. The proportion of people who fear that the overall economic situation will deteriorate remains unchanged at 15 percent.

Conclusion: The Swiss are surprisingly optimistic about the economy. This positive mood is reflected in the fact that only 7 percent of those surveyed consider economic development to be one of the country's five main problems (in 2012, 35 percent still considered the country to be in an economic crisis). However, 95 percent still consider economic growth an important political aim. This could mean that the Swiss believe in their economy but want to hold the government responsible for improving the economic conditions for businesses. (*schi*) □

Fig. 3: PERSONAL ECONOMIC CIRCUMSTANCES GOOD, GETTING BETTER

"How would you describe your personal economic circumstances at the moment and in the future?"

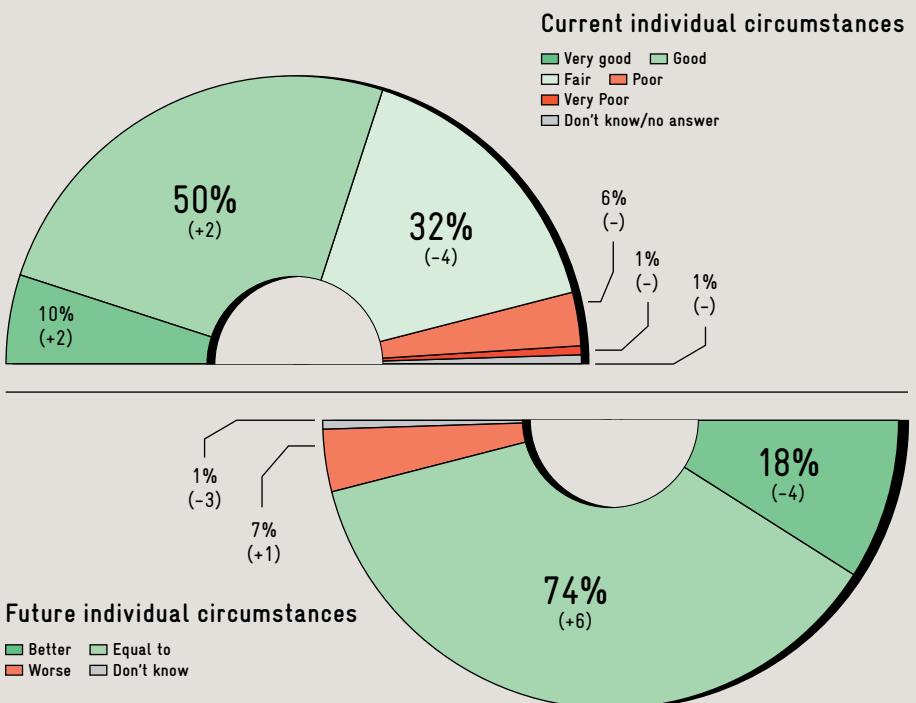
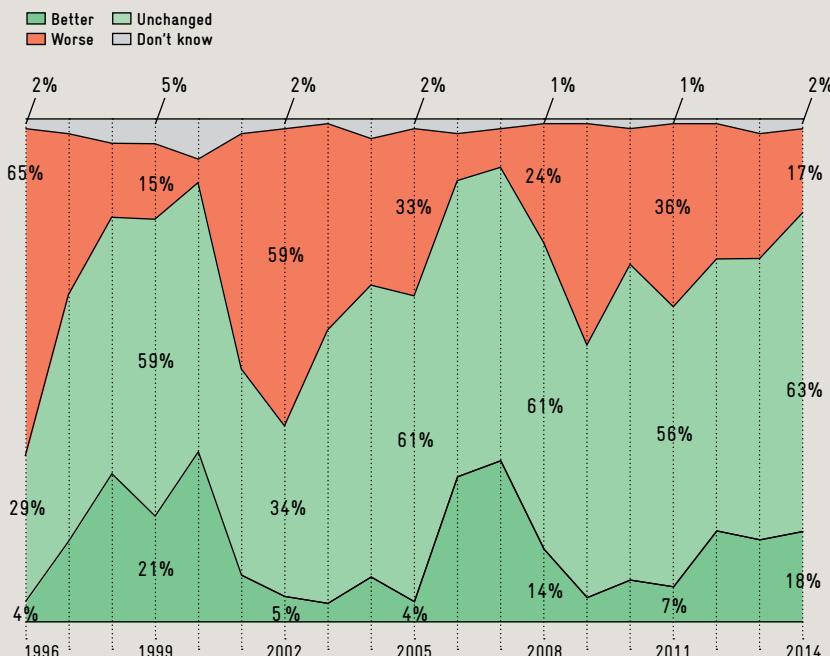


Fig. 4: GENERAL ECONOMIC SITUATION SWITZERLAND IS DOING WELL

"How do you think the general economic situation in Switzerland has developed over the past 12 months?"

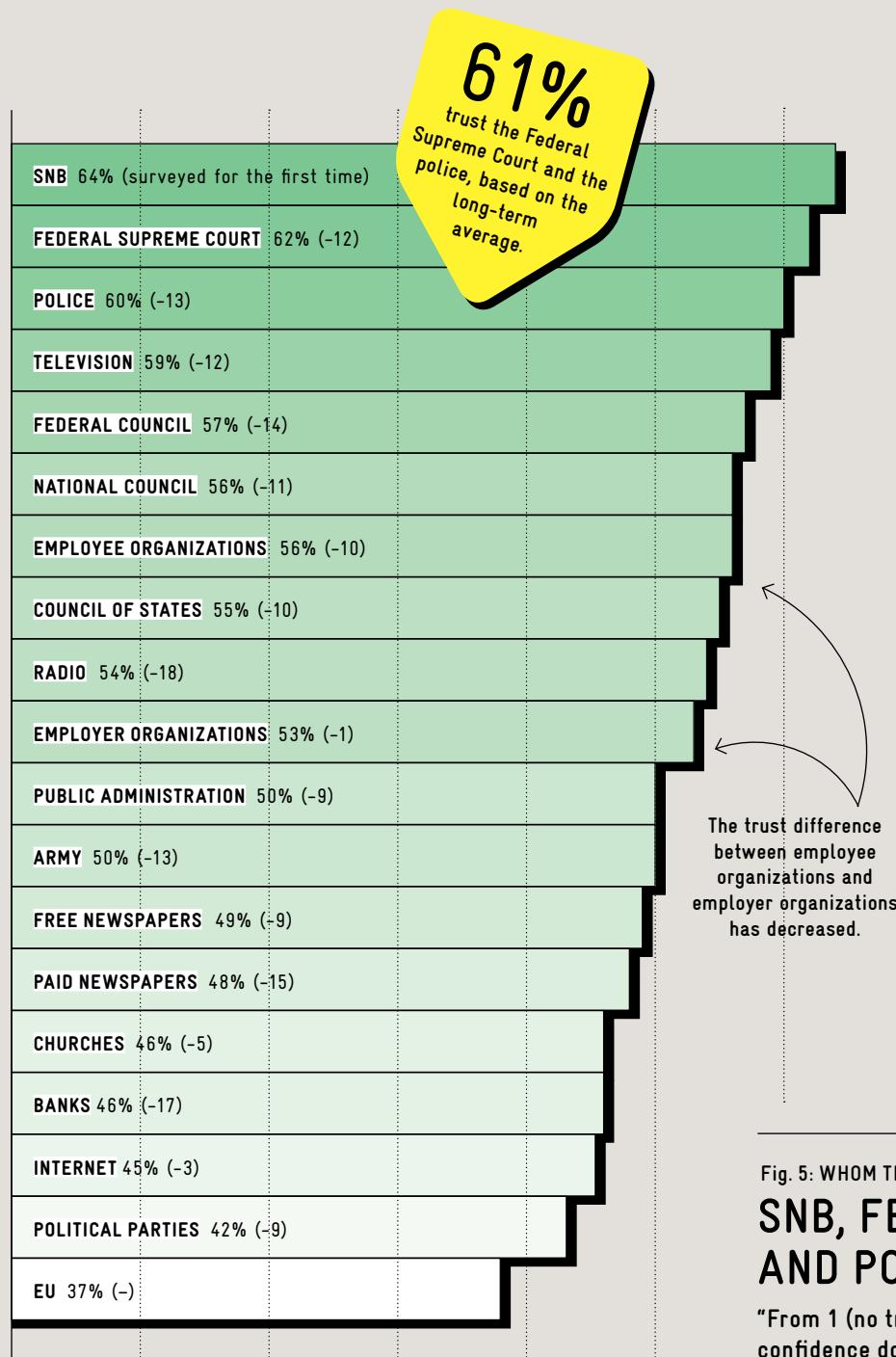


Change from last year in percentage points in parentheses

3 – TRUST

Which Institutions Do the Swiss Trust?

The trust ranking shows high marks for the major national decision-makers; the Swiss National Bank is the new front-runner. With the economic recovery, paid newspapers are rated as less credible.



Voters place the Swiss National Bank (SNB) at the top of the trust pyramid. Perhaps this is due to the role the SNB played in the financial and economic crisis, a role appreciated by those surveyed. The Federal Supreme Court and the police, the traditional trust bearers, follow closely. In surveys outside Switzerland, the army and the church are often among the top-ranked institutions. In Switzerland they also enjoy a stable level of trust, but clearly lag behind the political entities of the Federal Council, the National Council and the Council of States.

At first glance, a certain amount of disillusionment appears to have set in compared to last year. Trust in all institutions and decision-makers is generally declining and lies on average 9 percentage points lower than in 2013. However, 2013 was exceptional for the high levels of trust recorded. Currently, general trust is still 3 percentage points higher than in 2012 and a full 8 percentage points above the long-term average.

In the analysis of the percentage shifts from 2013, there is a surprise winner: The European Union (+0 pp) was the >

Fig. 5: WHOM THE SWISS TRUST

SNB, FEDERAL SUPREME COURT AND POLICE IN THE LEAD

"From 1 (no trust) to 7 (high level of trust), how much confidence do you, personally, have in these institutions?"

only institution that maintained last year's strong increase, even though it came in dead last in the trust ranking. Additional relative winners are employer organizations and the internet.

Free Newspapers Lead the Pack

Types of media have been differentiated since the 2008 survey, and a picture is slowly emerging. In prior years, radio and television have enjoyed the highest level of trust practically in equal measures. But now for the first time, television leads with a significant margin of 5 percentage points.

Newspapers follow at a considerable distance, with free newspapers ahead of paid newspapers. This may come as a surprise to some but it is not a chance result; it is a replication of 2009. The internet comes in at the tail end of the media category, as it almost always does. The lag, however, has decreased, perhaps because users are now more comfortable with the internet.

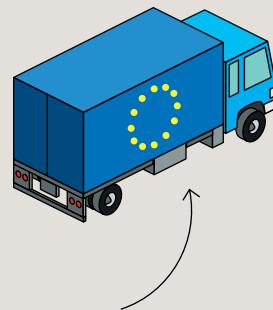
With regard to economic decision-makers, the banks suffered a loss and, after reaching their highest trust rating last year at 63 percent, came in at 46 percent

this year. Employee organizations (-10 pp) and employer organizations (-1 pp) have been steadily gaining trust since 2006. The current drop does not carry very much weight.

Reliable Economy

Gradual restoration of the lost trust in the economy is reflected in the response to the question regarding feelings about the failure of the economy or politics on crucial issues. The answers "rarely/never" reflect the trust of the population: Almost two-thirds of the population think that politics and the economy are essentially functioning reliably.

While this proportion marks a record for politics, the economy fared slightly better at the beginning of the millennium, before sliding into an actual crisis of confidence from 2002 to 2005, and now appears to have recovered. The responses to these trust-related questions confirm the positive assessment of the economic situation by the Swiss. (*schli*) □



At the tail end of the trust ranking: the EU.

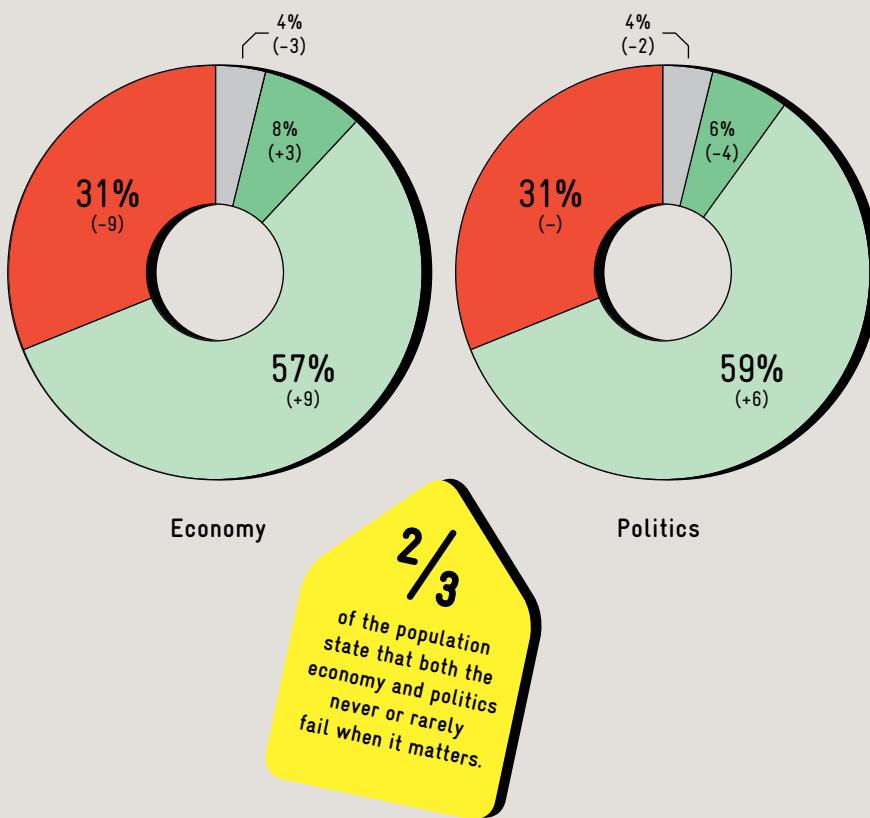


Fig. 6: FAILURE OF POLITICS AND THE ECONOMY HIGH MARKS

"Do you feel that the economy fails on crucial issues? Is this the case often, rarely or never?"

Never Rarely Often
Don't know/no answer

Debate

"WE CANNOT JEOPARDIZE THE BILATERAL AGREEMENTS." "I AGREE!"

Hans-Ulrich Bigler (FDP) and Stéphane Rossini (SP) discuss the key results of the Credit Suisse Worry Barometer. The director of the Swiss Trade Association and the President of the National Council rarely find themselves in agreement.

By René Buholzer and Simon Brunner



Pride in Switzerland has increased steadily in recent years. "We have a truly successful model," says Hans-Ulrich Bigler; this strengthens identification with the homeland (pictured: football fans in Norway as Switzerland qualifies for the 2014 World Cup).

Survey respondents are most concerned about:

1. Unemployment,
2. Immigration issues and
3. AHV/retirement provision.

What do you think are the most important issues in the country?

Hans-Ulrich Bigler: The Pensions 2020 reform will present us with a significant social and political challenge over the next few years. It seems to me that the key will be to align future benefits with the available financial means and not the other way around. That's why social security needs to urgently put the brakes on debt.

Stéphane Rossini: Improving the standard of living is the most important concern that people have, and it's the most important concern for me as well. Our prosperity is largely dependent on the quality of education; that is what provides access to the labor market. At the same time, the way companies conduct themselves when they streamline is important and, conversely, how many new jobs they

create. Another big question for me concerns unemployment, illness, disability and retirement: How can we ensure that people are able to sustain themselves in these situations?

Unemployment has been the biggest concern in Switzerland for years, and 51% of participants cite it as their biggest concern in the current survey. Why are the Swiss so concerned about unemployment when it's so low compared to other countries?

B: It's very hard when people lose their jobs. Their entire life concept is called into question. The threat of this scenario probably plays a major role in people's personal views.

The relationship with immigrants in Switzerland is perceived as more problematic in French-speaking Switzerland than in German-speaking Switzerland. Why is this?

R: Perhaps it is because of the higher unemployment rate in French-speaking Switzerland, which >

increases the feeling of competition with foreign workers. But you also have to remember that the French-speaking Swiss clearly voted "no" in the referendum on mass immigration in greater numbers than German-speaking Swiss did.

Switzerland has a long tradition of accepting refugees and asylum seekers. Do you think that tradition is jeopardized in view of current social and political developments, particularly the deportation initiative and the amendment of the Asylum Act?

B: From a governmental policy perspective, we would do well to carry on with Switzerland's humanitarian tradition. However, there are some fears among the population that we must take seriously. One difficult question is the distinction be-

tween true refugees and economic refugees. More consistent enforcement of asylum laws seems to me to be an important approach.

R: For me, the priorities are different. In our society, which is strongly influenced by individualism, living together has become a big challenge. In order to continue the Swiss humanitarian tradition, we need to better inform and enlighten. We need a culture of openness and solidarity. Only in this way can we prevent our society from becoming mired in self-interest.

While identification with the community has been declining for years, the sense of being a part of Switzerland is at the highest level ever. Is the sense of a local identity crumbling?

R: Globalization and the high level of mobility among the



"DEFENDING SWITZERLAND MEANS TAKING PART IN THE INTERNATIONAL DISCUSSION."

STÉPHANE ROSSINI

population offer one explanation for a certain shifting in the direction of a national identity. But it's important to see things in a nuanced manner, because there is another level of identity that has not lost its importance: the cantonal level. Federalism is and will continue to be a pillar of national solidarity for both the population and for the authorities.

The "pride in being Swiss" has continued to grow over the last ten years, especially among those on the political left. Isn't that a sign that a new identity-defining patriotism has developed?

R: In the past, the left was often viewed by conservatives as unpatriotic because they represented values such as openness and social justice. This was wrong. As you can see from the results of the Worry Barometer, this is a patent falsehood on the part of the right.

B: Let me offer you another explanation for the national pride: In light of the financial crisis, which affected all of Europe except for Switzerland, the view that we have a truly successful model has taken hold among the populace. Everyone benefits from this and it strengthens identification with the homeland. We can be proud of our country!

Seventy-nine percent of respondents – more than ever before – would like to see their government take a more aggressive stance toward



"How can we ensure that people are able to sustain themselves in these situations?" Stéphane Rossini considers this one of the biggest issues in Switzerland

other countries. What should we do?

R: Defending Switzerland means taking part in the international discussion and playing an active role in shaping the rules of the game. An isolated Switzerland cannot go on the offensive. We're wealthy, but small. As a result, we need others in all areas: education, research, the economy. Beyond simply defending our interests, we also have to play an open and responsible part in global affairs.

B: The Federal Council, in particular, must step up to the challenge. It should be more assertive in dealing with other countries when it comes to vigorously representing our interests.

Speaking of the Federal Council, when asked about the future relationship to the EU, 50% support the bilateral path. What does that mean for the government's interactions with Brussels?

B: The Swiss electorate opposed mass immigration, and now Switzerland must implement this new constitutional provision. At the same time, we cannot jeopardize the bilateral agreements with the EU.

R: On this point, I agree! The bilateral path is currently the only possible option; that's why the Federal Council is actively engaged in strengthening the bilateral process. However, we in Switzerland also have to recognize that the EU has its own basic rules and principles, which it legitimately defends –

specifically, free movement of people.

B: We should leave the Federal Council in peace as it conducts these difficult negotiations. The constant influx of new proposed solutions is definitely not constructive.

Only 15% of respondents think that the general economic situation will worsen in the coming 12 months. In 2011, the figure was 41%. Do you share the optimism of survey respondents that the economy will develop so positively?

R: Optimism has always been an excellent indicator. It is the engine of both individual and collective commitment. It influences innovation and creativity. It is an important stability factor. Political and economic stakeholders have a responsibility not to foment fear. They should not take positions or express opinions that question the social progress of the public sector.

B: A strong economy is not guaranteed. We must take account of economic and political conditions, as well as our locational advantages. Initiatives, such as the one to abolish lump-sum taxation, could lead to millions in lost taxes and call into question the solidarity between urban and rural voters. But the call by the left for an inheritance tax also threatens jobs in the SME sector significantly because it jeopardizes solutions for succession.

Finally, leaving aside the economic and the political,



"THE FEDERAL COUNCIL SHOULD BE MORE ASSERTIVE."

HANS-ULRICH BIGLER

what personal qualities should we Swiss value more?

B: My focus is on how we live together on a daily basis within our families and in the surrounding community. Mutual support and a willingness to help one another lead to a better quality of life, greater contentment and social balance without the need for unwanted government intrusion.

R: Respect, tolerance and solidarity are the key qualities and values for ensuring social cohesion and the prosperity of the country. These are the success factors for living together, for prosperity... and for our happiness!

HANS-ULRICH BIGLER (FDP), 56, is the director of the Swiss Trade Association and a member of the Board of Directors for the Association of Homeowners in the Canton of Zurich. Previously, he was the director of Viscom, the trade association of the Swiss printing industry, for 11 years. The liberal politician lives in Affoltern am Albis (Zurich) and has three children.

STÉPHANE ROSSINI (SP), 51, is the 2015 President of the National Council and thus will formally be Switzerland's highest citizen for one year. The resident of the Canton of Valais is a social scientist and works at the Universities of Geneva and Neuchâtel; he has two children.

4 – THE ESSENCE OF SWITZERLAND

What Makes Us Swiss

NEUTRALITY

tops the list.

It also leads the list
of all things
political that we take
pride in
(see next page).



Fig. 7: WHO WE ARE

THE RANKINGS LIST

"Please name three things that symbolize Switzerland for you personally."

- | | |
|--|---|
| 1. Neutrality – 20% (+7) | 9. Quality consciousness – 7% (-) |
| 2. Security/peace – 18% (-10) | 9. Patriotism – 7% (+3) |
| 2. Home/homeland – 18% (+5) | 9. Tradition – 7% (+1) |
| 4. Landscape – 14% (-1) | 9. Good education system/education level – 7% (-) |
| 5. Mountains/Alps – 11% (+5) | 15. Freedom/freedom of opinion – 6% (-3) |
| 6. Chocolate – 9% (+1) | 15. Independence – 6% (+1)* |
| 6. Cheese – 9% (+3) | 15. Order/cleanliness – 6% (-)* |
| 8. Democracy – 8% (+2) | 15. Precision – 6% (-2)* |
| 9. Social state/solidarity – 7% (-1) | |
| 9. Right to express an opinion – 7% (+4) | |

* Not included in graphic

Switzerland is more than the sum of its clichés. Traditional political quirks, but also a successful economy, have shaped an identity that the Swiss are more proud of than ever before.



A Switzerland without (direct) democracy is inconceivable for 7 percent of the population.

National pride in Switzerland has reached a record high. Ninety percent of those surveyed are very or at least somewhat proud to be Swiss. This is 4 percentage points higher than in the two previous years and 17 percentage points higher than ten years ago. In rural areas (96 percent) and in medium-sized towns (94 percent), national pride is particularly widespread; in the larger cities, residents are a bit more reserved (82 percent).

This increase can mainly be traced back to politically centrist voters (52 percent very proud, +20 pp). But this distinct pride in one's country also rose among the political left (33 percent, +3 pp), while on the right, numbers dropped, but were still at a very high level (54 percent, -7 pp).

In response to the open question of which three characteristics define the essence of Switzerland, there was a broad range of answers. Neutrality was mentioned the most at 20 percent (+7 pp), followed by last year's front-runner, security and peace (18 percent, -10 pp) as well as "Heimat"/homeland (18 percent, +5 pp), a term that residents of French-speaking Switzerland are unfamiliar with. Few languages have a word that fully reflects the meaning of the German word "Heimat." Also placing high on the list were landscape with 14 percent (-1 pp) and mountains with 11 percent (+5 pp).

Cows and Cowbells

Chocolate and cheese, two traditional quality products (both 9 percent) come in next, followed by democracy (8 percent) and no fewer than ten different characteristics coming in at 6 or 7 percent: social state/solidarity, direct democracy, quality consciousness, patriotism, tradition, good

education system/education level, freedom/freedom of opinion, independence, cleanliness and precision. Also mentioned are cows and cowbells (3 percent), William Tell and the Rütli oath (5 percent), the excellent public transportation system, SBB/Swiss Post and tourism (all 2 percent). Humanitarian aid and banks both came in at 4 percent, but had higher rankings in previous surveys. Switzerland as a financial center and bank client confidentiality ranked 8th at 8 percent.

Pride in Politics and the Economy

Switzerland's image gains more contours when you look at which political features that those surveyed are very or somewhat proud of. In this case, neutrality and independence both came in at 96 percent, four percentage points ahead of people's rights and five percentage points ahead of the coexistence of the language regions. Ninety percent of the voters are proud of their country's constitution, 86 percent of federalism. These are followed at a distance by social partnership, concordance and the militia system (see Fig. 8).

When it comes to business, the Swiss are particularly proud of their watchmaking industry (96 percent), its strong brand images abroad and its international reputation for quality (both 95 percent) as well as successful small and medium-sized businesses and the machine manufacturing industry (both 94 percent). Research posted a high score at 91 percent, closely followed by innovation and the pharmaceutical industry, both at 89 percent. Next on the list, at a good distance, were service and public companies, international companies in Switzerland, its reputation as a financial center, and bank client confidentiality.

Similar terms are available to choose from when it comes to the political and >

economic strength of the country. Education (38 percent, -8 pp), the right to express an opinion (35 percent, +2 pp) and neutrality (33 percent, -14 pp) came out on top of this list, followed by federalism (32 percent), coexistence of the cultures (31 percent), Switzerland's prevailing peace (28 percent) as well as social security, stability and the healthcare system (all 26 percent). Among the 23 characteristics to choose from, Swiss quality also ranked in the top ten at 24 percent.

The greatest difference in the language regions can be seen in the right to

express an opinion, which in the German-speaking region of Switzerland is valued considerably higher at 41 percent than in the French-speaking region at 22 percent. There were three areas where a mini rift between the language regions (Rösti-graben) emerged (7 pp): neutrality is seen by Swiss German speakers more as a strength, while the French speakers view the coexistence of the cultures and Swiss quality as strengths.

The Special Case of Neutrality

Compared to last year, federalism (+20 pp),

the pharmaceutical industry (+9 pp to 19 percent) and the coexistence of cultures (+8 pp) improved the most. Losers include Swiss quality (-7 pp), which was always at the top until 2011, education (-8 pp) as well as order and cleanliness (-10 pp).

The prevailing opinion on neutrality is enlightening. Though it is considered by 20 percent as an essential Swiss characteristic (1st place) and 96 percent of the population are proud of it, it is ranked as a strength by only one third of those surveyed – perhaps due to its falling acceptance abroad? (sch) □

Fig. 8: PRIDE IN THE SWISS POLITICAL STRUCTURE

NEUTRALITY AND INDEPENDENCE CAME OUT ON TOP

"Are there certain characteristics in Swiss politics that you are very or somewhat proud of?"

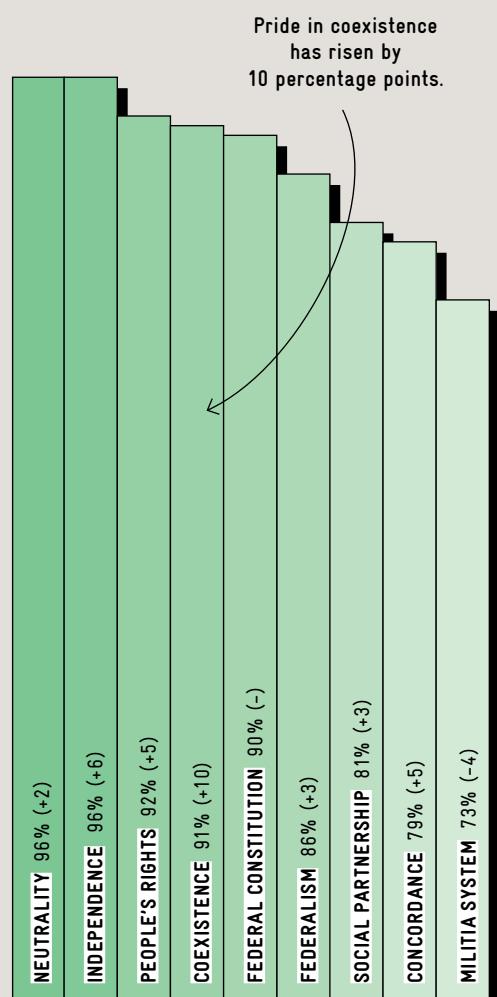
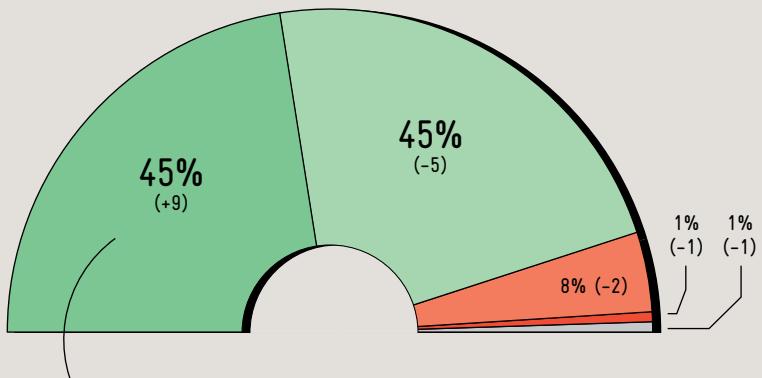


Fig. 9: NATIONAL PRIDE

NINETY PERCENT ARE PROUD OF THEIR COUNTRY

"Are you proud to be Swiss? Would you say you are ..."

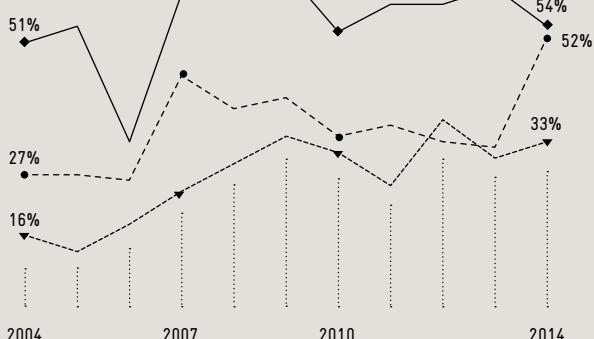
█ very proud █ somewhat proud
█ not very proud █ not proud at all
█ don't know/no answer



CHRONOLOGICAL TRENDS

"VERY PROUD OF SWITZERLAND" ACCORDING TO POLITICAL AFFILIATION

- ◆ Right
- Center
- ▼ Left



Comparison to last year in percentage points in parentheses

5 – THREATS TO SWISS IDENTITY

Them and Us

The EU, immigration and international receptiveness are bringing Swiss identity into question. Inside the country's borders, the sense of belonging to one's community is in decline – people identify themselves as Swiss.

The right to freedom of movement of persons is anchored in Switzerland's bilateral treaties with the EU, and is the reason why Switzerland is currently experiencing a modern mass migration. According to Eurostat, 1.6 million EU citizens moved to a different EU country in 2010. At the same time, 1.5 million people migrated to the EU from non-EU countries. In that year, 139,495 foreigners moved to Switzerland, for the net total of 68,967 when offset against return migration. This is almost as many as France, a country five times the size of Switzerland, took in, and more than Spain or Scandinavia. After two years of declining numbers, 2013 once again saw immigration rise to a net total of 70,023 people.

In light of the above, it's no wonder that foreigners are perceived as the country's second most important problem, following unemployment, and immigration is viewed as the greatest threat to Swiss identity. The rankings of these problems held steady from 2004 to 2013. This year, the immigration issue recorded 73 percent (+0 pp), taking second place behind the EU. Seventy-six percent (+12 pp) of Swiss voters believe that the EU poses a great risk or at least somewhat of a risk to Swiss identity. Along with immigration from the EU comes an unstable

economy as well as a weak euro-franc exchange rate.

The third largest threat at 70 percent (+11 pp) is international receptiveness. This refers not so much to openness through free trade, but rather the immigration of people and the settling of foreign companies in Switzerland – situations viewed with ambivalence by those surveyed. It is therefore fitting that the Avenir Suisse think tank launched a proposal in March that the active settling of foreign companies not be included when the mass immigration initiative is implemented.

Worries within Switzerland

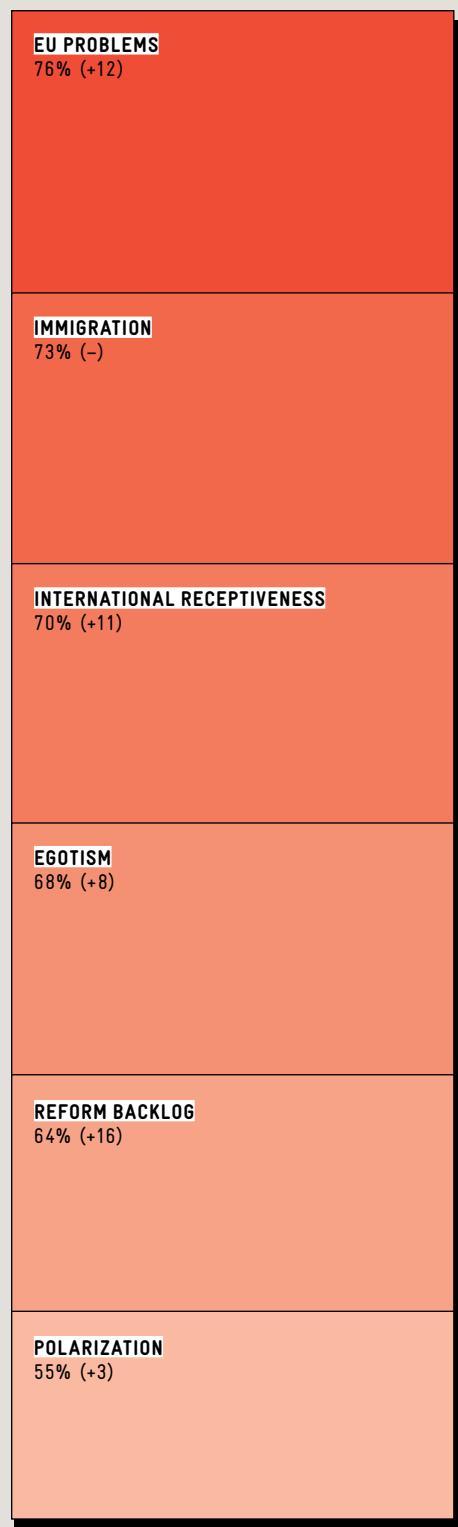
While 73 percent of the population on average considers these external threats as particularly dangerous to Swiss identity, the three home-grown worries within Switzerland – egotism, reform backlog and polarization – are viewed as problems by more than half the population (62 percent).

Sixty-eight percent (+8 pp) ranked egotism at the top, a trait that is irreconcilable with the Swiss character traits of solidarity and modesty, and one that has been on the rise since 2010 (44 percent). A similar, somewhat less steep curve can be seen in the issue of polarization between the parties, which has now risen to 55 percent (+3 pp). While fewer and fewer Swiss identified reform backlog as a concern from >

Fig. 10: THREAT TO SWISS IDENTITY

THREATS

"What do you consider to be a threat to the Swiss identity?"



2008 to 2013, it has now jumped to its highest level ever at 64 percent (+16 pp).

Based on language region, problems with the EU, immigration and reform backlog are considered major issues in French-speaking Switzerland, while in the German-speaking region of Switzerland – as in the rural areas – international receptiveness and egotism are emphasized more than in western Switzerland.

Disappearing Communities

For several years, Switzerland has been undergoing an identity change. Only 17 percent (-3 pp) of the population feel like they are a part of their local communities. If you add second priority responses, it comes to 29 percent (-6 pp), or less than one third.

These are alarming figures from the perspective of supporters of subsidiarity, who want to solve social problems through self-determination and personal responsibility at the lowest levels of soci-

ety, if possible. In 2011, this figure was still 53 percent.

In the current millennium, 547 Swiss communities (almost 19 percent) have already been eaten up by consolidation, including 143 in just the past two years. These consolidations are mainly occurring for economic reasons and because it is increasingly difficult to fill the mandates for the militia system. It is possible that this lack of sense of belonging to a community is being perceived as the egotism that is threatening Swiss identity.

The Nation Replaces Community

According to the subsidiarity principle, the next higher unit has to be strengthened. 41 percent felt a sense of belonging to one's canton (first and second priority) in the same period, a decrease of 11 percentage points; however a moderate increase in the first priority responses to a record number of 22 percent was posted. 35 percent (-1 pp)

feel they belong to their language region. Compared with 2011, the decline comes to 8 percentage points.

In other words, Switzerland as a nation has replaced the Swiss sense of community as the predominant identification factor. While 39 percent of the population felt a sense of belonging to Switzerland primarily or secondarily in 2011, it is now 66 percent (+18 pp compared to last year). During the course of this pragmatic centralization, there are incidentally – again compared to 2011 – deeper and more Europe-centric Swiss citizens (17 percent) as well as more world citizens (11 percent). Compared to last year, however, the figures have dipped slightly.

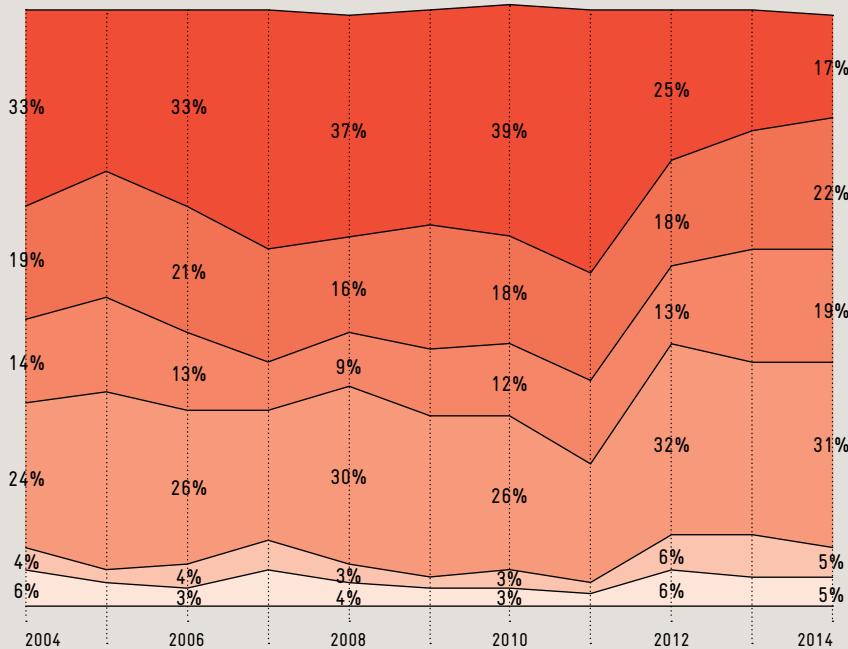
The political reality is lagging behind this changed mentality. This is presumably why a reform backlog is being felt. The general discussion concerning the traditional pillars of Swiss democracy, such as federalism, subsidiarity and the militia system, could return to the fore soon. (schi) □

Fig. 11: BELONGING

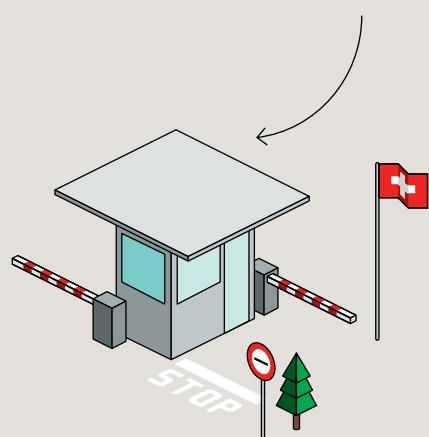
MY BLOCK

"To what geographical entity do you feel the greatest sense of belonging?"

■ The community where you live ■ The canton where you live
■ Language region ■ Switzerland ■ Europe ■ World



Relationships to other countries are a cause for concern.



Percentages may not total 100 in all years due to rounding

Special: The Future of Switzerland

A FEW PROBLEMS AND A LOT OF CONFIDENCE

When it comes to the future of their country, optimism among Swiss citizens has been on the rise since 2012. But is everything really going so well? Not entirely.



Fifty percent of those surveyed believe that living together with foreigners will improve (photo: Yodelers from the Gletscherecho Yodeler Club, Saas Fee, in traditional costume).

In 2007, when asked about the state of Switzerland in ten years' time, only 28 percent of those surveyed thought that the country would be somewhat or much better off than the present. With the onset of the financial and economic crisis, this small group of optimists shrank to 25 percent. Since then the mood has changed

for the better. Based on six key factors, a narrow majority of 51 percent now believes Switzerland will be better off overall in 2024 than today.

And as many as 73 percent believe that cohesion between the different language regions will improve. Also, 55 percent of the population believes that cooperation between the major parties

will work better tomorrow than today; the concordance system, which is often written off, appears to be surviving, at least based on this Worry Barometer.

THE WEALTH GAP

Nevertheless, questions about the future of Switzerland also reveal a new problem area. Although, in the meantime, three times more Swiss voters believe that progress will be made in the battle against poverty, 34 percent (+6 pp compared to 2013) is still a surprisingly low percentage. Instead of a rösti and polenta gap (how Swiss often refer to the dividing lines between the Swiss German and Swiss French and Italian-speaking regions), a wealth gap could develop that cuts across all regions of the country. All the more so as the new poverty is not receiving much attention at this time. Only 14 percent perceive this as still one of the most important problems in the country, while more than twice as many felt that way in 2005.

Somewhat surprising is the fact that almost half of all Swiss (40 percent, +11 pp) believe that poverty will ease due to the age structure (topic: an aging society). And 50 percent (+9 pp) assume that co-existence with foreigners will become easier. And as many as 52 percent

(+3 pp) are convinced that Switzerland can get environmental problems under control.

ARE PENSIONS SECURE?

All these results are associated with answers to the question of what will be the most important problems in ten years' time. Right behind the long-term major problem of unemployment (52 percent, +14 pp), researchers recorded an expected dramatic jump, due to demographics, to 47 percent (+10 pp) on the issue of pensions. Worries associated with foreigners came in third at 33 percent, holding steady at this position for many years. Easing somewhat are future worries concerning refugees, which dropped to 25 percent and worries about new poverty, which fell to 20 percent (with the already mentioned reservations). Energy problems have stagnated at 19 percent.

And what does the next generation think? Trends can be found in the 2014 Youth Barometer, presented in the last issue of Bulletin. (schi) □

The Credit Suisse Youth Barometer can be accessed at: www.credit-suisse.com/jugendbarometer

Special: Switzerland and Abroad

NEGOTIATE HARD, MAINTAIN BILATERAL TREATIES

Due to a consistent approach, the image of Switzerland abroad has improved in the last few months, according to the self-confident attitude of those surveyed. Negotiations with other countries should be handled aggressively.



How should things proceed with the EU? 50 percent would like to see bilateral treaties continue, 24 percent would like to revoke them. Twelve percent support the EEA while 4 percent favor entry into the EU (in the photo: High-wire artist David Dimitri balances on a tightrope between the Swiss Embassy and the Chancellery in Berlin on August 1, 2010).

Swiss citizens do not see much to rave about outside of Switzerland. For most, the economies abroad are not as strong as the Swiss economy. In addition, according to the opinion of more than three-quarters of those surveyed, the European Union with all its problems is putting Swiss identity to the test. Trust in the EU is clearly lower than in all domestic players. And just 10 percent of those surveyed primarily see themselves

as European or world citizens (an additional 18 percent refer to themselves as such secondarily).

UNSHAKABLY GOOD

How much has the reputation of Switzerland suffered abroad in the last twelve months? Not at all, or at least not much, say many Swiss. Actually, 39 percent (-2 pp) even believe that its reputation has improved in the last twelve months.

This healthy sense of self-confidence varies depending on language region. While the German-speaking Swiss majority (41 percent (+3 pp)) think they have seen an improved image in the last year, other parts of the country have experienced a certain tempering of their outlook, with the figures dropping for French-speaking Switzerland to 38 percent (-7 pp) and for Ticino, especially, to only 24 percent (-48 pp).

In any case, the positive image among the Swiss themselves is almost unshakably good. In the last five years, the perception of the Swiss image abroad as good or even very good has never gone below 81 percent. Currently it is 86 percent (-5 pp).

COURAGE TO RISE UP

At the same time, the population has determined that politicians are striving to be more aggressive in dealing with their counterparts abroad. In 2009, 16 percent initially held this view, in 2012 it rose to 30 percent, and now even 49 percent (+22 pp) of Swiss voters rate the response of their politicians on an international level as aggressive or very aggressive. This is in contrast to 47 percent (-16 pp) who see a defensive approach.

Does the population stand behind this forced political approach? No less than 79 percent (+8 pp) of those surveyed would like to see an even more pronounced aggressive tact with their foreign counterparts, thereby offering their backing to the country's political representatives. That is a survey record. This contrasts to a shrinking minority of 17 percent (-4 pp) who would like to see a more cautious

approach. When it comes to the courage to rise up politically, all Swiss regions are united: in the German-speaking region 81 percent are in favor (+5 pp), in the French-speaking region 73 percent (+14 pp) and in the Italian-speaking region 68 percent (+12 pp).

HAVING IT BOTH WAYS

Conclusions concerning the negotiations with the EU on the mass immigration initiative can be drawn only to a limited degree, however. Though 66 percent of Swiss voters want the approved people's initiative to be implemented as accurately as possible, at the same time, 74 percent are in favor of it being flexibly implemented. Instead of a definitive either/or attitude, the Swiss have more of a "both ways" attitude. Though somewhat varied, this opinion cuts across all parties. While 77 percent of Swiss voters who support the conservative-nationalist SVP party are in favor of flexible implementation, 72 percent support exact implementation; among Swiss voters supporting the FDP party, almost identical results were posted (76 percent vs. 72 percent). For supporters of the CVP party (78 percent vs. 65 percent) and, especially in the SP party (77 percent vs. 56 percent), a flexible approach has greater support (multiple responses possible).

Because the European Union is of existential significance for the Swiss, for the first time information on the future shape of Switzerland's relations with the EU was

requested. It appears to be good just the way it is. While for 50 percent of the population, continuing the bilateral treaties is a high priority, 24 percent would rather they be revoked. Only 12 percent favor the EEA and only four percent entry into the EU; 10 percent do not want to commit to either of these options.

If you add the second priority entries (the entire amount thus rises to 200 percent), you get a similar picture. In total, 66 percent now want to maintain the bilateral treaties; 31 percent would pull out. Viewed relatively, acceptance for EEA entry rose the most (41 percent), though only 14 percent voted for entry into the EU. When viewed according to language regions, 50 percent of the Swiss German speakers and 46 percent of the French speakers want to maintain the bilateral treaties; if you

add the entries of second priority, this percentage shifts in favor of the French speakers (69 percent vs. 63 percent). Perhaps surprising is that acceptance of entry into the EEA (36 percent as first priority and second priority) in western Switzerland is a good three times higher than acceptance for entry into the EU (11 percent). There is not as much support for EU entry here as in the German-speaking part of Switzerland (16 percent as first and second priority).

WHAT DO THE PARTIES WANT?

Approval for the bilateral treaties as first priority is particularly high in the CVP (58 percent), the FDP (57 percent) and the SP (53 percent), but also in the SVP (43 percent) and among independents (45 percent), they are broadly accepted. If you also look at the second priority, you will

find the SP (75 percent) relatively far ahead of the FDP (69 percent) and the CVP (68 percent). In the SVP, 64 percent are also in favor. The independents are somewhat behind at 55 percent.

Just how difficult it is to interpret these results can be seen by looking at the opponents of the bilateral treaties as first and second priority. SVP supporters are – as expected – at the top (33 percent/9 percent), directly followed by SP sympathizers (23 percent/10 percent), then the independents (23 percent/5 percent), followed by the liberals (20 percent/5 percent) and the CVP Swiss voters (16 percent/6 percent).

Ultimately, the results demonstrate nothing other than the fact that there is no clarity among the parties as to how to define the "right" relationship between Switzerland and the EU. (*schi*) □

Fig. 12: IMAGE OF SWITZERLAND ABROAD IT HAS A GOOD REPUTATION

"What is your opinion about the reputation/image of Switzerland abroad?"

█ Very good █ Somewhat good
█ Poor █ Very poor
█ Don't know/no answer

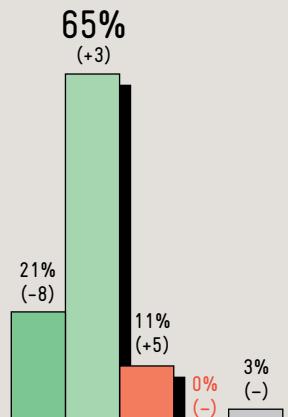
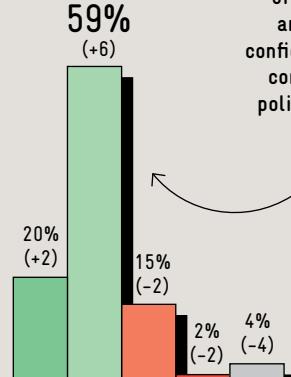


Fig. 13: CONDUCT OF FOREIGN POLICY STRONG PERFORMANCE

"How should Swiss politicians conduct themselves abroad?"

█ Much more aggressively █ Somewhat more aggressively
█ Somewhat more defensively █ Much more defensively
█ Don't know/no answer

Clear vote:
Almost 80 percent of Swiss voters are in favor of confident, aggressive conduct by their politicians abroad.



Good Prospects



The people surveyed for the Worry Barometer exude confidence: Nine out of ten say their situation is satisfactory to very good. And they are convinced that things will remain as they are or even improve.

QuickHoney is a studio for modern illustration. Nana Rausch and Peter Stemmler have been working for a variety of international clients for 14 years, including "The New York Times," "The New Yorker," "Stern," "Die Zeit" and "MTV."

QuickHoney was founded in New York and is now headquartered in Berlin.



LUXURY APARTMENTS

WITH HOTEL SERVICES IN LUGANO



APARTMENTS for SALE and for RENT

*for both long and short periods, with SPA, restaurant, indoor and outdoor pools.
Few minutes away from Lugano city centre, with breath-taking panoramic views.
Privacy and comfort in a unique and exclusive location.*

WWW.RESCORTCOLLINADOLORO.COM

RESORT COLLINA D'ORO
VIA RONCONE 22, 6927 AGRA, LUGANO | Tel. +41 91 641 11 11
INFO@RESCORTCOLLINADOLORO.COM



I choose
the strategy.
Then the experts
take over.

Portfolio Management – as unique as you are.

You choose the strategy. We manage your portfolio. You benefit from the skills of our investment specialists and our global financial expertise.

credit-suisse.com/invest