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Work – What Makes Us Humans Tick

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Contributors to this issue include:

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2 Francesco Muzzi

The Italian graphic designer created six pages with 15 graphics on the topic of work – from retirement provisions and expats returning home to the favorite dishes in Swiss cafeterias. *Page 30*

3 Martha Maznevski

The native Canadian has headed up the MBA program at IMD in Lausanne for the last five years. She specializes in different work cultures. Each year, Maznevski teaches students from more than 40 countries and advises global companies about how their teams can better work with one another. Her observations can be found on *page 38*.

4 Fritz Schaap

The reporter and author grew up in Berlin but lives in Beirut. He was arrested in Egypt shortly after the revolution and received the CNN Journalist Award for a report from Alexandria. For Bulletin, Schaap traveled through post-dictatorial Myanmar and visited young entrepreneurs there. *Page 52*

We Humans *Want* to Work, We *Have* to Work

Why? Just to earn our bread, to pay for a roof over our heads, to be able to afford something special once in a while?

I disagree. Work means more than that. Otfried Höffe, professor emeritus of philosophy at the University of Tübingen has the following to say in his essay on the meaning of work: "Man is not only the animal that is *obliged* to work. Man is the only life form who works because he *wants* to and because he *can*." (Page 4)

This issue of Bulletin examines different aspects of work. We travel to Myanmar (formerly Burma) where the over-

throw of the military dictatorship in 2011 has set free the power of the market economy, which is driving young entrepreneurs to channel their ideas and their passions into thriving businesses (page 52). Tharman Shanmugaratnam, deputy prime minister of the city-state of Singapore, tells the story of his country's success, which is built on an extraordinary work ethic (page 24).

There's still more to work than that. It is art (page 7), it is the short break (page 44) and it is sometimes the beginning of a great love (50).

Because work is so important to us, its loss is all the more tragic. The fear of losing one's job has topped the Credit Suisse Worry Barometer ([link: credit-suisse.com/worrybarometer](http://credit-suisse.com/worrybarometer)) for many years. In this issue, we visit a young university graduate from Italy who had to move back in with his parents because he was unable to find a job (40). And we highlight the importance of work-related migration. Never before have so many people left their home countries in search of work and a better life (18).

Does reading this issue of Bulletin mean work for you?
Or pleasure?

And do work and pleasure contradict one another?
Decide for yourself.

Your editorial team



Cover:
On the Monterrey Highway in Mexico, photographer Alejandro Cartagena portrayed 85 people on their way to work.
The photo is part of his portfolio entitled "Work in Art" (page 7).
"Car Poolers 5 and 6," 2011–12, photos, 50.8 x 31.2 cm.



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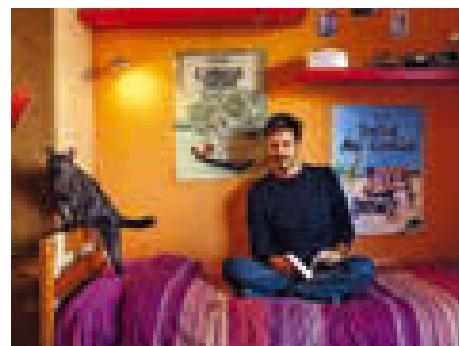
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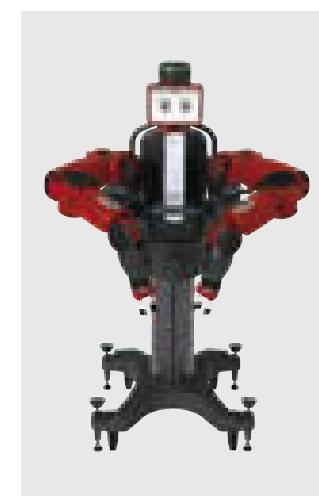
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Getting to **Work!**



By Otfried Höffe

*Its value is far greater than any wage paid
out at the end of the month.*

*It shapes people and promotes a sense of community.
Work makes life better.*

Work has played a major role in all cultures and throughout every age. In the words of Immanuel Kant, “man is the only animal who is obliged to work.” Nevertheless, among educators and psychologists – even philosophers – work is too seldom considered a fundamental principle or a fundamental category for human existence. However, Sigmund Freud recognized that work is of paramount importance. In his opinion, life has only two cornerstones: love and work, in that order.

Originally, the meaning of the word “work” had less humane connotations. Etymologically, the German word for work, “Arbeit,” originally referred to hard physical labor performed by orphans to earn their keep, because there was no one to care for them. Naturally, according to today’s understanding of work, there were far more people who devoted themselves to a trade or activity to make a living. Nevertheless, larger groups were an exception to this, like the Greeks, where the work of the free men differed considerably from the work performed by servants and slaves.

Freedom and Necessity

Even in the Bible, the concept of work initially had a negative connotation. In Genesis, work was a punishment for man’s fall from Grace and the reason that “in the sweat of thy face shalt thou eat bread” (Genesis 3:19). According to the concept of original sin, everyone must work. However, work also involves a certain democratization because in principle no one is spared from it. Nevertheless, work also has a positive side. It is part of humanity’s mandate to subdue the earth.

In early Christian monasticism, work even became sanctified to a certain degree. According to the Benedictine motto, “ora et labora” (pray and work), work is one of life’s two cornerstones, as

Freud later attested. Nowadays, we are rediscovering its value. Because at its best, work brings together our humanity and a sense of democracy: We are all in this together. It is our lot in life to work, but work also contributes to our sense of dignity in safeguarding our existence in this sometimes friendly and sometimes hostile environment. Only as we shape our lives through work do our talents and strengths truly unfold. In this spirit, we turn to Goethe’s novel “Wilhelm Meister’s Journeyman Years,” in which work is portrayed as neither a necessity nor effort, neither wage nor sin. Rather it is celebrated as achievement.

For many years, however, leading intellectuals argued that the realm of freedom stands in opposition to the realm of necessity. They considered work as part of the realm of necessity because it helps humans meet their needs and thus live in a simple manner. In contrast, in the realm of freedom, humans exist as spiritual beings who are unburdened of all need to work and have the leisure to lead a good life. At the beginning of the last century, a man was considered a gentleman if he did not have to pursue a career to earn his living.

This opinion was rightly rejected by Kant. And has long since disappeared in our current social reality. In fact, nowadays, we are essentially a career and working society. Work represents the basis of a revolutionary change in values. Let’s highlight three viewpoints on what work means for us today.

1 – Work Makes Us Equal

An early Christian theologian sharply and uncompromisingly expresses this first point regarding economic and social democratization mentioned above. Paul the Apostle, in his second epistle to the Thessalonians (3:10), explained that those who do not work should not eat. This first point

follows the principle of equality and justice. It contradicts the model of a life of leisure and a leisure class that thinks itself better, thus letting others work while they pursue their own leisure activities.

The principle of equality is consequential, because it requires that all contribute to their livelihood as much as they are able. That is why parents and schools help children to become future members of the professional working world. To reach the relevant basic elementary level, you need two things: the skills and the willingness to earn your own keep, also known as employability. The next step involves preparing for an occupation in line with your talents. However, the working world must offer the right opportunities, which are largely the responsibility of the economy and politics.

2 – Work Improves Prestige

A second point is the fact that work increases a person’s reputation enormously. Work is the basis for a strong rise in a person’s manual, intellectual and social skills. It has always been a systematic activity for which humans have invented tools and procedures while also introducing the division of labor. As we have evolved – from an agrarian and trades to a technology and industrial society, and then later to a service and knowledge-based society – work demands have risen considerably. This has strengthened its social and also political weight. Nowadays, a person’s prestige is closely tied to his or her profession and how the profession is viewed.

3 – Work Is Meaningful

This statement sums up the third point: A person’s work, including relevant education, training and professional development, offers opportunities for self-sufficiency, but also the chance to exceed >

one's potential through self-development, personal responsibility and self-realization. To be a bit sentimental here: If one finds the right job, work can bring out true potential for humanity. Joseph Conrad echoes this in "Heart of Darkness" (1899): "I like what is in the work – the chance to find yourself."

However, we should not make the mistake of portraying manual labor as a burden and intellectual work easy. Because, aside from the fact that both are necessary and require different affinities, experience says that some manual labor lends itself to success easily, while the work of scientists can often be painstaking, competitive and pressure-packed without any guarantee of success.

But why is man the only animal that is obliged to work? There is more than one correct answer. Let's start with the view that in most, but not all, types of work humans simultaneously transform nature around them and also evolve themselves. Furthermore, humans are able to free themselves from their dependence on nature, of course within limits. Lastly, humans are challenged by not only effort, risk, creativity, cooperation, but also competition and, not least, intercultural skills. Today's working world has also been permeated with numerous opportunities for freedom. There are more ways to enjoy freedom than simply through a life free of work or when not working. In challenging careers, a sense of freedom can be found in the work itself.

Meanwhile, the potential for self-respect and the respect of others has risen immeasurably. Those who work have long proven themselves as highly networked people, serving both others and themselves.

Ernst-Wilhelm Händler heavily criticizes the global business world in his novel "Wenn wir sterben" [When We Die]. Händler, an entrepreneur who stud-

ied philosophy, veers away from the dog-eat-dog mentality when describing how to run successful businesses within "a framework of desirable qualities." Instead, he emphasizes "handed-down values, willingness to learn, conflict and consensus capabilities, innovative thinking, cooperative management style." And he adds not only the "willingness to take risk," but also qualities like "integrity, sensitivity, patience and curiosity" to this vibrant mix.

Humans Work Because They Can

Let's summarize the concept of work by laying out six basic points.

First of all, in the business world humans tap into nature and cultivate it. Secondly, in doing so they try to earn their livelihood; and thirdly, they make a comfortable, secure and perhaps even a generous life for themselves.

However, work does not consist of only economic goals. As a fourth point, work contributes to personal and social identity, because it helps us develop professional as well as social skills, proficiencies and abilities. It therefore contradicts the old-fashioned view that those who work are poor.

Under point five, work is also a factor of social control and a counterweight to the expression "the devil finds work for idle hands." According to sociologist Ralf Dahrendorf, it is primarily those young men who have no work who sometimes become a dangerous element of modern society. They can be prone to aggression and violent fundamentalism.

Sixth, work contributes to the economic growth of a community and, at the same time, its local tax revenues. In the working world, self-interest luckily dovetails to a large degree with the community's well-being.

And because work is an inherent element of a person and his or her personal-

ity, we might expand upon Kant by noting that man is not only the animal that is obliged to work. Man is the only life form who works because he wants to and because he can. □



Otfried Höffe is professor emeritus of philosophy and heads the Research Center for Political Philosophy in the Philosophy Department at the University of Tübingen. He recently published: "Ethik. Eine Einführung" [An Introduction to Ethics] (C.H. Beck Verlag, München)

Art + Work

There is beauty in work. Contemporary painters, sculptors and photographers approach the working world in a variety of ways. The works on the following pages offer a multifaceted look into the things we do day in and day out.

Compiled by Maria Leutner



Duane Hanson: "Queenie II," 1988, polychromed bronze sculpture, with accessories, life size
(© The Estate of Duane Hanson/2014 ProLitteris, Zurich. Courtesy of Van de Weghe Fine Art, New York)



Neo Rauch: "Küchenwunder" [Kitchen marvel], 2005, oil on canvas, 200 x 140 cm

(© 2014, ProLitteris, Zurich. Courtesy of Galerie EIGEN + ART Leipzig/Berlin und David Zwirner, New York/London. Photo: Uwe Walter, Berlin)



Julian Rosefeldt: "The Shift," 2008, 16mm film transferred to HD, 4-channel, color, sound, 16:36 minute loop
(© 2014, ProLitteris, Zurich)





Jeff Wall: "Untangling," 1994,
positive transparency, light box, 189 x 223.5 cm
(Courtesy of the artist)



Francis Alÿs: "Turista" [Tourist], Mexico City, 1994, photographic documentation of an action
(Courtesy of David Zwirner, New York/London)



Peter Fischli and David Weiss: "Beliebte Gegensätze: Theorie und Praxis" [Popular opposites: theory and practice]; from: "Plötzlich diese Übersicht" [Suddenly this overview], 1981–2012, unfired clay (approx. 250 sculptures), smallest object 6 x 7 x 5 cm, largest object 5 x 53 x 82 cm
(© Peter Fischli David Weiss, Zurich 2014. Courtesy of Sprüth Magers Berlin London, Matthew Marks Gallery, New York, Galerie Eva Presenhuber, Zurich)



Hurvin Anderson (born 1965): "Jersey," 2008, oil on canvas, 250.3 x 208.3 cm, purchased using funds provided by the 2008 Outset/Frieze Art Fair Fund to benefit the Tate Collection 2009 (© Tate, London 2014)



David Shrigley: "Untitled," 2013, felt-tip pen on paper, 29.6 x 21 cm





Christine Hill: "Small Business Model," 2011, variable installation: platform, counter, shelves, interior
(© 2014, ProLitteris, Zurich. Courtesy of Galerie EIGEN + ART Leipzig/Berlin. Photo: Uwe Walter, Berlin)

Andreas Gursky:
“Karlsruhe Siemens,” 1991,
C-print, 175 x 205 x 5 cm
(© Andreas Gursky/2014
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of Sprüth Magers Berlin London)





The Great Migration

Never before have so many people lived outside their home countries. Today 232 million people are living in a foreign country; in 1990, that figure was only 150 million.

By Bettina Rutsch and Lukas Gehrig

Most cross-border migration involves relatively few countries: Roughly half of all migrants live in only 10 nations. The United States is home to the largest number of immigrants (over 45 million), followed by Russia (11 million), Germany (10 million), Saudi Arabia (9 million), and the United Arab Emirates and the UK (8 million each). Topping the list of source countries are India, Mexico and Russia, with approximately 11 million emigrants each.

There are a number of economic reasons why people choose to emigrate, which can be classified as push and pull factors. Push factors drive people to leave their countries, while pull factors attract them to another country. It is impossible to draw a precise distinction between them; indeed, both always play some role in an individual's decision to emigrate.

Pull Factors: What Attracts Immigrants
Factors that draw immigrants include ample job openings, a high employment rate and high wages, as well as political stability. Pull factors play an important role in migration from Mexico to the United States, for example, as well as from India and Pakistan to the US and to wealthy oil-producing countries like Saudi Arabia



232 million
people have left their home countries

3%
of the world's population are migrants

45 million
immigrants live in the US

11 million
immigrants live in Russia

40%
of immigrants in Switzerland are working in industries that are having a hard time finding qualified personnel

27%
of highly trained workers in Albania emigrate (the highest percentage in Europe)

and the United Arab Emirates, which have considerable demand for workers.

Migration within Europe, which has grown considerably in recent years, is also driven by pull factors. Today Poland and Romania are among the top three sources of immigrants to highly developed countries. Polish emigrants are drawn particularly to Germany, while Italy has become a popular destination for Romanians seeking work, at least in part because of language similarities. As a result of the economic crisis in southern Europe, emigration from countries like Spain, Portugal and Greece jumped by 45 percent between 2009 and 2011, with Germany and the UK the most important receiving countries.

Push Factors: What Drives Emigrants
Among the most important push factors are political circumstances such as war, persecution and a lack of civil liberties, but an absence of economic prospects also plays a role. These factors are particularly important in Africa, Latin America and South Asia, where large numbers of migrants have made their way from neighboring countries to large emerging countries such as South Africa, Brazil and India. Over three million people from >

Juliane Rönnau, 37,
an architect from Germany,
works in Sydney, Australia.



High-skilled work — When I graduated from university in Dresden in 2002, jobs for young architects were scarce in Germany. I managed to survive by taking a series of temporary jobs. I was constantly having to move, and I didn't enjoy the nomadic lifestyle. Then, in 2004, I heard from a university classmate who had moved to Australia that there were a lot of good jobs there. I had just finished my assignment in Regensburg, so I bought a ticket and applied for a "work and travel" visa. After a week I had found a place to stay, and after two weeks I had landed a job! I moved from that first job to a design company in 2005, and in 2006 I joined Brian Meyerson Architects (now MHN Design Union). They sponsored my visa, and that's where I'm still working. Eventually I applied for

permanent residency, and for the past two years I've held dual German and Australian citizenship.

Job security is much better here, although the situation in Germany has improved somewhat. In addition, I'm very happy with the work that I do. I'm often in charge of building a house from the ground up, from the initial contact with the client to the handover of the finished product. It's so interesting to be involved in the entire process, and the budget is often higher here than in Germany – you don't constantly have to try to save money on materials or extras. I'd probably earn less in Europe; on the other hand, the cost of living is considerably higher in Sydney. But the quality of life here is great. I have two small children, and I can work four

days a week and keep regular hours – that's fairly unusual in my industry. Colleagues in Germany have to do much more overtime work, and they often have a long commute to their jobs. I have never regretted my decision to move to Australia. Sydney is really a perfect place to live. Of course, there is a downside as well: Family means a lot to me, and so does my home country. The enormous distance is definitely a negative factor. I often find it difficult to be so far away from my parents, my friends, and everything that's going on in Germany. It's sad when grandparents and grandchildren see each other only once a year.

Transcript: Julica Jungehülsing

Bangladesh are currently living in India, for example.

Countries like India and Russia can be simultaneously affected by both pull and push migration. The effects of push and pull factors vary for different population groups, depending on their level of education. Highly skilled individuals are more mobile and often able to choose from a number of host countries. This leads to competition for talent at the global level. Countries with strong pull factors, like the United States, attract the largest numbers of highly educated workers – from India and Russia, for example. Most people from Bangladesh, on the other hand, have few skills and little choice but to try their luck in India.

Losing Knowledge and Experience

Over the past 10 years, the number of highly educated immigrants in the most developed OECD countries has increased by 70 percent. Looking at countries of origin, it is clear that those are the countries where highly qualified individuals are most likely to emigrate. This underscores the fact that well educated people are highly mobile. An important exception is Mexico; Mexicans who emigrate to the United States tend to have low skill levels.

Host countries welcome the immigration of skilled workers because it solves the problem of a skills shortage, stimulating economic growth and even stabilizing wage levels. The situation is reversed in the home countries of these skilled workers. This “brain drain” – a loss of knowledge, experience and educated workers – has negative consequences for those countries. Particularly hard-hit are small countries and island nations in Africa, Latin America and the Caribbean, which are losing their elite populations. A much larger number of highly skilled individuals from Guyana, Barbados and Haiti are currently living in OECD countries than at home. In Europe, the rate of emigration by highly skilled workers is highest in Albania (27 percent), followed by Romania (18 percent), Ireland (17 percent) and Poland (16 percent).

Attractive Emerging Countries

In contrast, less than 3.5 percent of highly skilled workers leave Brazil, China, India and Russia – large emerging countries – to move to an OECD country. While even in those countries emigration by skilled

Sekani Chisale, 31,
an auto mechanic from Malawi,
works as a gardener in Johannesburg, South Africa.



Manual labor — I'm 31 years old and was born in Nkhata Bay, in northern Malawi. I came to Johannesburg in December 2005 looking for a job as a driver. Malawi is a very poor country, and I'm the oldest of six children. I had to quit school after nine years because my parents could no longer afford to pay my school fees. Then I worked in the fields for three years, harvesting tobacco and corn and saving up to get my driver's license. After that I trained as an auto mechanic and moved to Johannesburg. There just wasn't any work in Malawi. I didn't find a job as a driver; if you want a job in South Africa, you need a lot of documents. Today I have a passport and a work permit, but I've been working as a gardener for a long time now. I found my first job as a gardener in 2006 through a newspaper ad. I was employed by a South African man for four years, until he eventually moved to the Netherlands. Now I'm working for six different people, every day somewhere else. Although I never would have expected to become a gardener, I enjoy my work. I spend a lot of time outdoors in the fresh air. The only drawback is the low wages. I earn approximately 4,000 rand per month [editor's note: about 350 Swiss francs], which is enough to live on and also allows me to

send a little money home. My wife is a domestic worker, and we live in a room of her employer's house. I don't have any insurance. Every year I can take about a month off. At first I lived with my aunt, who came to Johannesburg before me. When she moved away, I couldn't return to Malawi – a grown man without a family! But now I'm married. My wife is from Malawi, too, and we have two children. The older one is six and lives with my mother at home. I haven't seen him in two years – the trip costs a quarter of my monthly wages. But I plan to go again next year. We talk on the telephone every week. Our second son is only seven months old and lives with us. My long-term plan is to return home and open my own business. I'm going to buy spare parts for cars in South Africa and sell them in Malawi. I'll probably go to Lilongwe, the country's capital. It's almost 500 kilometers from my family in Nkhata Bay, but selling spare parts will probably be easier there.

Transcript: Judith Reker

Sara López, 52,
a baker from Mexico,
works in Brooklyn, New York.



Entrepreneurship — My father was a baker in the Mexican city of Puebla, but his earnings weren't enough to support my mother, my eight siblings and me. In 1977 he emigrated to New York. He went to New York on a tourist visa, which he had applied for using a friend's name and ID card. Not long after he left, one of my sisters died in childbirth. He didn't have the necessary papers to go back for her funeral. He was working as a dishwasher and on the night shift helping out at Italian bakeries. Later on my mother joined him. I was 15 years old at the time, and after she left I was in charge of taking care of my younger siblings. Ten years later, my parents' financial situation in the US was still so difficult that I wanted to help them. In 1987 I decided to emigrate, too. It was very sad to have to leave my siblings behind. They stayed with an aunt and with their grandmother. After a while we were able to borrow money from friends to open a little Mexican bakery in Brooklyn. Now my entire family lives in New York, and all of us have become American citizens. I'm married, but I don't have any children. Our neighborhood in Brooklyn used to be mostly Italian, but now it's mainly Mexican. Since the area has become fashionable, more and more white

Americans have been relocating here from Manhattan. I don't speak much English – 99 percent of my customers speak Spanish. Discrimination and racism have never been a problem for me; on the contrary. People like Mexicans, because we're considered hard workers. We open at five o'clock in the morning and close at eight in the evening. I'm in charge of managing the business, but you can often find me at the counter serving customers as well. Our family business employs 12 people. We also operate a Mexican diner, and one of my brothers runs a bakery in Manhattan. We're part of the middle class; we have a compact car and take a vacation twice a year – one in the US and one in Mexico. I visit family when I'm in Mexico. The crime situation in my country is terrible, but thank God nothing has ever happened to me. I would never move back. I owe everything that I am, and everything that I have, to the United States.

Transcript: Sandro Benini

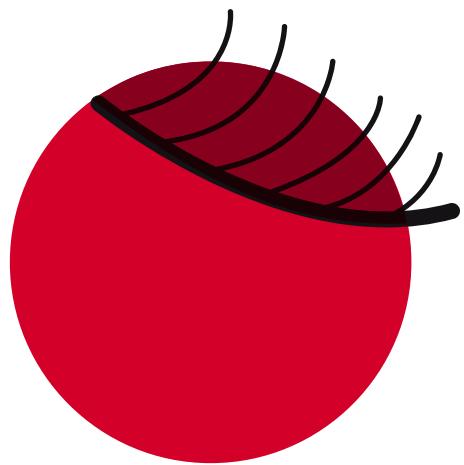
Switzerland Is Desperate for Talent

Immigration is an important element in Switzerland's success. In 2013, nearly 40 percent of immigrants were employed in industries that are struggling to find qualified personnel with the necessary post-secondary or university education – such as the machine building industry, the watch industry and the health care system. Switzerland's relatively favorable labor market situation is a crucial pull factor, attracting immigrants to fill the need for skilled workers. Whether it is more advantageous for Swiss society and the Swiss economy to have a quota system, as in the past, or to allow for the free movement of persons is a question that is addressed in more detail in "Monitor Switzerland: Migration," which was published on December 9, 2013.

Learn more: www.credit-suisse.com/publications (see: "Swiss Economy")

workers is increasing in absolute terms, that growth is more than offset by a rapid increase in the number of skilled workers at home. It remains to be seen whether, over time, these large emerging countries will be able to attract more immigrants from today's host countries in North America and Europe; this would intensify competition to attract mobile, well-trained workers. A first sign that this might be happening would be if more students from emerging countries who go abroad to study (for example in the US) were to return home after graduation. □

Bettina Rutsch and Lukas Gehrig work in Economic Research at Credit Suisse.



The Only Woman

Women could save Japan's economy –
if only they were allowed to work.

By Sonja Blaschke

After spending five years in the United States and Australia, Kay Deguchi found coming home to Japan to be a sobering experience. She had earned an MBA at Harvard Business School. She had proved herself at top companies like General Electric and Walt Disney, launching a successful career. Then, in 2007, came the tempting offer that brought her back to Japan. At the age of 42, she took over the marketing department of the Japanese subsidiary of Johnson & Johnson, the pharmaceutical and consumer products manufacturer.

The welcome she received from the other managers could not have been chillier. "All of them were men, average age 55," says Deguchi, "And they all hated me." Today she can laugh about it, but seven years ago she had to fight back. The younger employees were receptive to the new leadership style Deguchi introduced. She made suggestions for achieving a better work-life balance, and she took seriously the suggestions offered by her subordinates. But the older managers, the ones who had the final say, "preferred employees who followed orders without complaint and didn't challenge them." That's still the norm in Japan, she says. "The boss is God."

Deguchi didn't let it stop her. Since the start of the year, she has held the position of General Manager at the US biopharma company Abbvie. That makes her an exception. A mere four percent of companies have women on their boards of directors, according to the World Economic Forum's Global Gender Gap Report 2013. As for women in operations management, figures are not even available. Japan ranks 105th out of 136 for gender equality (Switzerland is 9th and Germany 14th).

More Women, More Profit

And yet studies regularly show that companies that employ more women are more successful, and the overall economy benefits from women's participation. Experts agree: The world's third-largest economy is in danger of declining if it fails to take advantage of the potential of its women – over half of whom have a university degree.

"Women could actually save Japan," said Christine Lagarde, the first woman to head the International Monetary Fund (IMF), at a press conference in Tokyo in the fall of 2012. Five out of ten Japanese women (but only two in ten Japanese men) were not participating in the labor force,

she pointed out. What's more, if the employment rate of women were as high as that of men, Japan could increase its gross national product by 15 percent. That alone would more than compensate for the country's economic stagnation.

According to Professor Yoko Ishikura, an expert on strategy and competitiveness and a former manager at McKinsey, more and more companies are talking about diversity in the workplace. But when it comes to taking concrete action, little is happening. Childcare options and positions for skilled middle-aged workers are lacking, but most importantly the culture has not learned to accept the idea of married women and mothers working.

An "Iron Ceiling"

In April 2013, Japanese Prime Minister Shinzo Abe identified elevating the role of women as a priority for his economic policy, known as "Abenomics," aimed at making Japan more competitive after years of economic stagnation. In a speech at the United Nations, the conservative politician added that he wanted to create "a society in which women shine"; the goal is for 30 percent of leadership positions to be held by women by 2020. But Abe's Liberal Democratic Party (LDP) hasn't been able to decide whether that target should be legally binding.

This makes it difficult for the party's ambitious women, like Yuriko Koike. In 2008, she was the first woman who dared to run for the leadership of her party and the government; however, she fell far short of winning. Koike, a former minister of both defense and the environment, responded to her loss with a reference to Hillary Clinton, who had lost her party's presidential nomination to Barack Obama: "Hillary talked about a 'glass ceiling,' but in Japan the ceiling is made of iron rather than glass." But what Koike was unable to achieve in politics, she accomplished later on in private industry: In April 2013, Renault appointed her as an outside director – because of her expertise in environmental technology, but no doubt also because the French carmaker collaborates with Nissan in Japan. Nissan's CEO, Carlos Ghosn, is known to be a proponent of diversity.

At the majority of companies, though, reality looks very different. Women who become pregnant are often urged by their superiors to quit. Seventy percent of women leave the workforce when they get married, or at least by the time they give birth to their

first child. They are usually well over 40 by the time they return to work, if at all. That's too late to have a career.

A Mother Takes Care of Her Home

A major factor is the traditional view of women as mothers who devote themselves to their homes. For one-third of young Japanese women, this is how they envision their future. "How the Japanese are brought up, especially by their mothers, has a very strong influence," says Professor Yoko Ishikura. She notes that it is difficult to determine the extent to which women themselves are responsible for the fact that such a small percentage of employees at Japanese companies are women, perhaps because of a lack of self-confidence or ambition, and the extent to which the problem is due to institutional obstacles. At any rate, Senior Executive Vice President Kay Deguchi advises young women to decide what they want as soon as possible, rather than regarding themselves as victims. Instead of expecting things to just fall into their laps, they need to take action.

Changes are under way, particularly among the generation under the age of 40. As Deguchi observes, for example, more women, including mothers, are holding leadership positions today than only a few years ago, and this is particularly true for joint ventures with foreign enterprises and for startups and IT companies. Not least among the factors pushing for change is the country's demographic time bomb, which is ticking ever more loudly. Anxiety about a crumbling social system is palpable. At the end of March 2013, the population of Japan was 128 million. That number is expected to drop to only 107 million by 2040, and in some areas half of the population will be over 65 years old. To maintain the current level of social services, every Japanese woman would have to give birth to more than two children, on average. In reality, however, that figure has remained between 1.3 and 1.4 for years. Most important, women must not drop out of the workforce.

Nevertheless, Deguchi, who returned home from the United States seven years ago, is confident. Increasingly, managers like the ones she had to fight against after returning from abroad are retiring. "Within the next five years," she says, "we'll reach a critical mass of women in good jobs." □

Sonja Blaschke is a freelance journalist in East Asia and a television producer for German-language media. She has lived in Japan since 2005.

“We told ourselves: We want a better life”

Fifty years ago Singapore was just a commercial port in the middle of malaria-infested swampland. Today its per capita income exceeds that of Switzerland, making it the model of success for Asia. Finance Minister Tharman Shanmugaratnam shares his thoughts on work, foreigners and low taxes.

Interview: Daniel Ammann and Simon Brunner, photograph: Gan

Minister Tharman, how has Singapore achieved its incredible economic miracle?
I would say Singapore's story can be explained by three factors: culture, particularly the work ethic of the Singaporeans, our response to adverse external conditions and our government, especially policies in education and housing. The government is activist, not hands-off. But our whole approach is to enable people, and support a culture of aspiration, work and personal responsibility, rather than have government taking over responsibility. That's how we enable as many people as possible to both contribute and share in our country's prosperity. That's the best way to create an inclusive society.

Let's start with culture: Does such a young country have a culture of its own?
Singapore is an accident of history, unlike most nations formed by the will of their people to come together. It was a multi-

cultural and multireligious society that unexpectedly, in 1965, became an independent country. We were united not by a common language, as nation-states often are, but by the search to make the most of what we started with. What emerged was a social culture based on work. We told ourselves: we want a better life: Singaporeans are always making an effort and looking for new opportunities. This is in our DNA – not a biological DNA but a “social” DNA, mind you, that can vanish as quickly as it has appeared. It is something that requires constant effort to recreate and preserve.

The second factor you mentioned is “adverse conditions” – which seems counterintuitive. We are a small country completely lacking in natural resources, with little of a domestic market to speak of, and surrounded by much larger neighbors. Malaysia, Indonesia and Thailand are very

near, with China, India, Japan and South Korea not much further away. The list of our disadvantages is a long one...

...How can that be beneficial?
It's better not to have too many choices in life. From the very beginning, we have had to consider how we might be relevant to the world. We knew that we could only succeed through enormous effort. That brought our people together. And to escape the poverty and unemployment we started with, we had to be attractive to the world – to business, and also to enterprising people from all over the world.

Your government has put in place activist policies aimed at promoting business, which is not the usual approach in Western countries. Our economic goal, first and foremost, is to create good jobs for our people by enabling business to take advantage of opportunities around the world. >



Tharman Shanmugaratnam, 57,
one of the leading economic
policymakers in Asia.

We are constantly asking ourselves what the markets need, and how we can develop the capabilities to meet them. We want local as well as international companies to find it worthwhile to establish a presence and invest in Singapore.

What are the main factors that make a country “relevant,” as you put it?

I always point first to the skills and expertise of the country’s people – their ability to do excellent work, whichever the job. To remain competitive we must be constantly upgrading those skills. The second priority must be security, the rule of law and stability. This means political stability, but also predictability. Investors need certainty; they need to know what to expect ten and twenty years from now. As a result of the financial crisis, some countries saw a decline in predictability. We must keep predictability intact.

How?

We cannot retroactively change laws or rules. And we must try to anticipate changes in the international environment and move early. Governments shouldn’t wait until they are forced, kicking and

It seems to me that work is an important part of the Swiss identity and this is also the case in Singapore.

shoving, to take action to meet international norms. Instead, they should evolve, make changes when times are good, with the self-confidence that comes from having a long-term strategy.

How important have low taxes been for your success?

Let me first highlight a central fact. We are able to keep our taxes at a relatively low level only because we keep government spending relatively low as well. We put great importance on this discipline. In particular, we avoid untargeted subsidies, by focusing on helping those most in need. We want to make sure that lower-income people have access to quality education, housing and healthcare. A par-

ticularly important factor is that we have no unfunded or unsecured commitments; everything is financed within our current budget or backed by our assets.

No national debt?

No borrowing in the conventional sense, because Government is not allowed to borrow for purpose of spending. According to our constitution, the government is not allowed to run deficits in any single legislative period. The Government borrows only to create a healthy bond market, and the monies raised are invested abroad by our sovereign wealth fund.

Coming back to your low tax burden: Low taxes attract companies and investors from all over the world to Singapore.

Different countries have different levels of taxation, that’s one strength of the international system. After all, countries are in competition with one another in many regards – skills and capabilities, costs, taxes, fiscal strategies, and the whole environment for businesses. Competition is at the heart of a healthy global economy, and countries do well by finding strengths that they can sustain. All of us – the government, companies, people – have to work together to maintain a nation’s competitive strengths.

Singapore’s economic success is attracting job seekers from all over the world. The foreign population has doubled over the past 30 years. How are you handling the pressures that come with an increase in immigration?

We have to stay open, but not blindly so. We are not like just any global city. Just look around: we are an island, a small nation consisting of a single city. Foreigners make up well over 40 percent of the workforce of Manhattan or London, but those cities can deal with higher levels of immigration because they are part of larger countries. We don’t have the countryside to move to if the city becomes too crowded, or if the price of housing goes up beyond what people can afford. That’s why we have conscious immigration strategies: to ensure not only that we stay competitive, but that Singaporeans still feel at home, that we have a sense that this is our country, with our social customs and values at its core.

This problem is one that you share with other small countries, such as Luxembourg and



Housing was in a very bad state.
Singapore in 1940, 25 years before its independence.



Singapore is an accident of history.
The skyline today.

Switzerland. How, specifically, do you plan to solve it?

We make a clear distinction between immigrants who are here permanently and people who work here for a while and then leave. We also seek actively to integrate long-term immigrants into our society, focusing in particular on education.

A small country like Singapore needs immigrants to fill jobs.

Unquestionably. For one thing, there are many industries where businesses are able to stay competitive and create good jobs for Singaporeans because they are also able to have foreigners with the right skills on the team. For another, there are many tasks that Singaporeans are no longer willing to do – heavy outdoor work in construction, for example, or in the marine industry, and even certain service sector jobs. But we don’t want the share of foreigners in the workforce to become too large; we want to keep it at roughly one third if possible.

How, specifically, do you manage immigration? Do you use a quota system?
Employers are required to pay a tax on

their foreign lower-wage workers. And, as you mention, we have certain quotas, to limit the ratio of lower-wage foreigners to locals. This creates incentives for employers to reduce demand for foreign workers while also encouraging the automation of low-skilled jobs. It ultimately encourages higher productivity.

Are Singapore's doors open to skilled workers and talented people from all over the world?

Yes. It is vital for us to let in people in these top categories; Singapore needs specialized skills and expertise from abroad. They are beneficial to our companies and our economy. But it is not an “all or nothing” strategy. We have to remain selective about the people we allow to come in.

On what criteria do you base your decisions?

It depends on qualifications and salaries. There are no quotas or taxes associated with high-skill jobs, but there are salary requirements. The lowest tier requirement is a monthly salary of about 2,400 Swiss francs for young graduates, and there are higher salary benchmarks for older professionals. The government cannot tell exactly what expertise or experience each individual has, but there is a market test: the salary that he or she commands. It's not perfect, but we have to assume that employers pay a salary that reflects the value he or she brings. These salary requirements are adjusted as local salaries rise, preventing employers from undercutting wages by hiring foreigners.

It's striking how often you mention policy-makers' social responsibilities.

When people look at Singapore from the outside, it is often thought of as an economic success story. But at its core, our success is based on social policies and principles. To put it in a nutshell: Our education system and our public housing program are the foundations on which our nation is built.

Most successful countries have recognized the crucial role of education.

Education is a force for transformation, but putting it to work in a way that individuals and society truly benefit is not easy. It's not simply about producing as many people with academic skills as possible.

How would you describe the structure of the Singapore model?

We have a public education system, with meritocratic selection into secondary schools and tertiary institutions. But it is also a system with diverse courses of study, and in particular a strong emphasis on technical and application-oriented courses of study at the tertiary level. We want to offer everyone a chance to discover what they are good at, and learn skills that are worth something in the job market.

Your public housing program is reminiscent of socialist experiments.

That's true, but in our own, unique way. Our housing policies are perhaps our most intrusive social intervention. To understand this, you need to be familiar with our history. It was important to create a sense of unity among people of different races and cultures. We could not leave social cohesion in a multicultural society to be decided by the market, or the natural workings of society. It needed conscious government strategy. Housing provided the opportunity, especially because housing conditions soon after Singapore became independent were poor. The government decided to provide everyone with access to good living conditions, but to require at the same time that people of different races and cultures live together in the same neighborhoods. It helped create a common identity, and a common pride in having a home.

How did you put those ideas into practice?

Members of an ethnic community often cluster in the same neighbourhood in many cities and countries. That's true all over the world. But we determined that every public apartment block and every residential neighbourhood should include a mix of ethnicities. No one group should be clustered in a particular block or neighbourhood. It was a major intervention, an intrusion into individual and family decisions. But we know how laissez-faire policies have worked, for example in several European countries, where immigrants and minorities live in segregated ways even after decades. In some of these countries, even the children and grandchildren of immigrants are clustered together in the same schools, are not fluent in the local language even after completing school, and face great disadvantage in the job market. We cannot leave our social compact to the market.



Smaller than the Canton of Jura, Singapore is a Southeast Asian city-state on a small island, densely populated with 5.4 million people. Its citizens are very diverse: 0.5 million are permanent residents, and 1.6 million are foreigners without a permanent dwelling. 76 percent of Singaporeans have a Chinese background, 15 percent are from Malaysia, more than 7 percent from India and the rest from other parts of the world. The island was a British colony between 1867 and 1962 (with some interruptions). Present-day Singapore gained its independence on August 9, 1965.

You provide government support for home ownership – even for lower income groups. Why?

People who own their own homes tend to be proud of the fact, and a society of homeowners tends to keep alive a culture of aspiration and work. Once you own a home you don't want to lose it – and that means working and earning an income. Studies have also shown intangible benefits. In the UK, for example, some studies found that children in homeownership families took school more seriously and did better, after adjusting for socio-economic status. In Singapore, the rate of home ownership among members of the lowest quintile of the income distribution is 85 percent. And we have achieved this without risky or “sub-prime” mortgages. They purchase their homes with a direct Government subsidy.

Has Switzerland been a role model for Singapore?

In many ways yes, and it still is. I admire many things in its education system, with its strong emphasis on applied learning. Switzerland's apprenticeship system, combining work and practical >



"How can we become relevant to the world?"
Shanmugaratnam and the Obamas at the G-20 summit in Pittsburgh, 2009.

training, is a useful model to learn from. In addition, the Swiss people show great respect for regular, blue-collar workers and tradespeople, and they are properly compensated. It appears that work is important to the Swiss as a source of identity and a sense of contribution, just as it is to the Singaporeans.

Singapore and Switzerland are also rivals, particularly in the area of private banking. We still lag far behind, since the largest pool of wealth is still in the West. But you're right, we're catching up. Our growth rates are high, because growth in both wealth and investments is stronger in Asia than anywhere else in the world. As a result, demand for financial intermediaries to handle the full range of financial services is growing. We're ready to meet that demand.

What role remains for Switzerland? Switzerland has fundamental competitive advantages such as economic and social stability, a culture of reliability and a high level of technical skills. Swiss banks also have a strong reputation going back for a long time, well into the 18th century. It is unlikely to disappear anytime soon, even with modified banking secrecy rules.

Singapore's gross domestic product, much like Switzerland's, is generated largely by the financial sector. Is that an advantage or a disadvantage?

A properly regulated financial system benefits the overall economy and helps to create jobs. It is also a source of business growth in its own right. Finance provides good jobs and careers for Singaporeans.

Singapore is regarded as an exceptionally free market, yet its government is very in-

terventionist in its policies. From a Swiss, democratic, perspective, this seems to be a contradiction.

It is more of a duality than contradiction. Even the European social-democratic tradition was from the start a recognition of the need to let markets work to grow an economy, while intervening through social policies to provide a sense of fairness in society. William Beveridge in Great Britain, Ludwig Erhard and the "social market economy" he introduced in Germany – they supported a free market, but they also favored social safety nets and interventions to share risk and protect the vulnerable.

Critics allege that Singapore is politically only "partly free". How do you respond?

The ballot box works. Singaporeans are thinking and discerning people. They judge their politicians. If a politician is not working to serve his constituents, or a government is not working hard to serve the people, they pay the price in the general elections. But I suspect too that democracies around the world are not converging on a single model. Every system can do well with some introspection, including the most mature democracies. Do our political systems enable decisions to be made in the collective and long-term interests of our societies, or do they allow governments and legislatures to keep "kicking the can down the road"? Do they preserve a strong center, or accentuate polarization in society and politics? Are governments being elected on a high voter turnout, and is money politics driving election outcomes? These are questions that are now acutely relevant in all democracies, including the most mature ones. Trust in government has declined everywhere, as the surveys show. Singapore still sees relatively higher levels of trust in government than most other democracies, although we take no comfort in this. We must all seek better politics, and we all need a dose of humility, too.

What are the core values on which the Singapore model is based?

At its core are two things: personal responsibility for helping oneself, and the collective willingness to help those with less. These two values may appear different from each other, but it is when they come together that we get a society that is both

vibrant and fair. It may seem a paradox, but the paradox of active government support for self-reliance is at the core of our approach. It reflects our values. If you work, we'll reward you with more. If you want to study hard or pick up a new skill, we'll support you. If you want to buy a home and save to pay down the loan, we will give you a grant to reduce the costs. You get something more from the government when you take personal responsibility. This is our way of preventing the erosion of the work ethic and responsibility that we have seen in many affluent societies.

Why do you think this is happening?

Politicians promised their people social benefits that were simply unsustainable. With each electoral campaign they added new promises, leaving the bill for subsequent generations. It has unfortunately had not just financial consequences, which are now obvious, but has also changed social values and norms. The culture of entitlement is now widespread, and will take time to reverse. It's tragic, particularly for the next generation. That's why Europe is in search of new social models. There's no avoiding that. □

Tharman Shanmugaratnam

Singapore's 57-year-old finance minister is one of the leading economic policymakers in Asia as well as deputy prime minister and chairman of the Monetary Authority of Singapore. In addition, Shanmugaratnam is the first Asian to head the International Monetary Fund's policy steering committee, known as the International Monetary and Financial Committee.

A Singaporean with Tamil roots, he was educated at the Anglo-Chinese School in Singapore, the London School of Economics, Cambridge and Harvard. He is married to a Chinese-Japanese attorney, with whom he has three sons and a daughter. As he revealed to Bulletin, Shanmugaratnam's aspirations revolved solely around sports when he was young. He was active in field hockey, football, track and field, and cricket.

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* The greenhouse gas CO₂ is main responsible for the global warming; the average CO₂ emission of all offered vehicles in Switzerland is of 153 g/km.

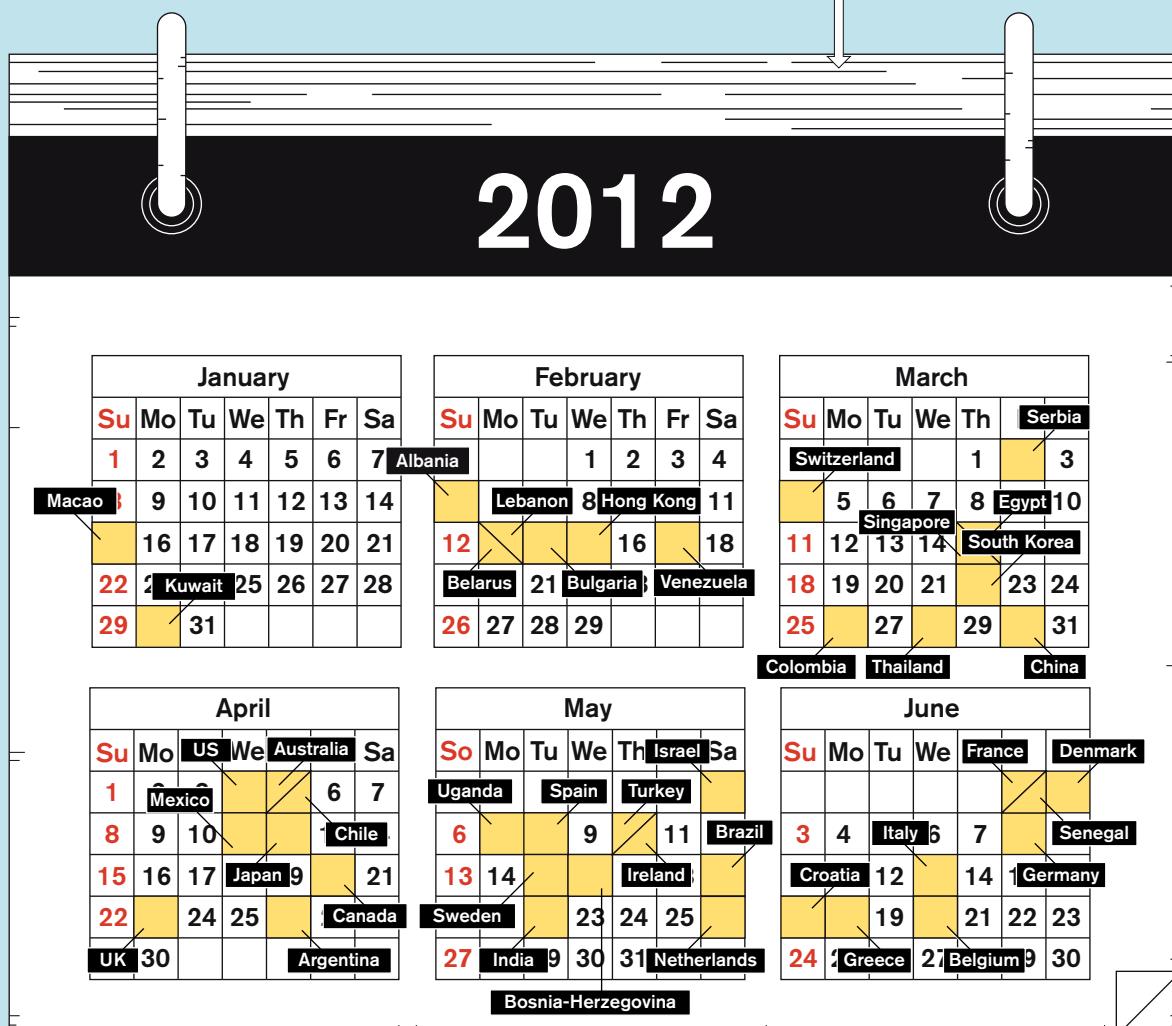


From Dream Job to Retirement

At work, things are measured, evaluated, compared, budgeted, deducted and compensated. The fifteen graphics that follow provide the answers to small and large questions about gainful employment.

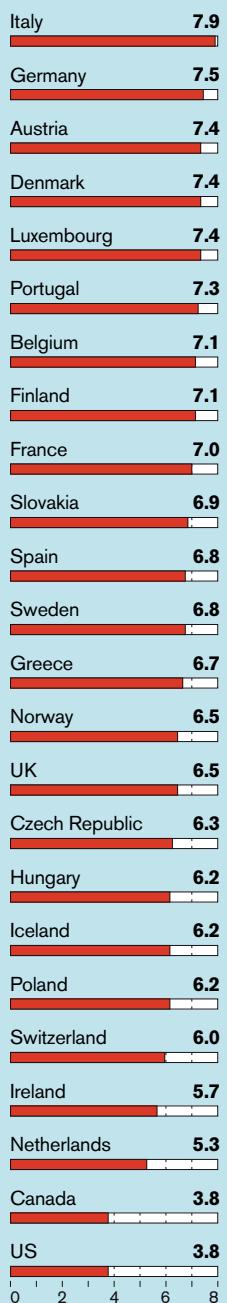
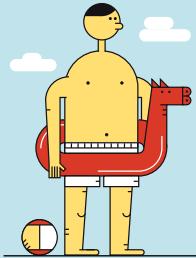
By Francesco Muzzi (graphics) and Simon Brunner (content)

How long do we work for the state?



"Tax Freedom Day" is a graphic representation of the first day of the year in which the average citizen has earned the equivalent of his or her tax obligations for the year. The effective rates correspond to the total income tax and/or social security tax divided by gross income (with no deductions). The calculations are based on a single individual with no children, earning a gross income of USD 100,000 and are translated to days of the year.

How many
holidays and
vacation days
do we have?
(in weeks)



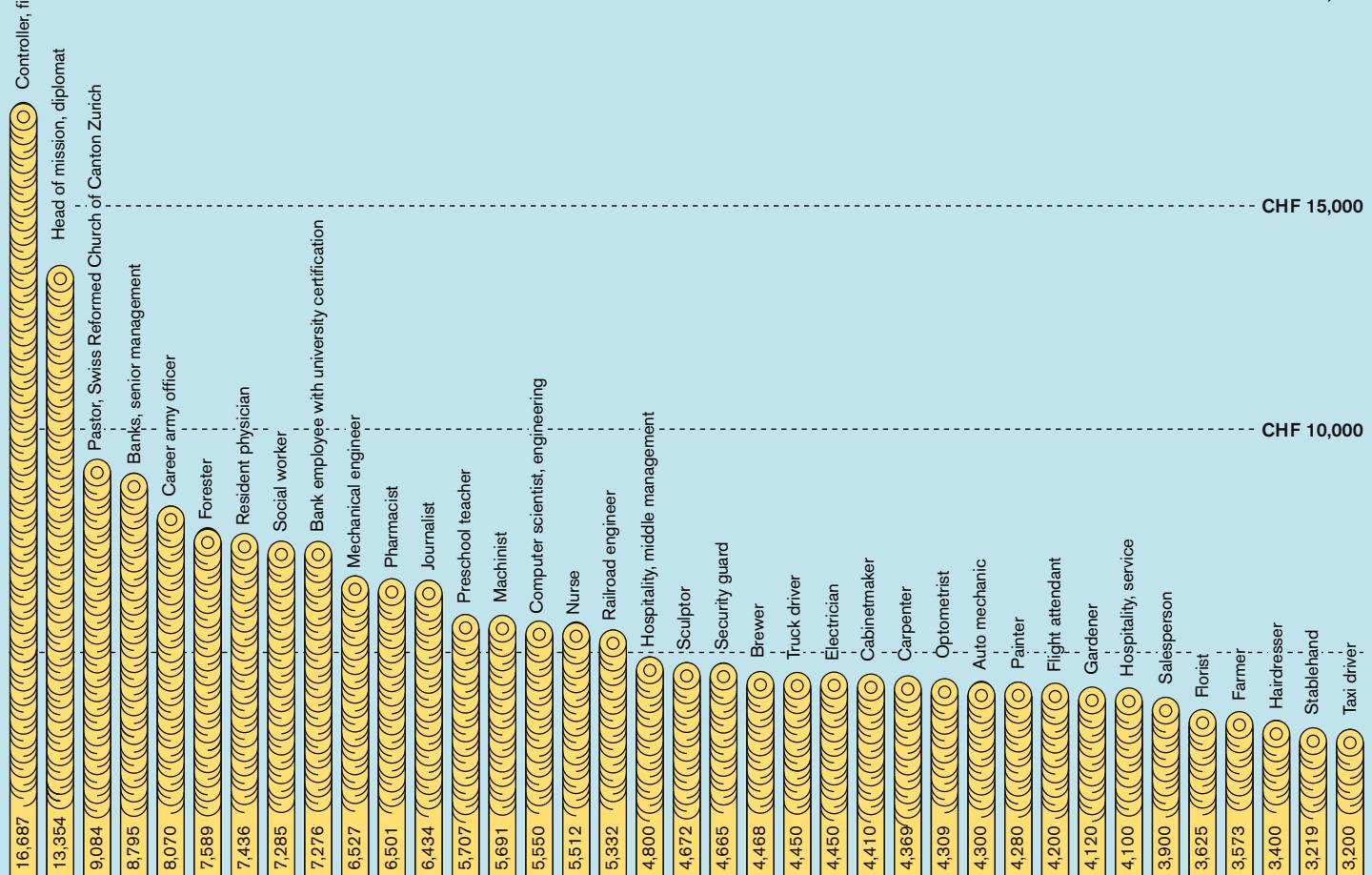
OECD estimates based on the results of the European Labour Force Surveys and EIRO (2005) for Europe and ECO/CPE/WP1(2007)11/ANN2 for Australia, Canada and the US.

Based on the report "Individual Income Tax and Social Security Rate Survey 2012" by KPMG International.

How much do the Swiss earn?

2013 gross monthly income

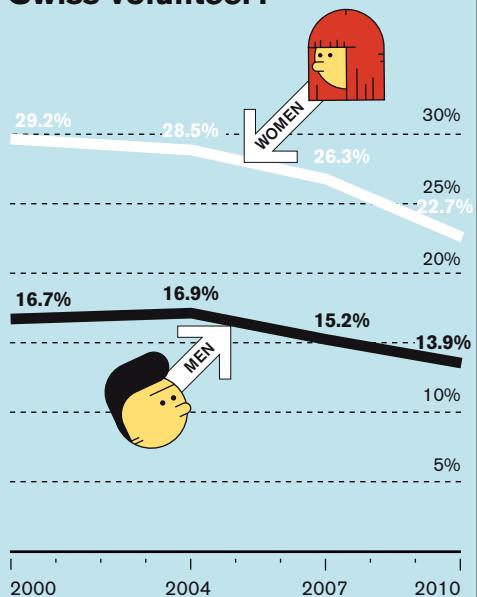
CHF 20,000



All salaries are gross salary for 2013 in Swiss francs. The salary amounts come from collective bargaining agreements, recommendations or other statistical values. The exact definition of each salary is available from: bulletin@abk.ch.

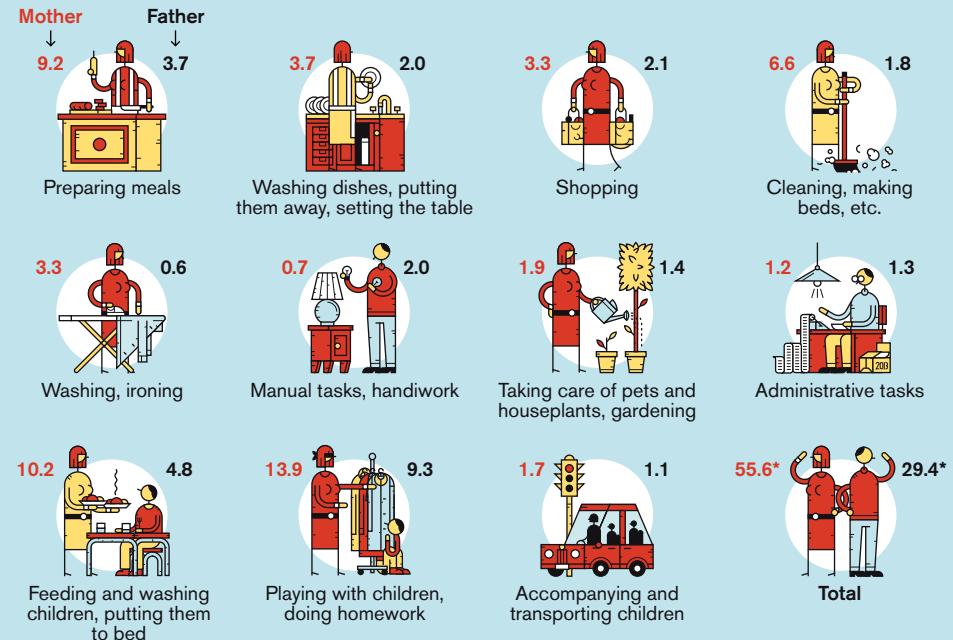
Payroll 2013 Ministry of Economics and Employment Canton Zurich, Orell Füssli Verlag, Zurich. Compiled by: Aargauer Zeitung

How much do the Swiss volunteer?



Do Swiss men or women do more work around the house?

Average hours per week spent on family and housework by task. Population: mother and father in married households with the youngest child under 7 years, in hours per week, 2010.



* The total is slightly different than the sum due to rounding.

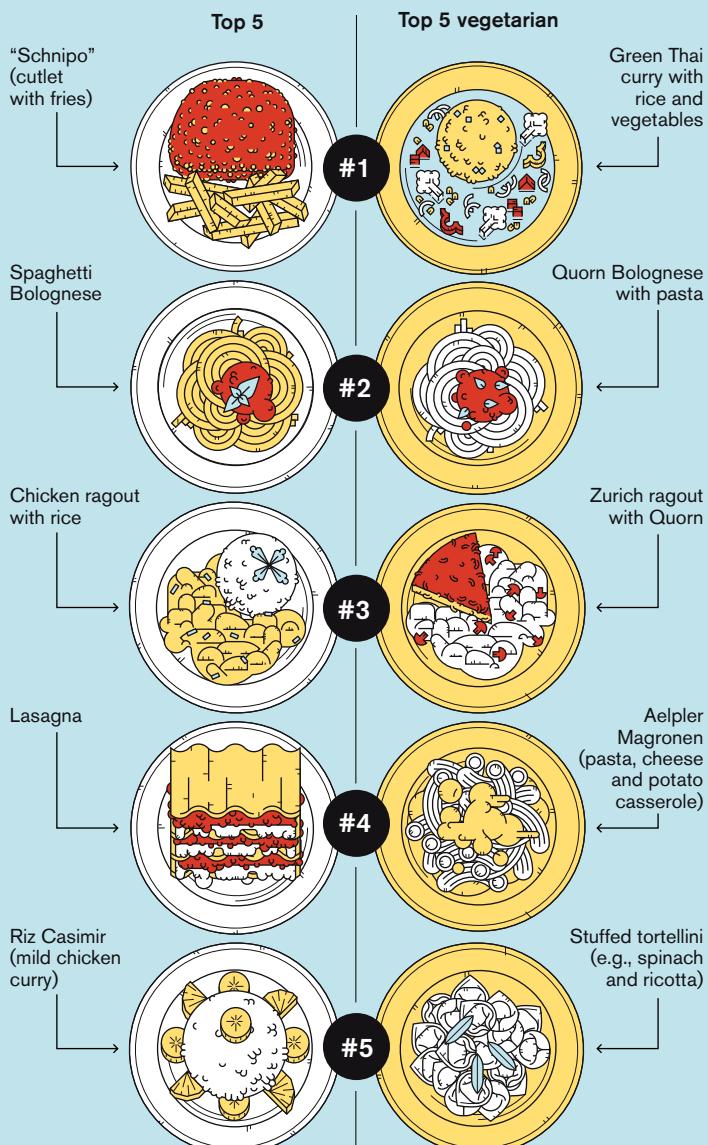
How long do Germans work to meet their basic requirements, post-war and today?

Item	Unit	1950	2009
		dd:hh:mm	dd:hh:mm
Brown bread	1 kilogram	00:00:27	00:00:11
Whole milk	1 liter	00:00:19	00:00:03
Eggs	10	00:02:01	00:00:08
Coffee	500 grams	01:02:22	00:00:19
Pork chop	1 kilogram	00:03:54	00:00:32
Cod	1 kilogram	00:01:18	00:01:06
Men's suit	1	04:12:38	00:17:00
Coal briquettes	50 kilograms	00:02:20	00:01:08
Wardrobe	1	06:02:59	01:14:24
Television	1	14:15:38	01:11:31
Resoling men's shoes	1 pair	00:07:09	00:01:36

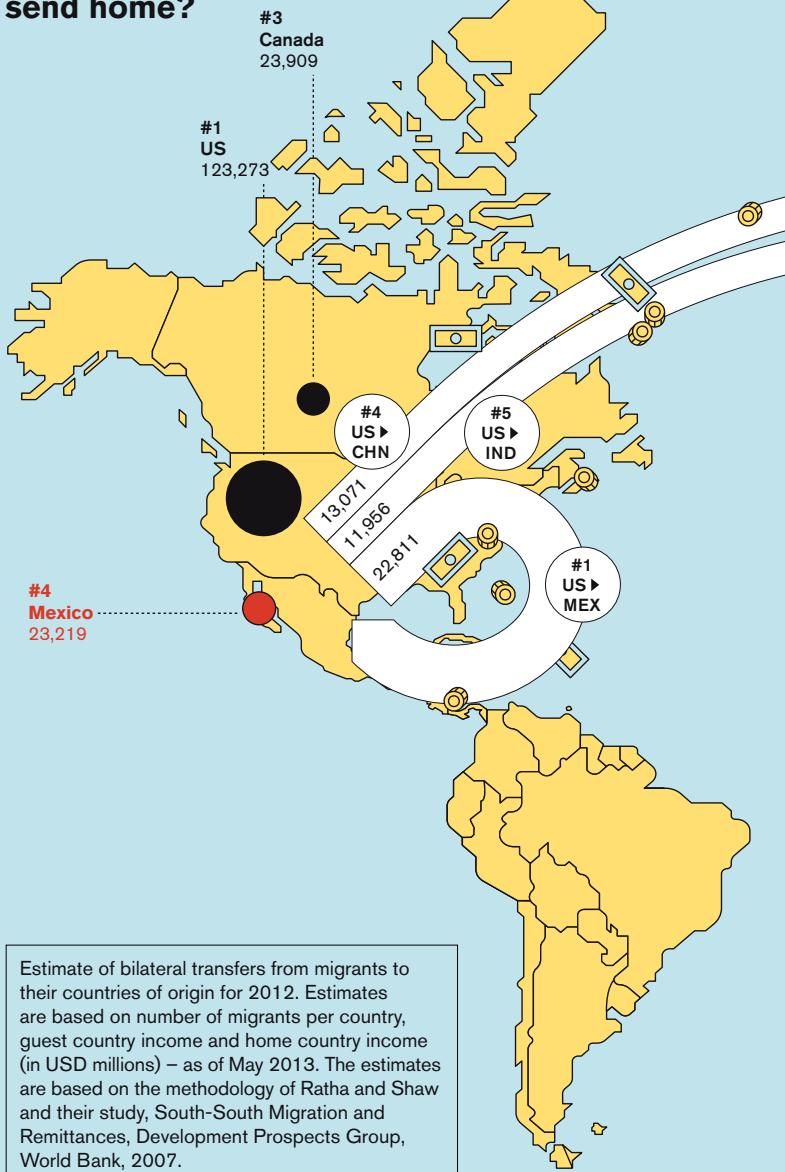
Data for West Germany. Calculations based on net wages and base salary total per hour worked. TV: value for 1950 from 1960, based on a modern 81 cm HD flat screen TV.

Real asset value dossier, source data: Federal Office of Statistics

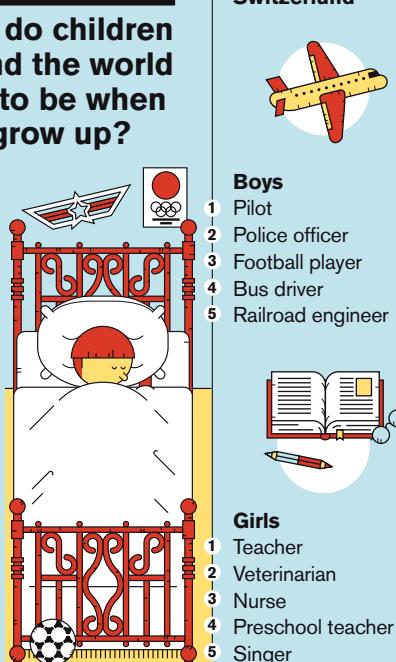
What are the favorite foods of Swiss eating in the cafeteria?



How much money do migrants send home?



What do children around the world want to be when they grow up?



Switzerland¹



Boys

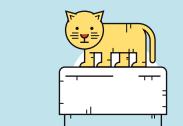
- 1 Football player
- 2 Police officer
- 3 Pilot
- 4 Firefighter
- 5 Engineer

Germany²



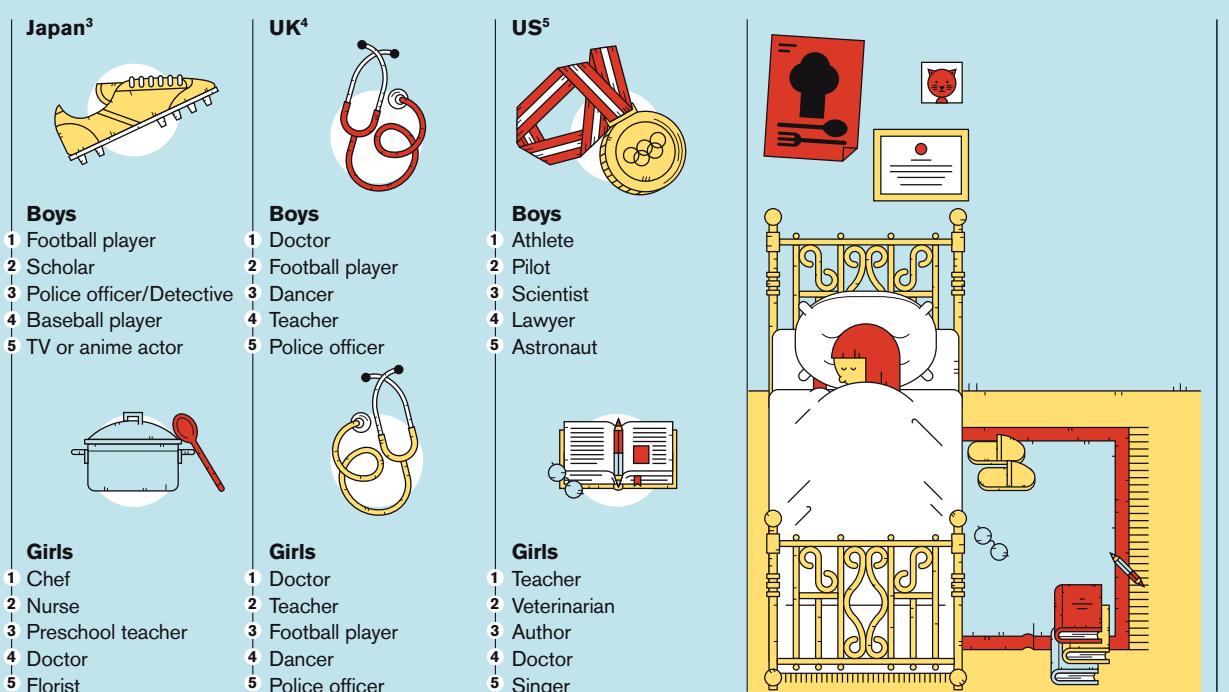
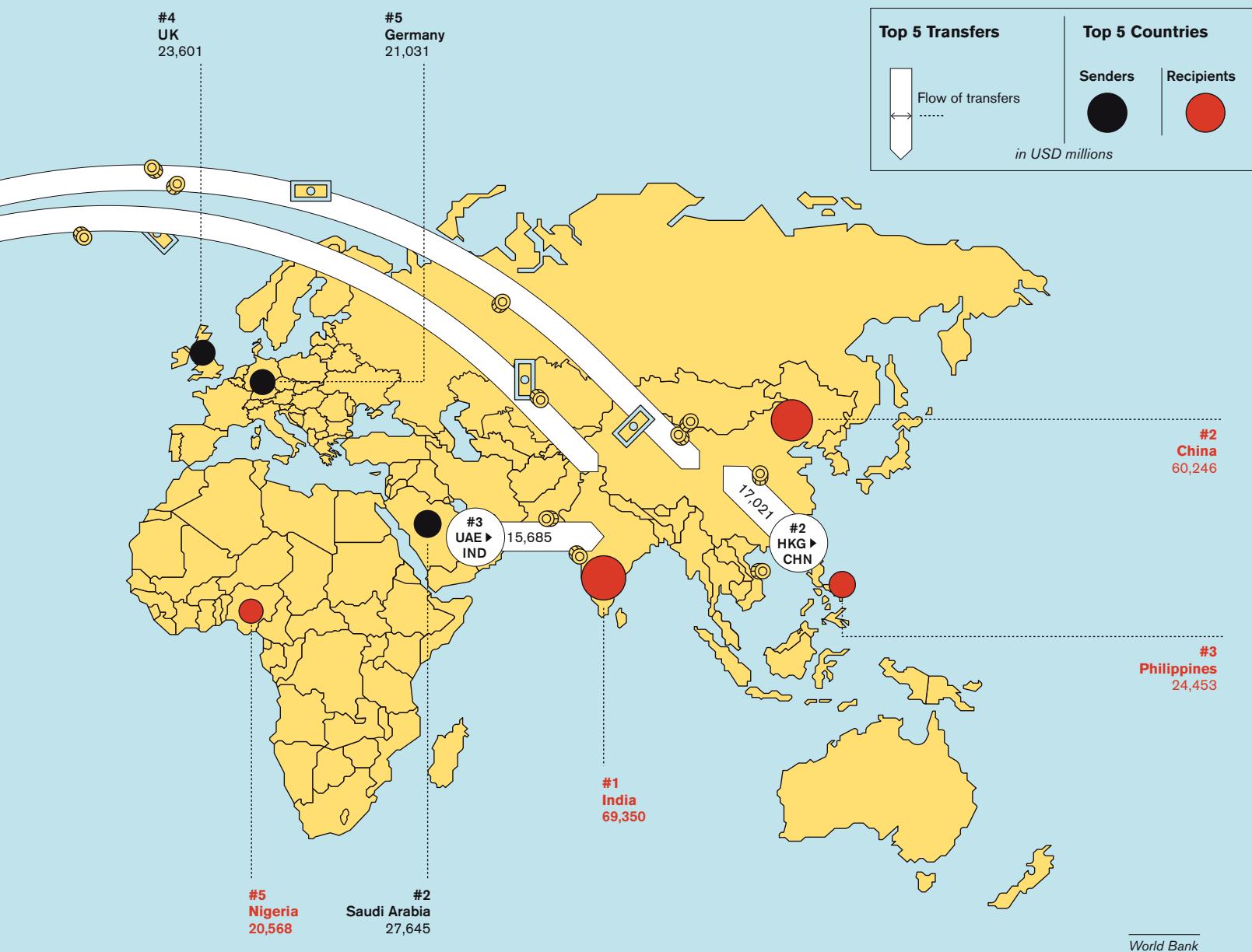
Boys

- 1 Football player
- 2 Police officer
- 3 Pilot
- 4 Firefighter
- 5 Engineer

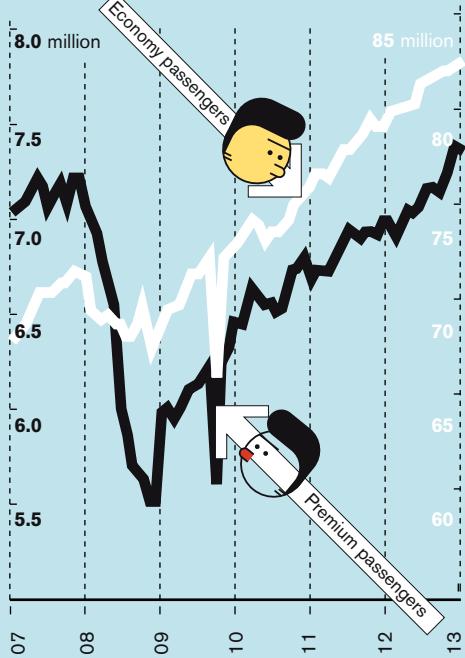


Girls

- 1 Veterinarian
- 2 Teacher
- 3 Doctor
- 4 Singer
- 5 Nurse



What effects has the economic crisis had on business travel?



International airline passengers by seating category (seasonally adjusted). In each case, the year begins in June.

IATA; Premium Traffic Monitor September 2013

Where should you start a business?

1	Singapore	180	Guinea-Bissau
2	Hong Kong	181	Venezuela
3	New Zealand	182	Myanmar
4	US	183	DR of the Congo
5	Denmark	184	Eritrea
6	Malaysia	185	Republic of the Congo
7	South Korea	186	South Sudan
8	Georgia	187	Libya
9	Norway	188	Central African Republic
10	UK	189	Chad
...			
29		29	Switzerland

A higher ranking indicates that the regulatory environment in the country promotes starting and managing a local business. The index represents the unweighted average in ten areas, each of which consists of a variety of indicators. Benchmarking is from June 2013.

Ease of Doing Business Index (June 2013),
World Bank Group

How was the Eiffel Tower built?

Architect
Gustave Eiffel (1832–1923).

Draftsmen
50 engineers and designers produced 5,300 sketches.

Workers
Over 100 workers produced more than 18,000 components in a workshop.
132 workers assembled the parts on location.

Fatalities
1.

Number of people working on the Eiffel Tower today
620.

All you need to know about the Eiffel Tower, Planet Wissen

Current height (including antennae)
324 meters.

Initial height (including flagpole)
312 meters.

Weight
10,100 tons.

Number of rivets
2,500,000.

Construction time
2 years.

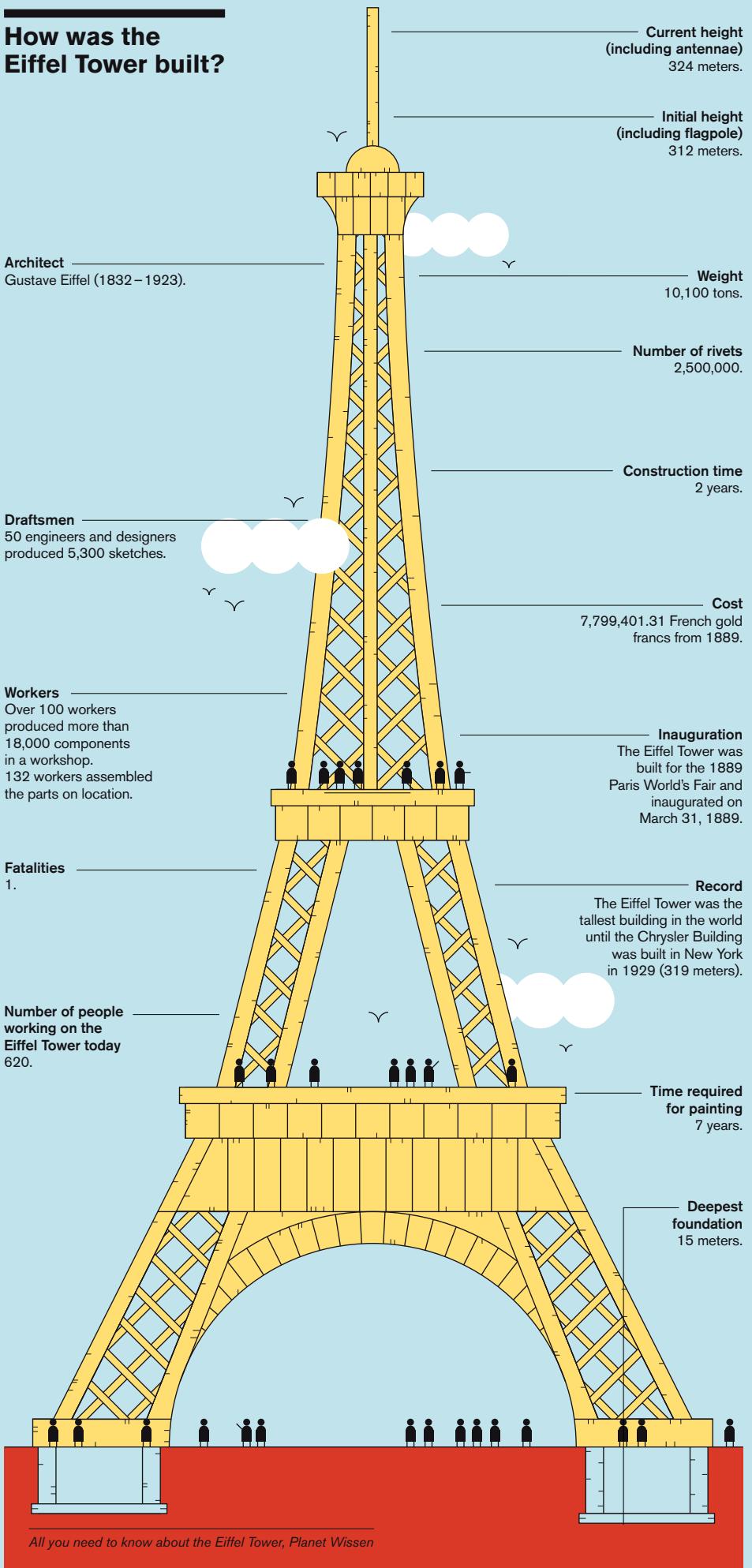
Cost
7,799,401.31 French gold francs from 1889.

Inauguration
The Eiffel Tower was built for the 1889 Paris World's Fair and inaugurated on March 31, 1889.

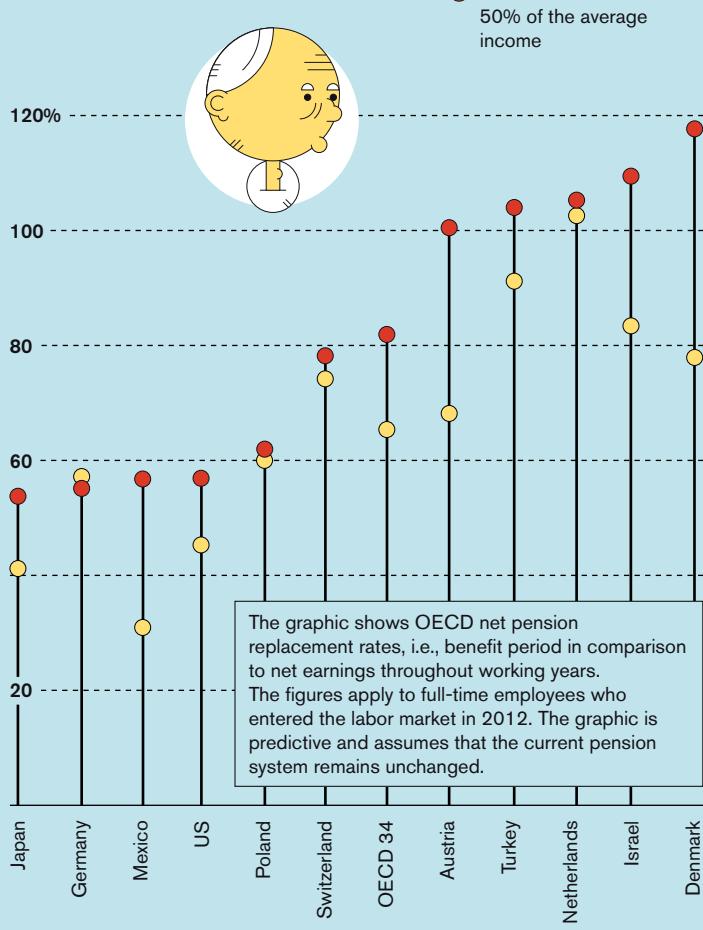
Record
The Eiffel Tower was the tallest building in the world until the Chrysler Building was built in New York in 1929 (319 meters).

Time required for painting
7 years.

Deepest foundation
15 meters.



How much of my pension will I receive?

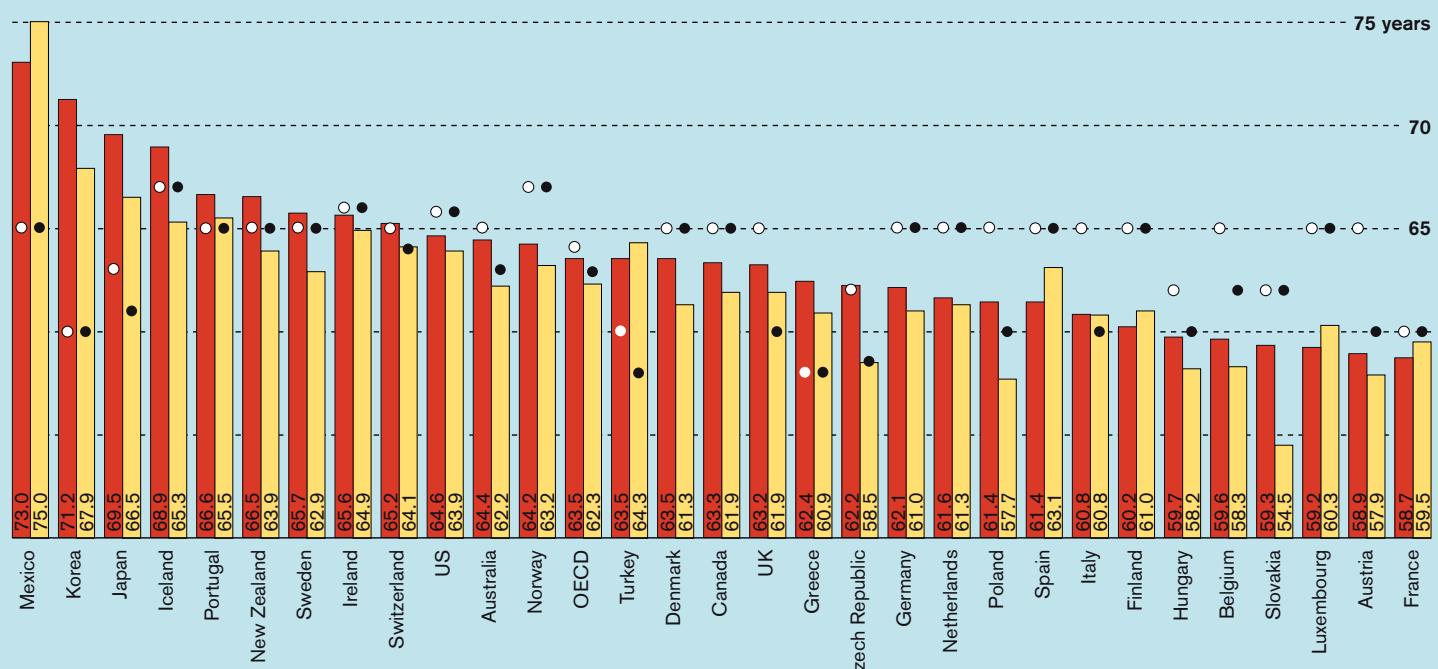


OECD estimates based on labor market studies in the EU and individual countries, 2007

And at what age do we retire?

Retirement age
 Men Actual Official
 Women Yellow ●

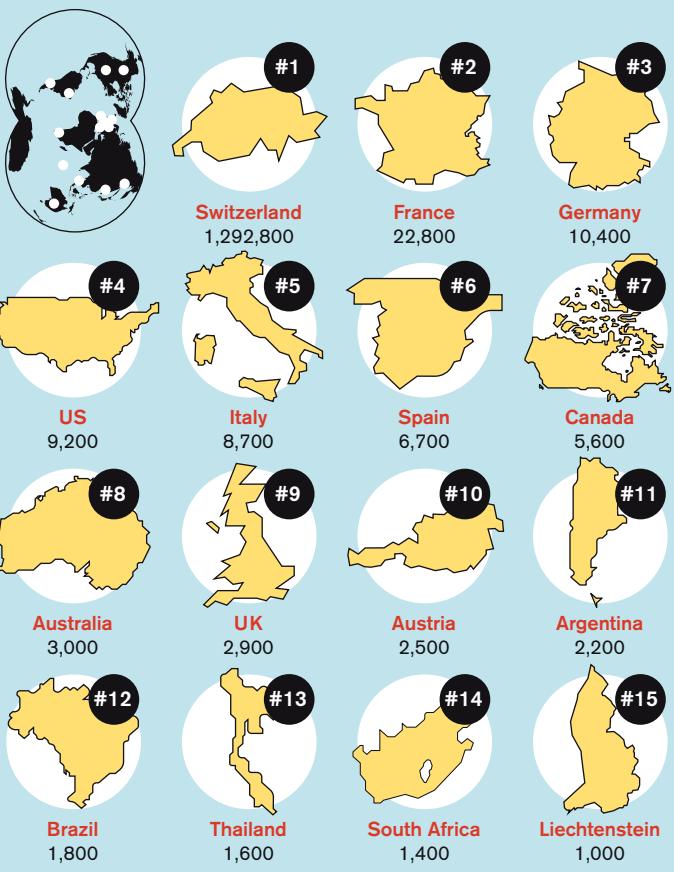
The average retirement age is determined by observed changes in employment ratios over a five-year period for successive cohorts of employees over 40 years of age.



OECD Pension Models in "Pensions at a Glance," 2013

Where do Swiss pensioners live?

Numbers of Swiss recipients of an AHV old-age pension in December 2012. Pensioners with multiple citizenships are counted as Swiss. Rounded to the nearest 100.



Federal Social Insurance Office

Working like a Dog

Ever since ancient people realized that they could use animals not only for food, but also for work, we have been coming up with new tasks for them.

By Herbert Cerutti



People and animals have been working together for 30,000 years.

When a Great Dane ambles up to you or a dachshund scurries around the corner, it's hard to see that both are close relatives of the wolf. The wild wolf has been around for 20 million years. Some 30,000 years ago, Ice Age hunters in Europe began to bring wolf cubs back from their expeditions and tame them. Through selective breeding over many generations, wolves transformed into a number of different domestic dog breeds. While early humans had used animals primarily as food, the domestication of dogs as hunting companions and guardians established the first working relationship between humans and animals.

It is only over the last few centuries that humans have created an array of more than 150 dog breeds, tailored to the wid-

est range of needs: from the hunting greyhound to the tireless husky pulling sleds, from the St. Bernard rescue dog to the most bloodthirsty attack dog and an old woman's sweet poodle at a tea party. The astounding thing about this zoological diversity is that all breeds trace their origin back to the wolf and therefore can be cross-bred with one another.

Highly Trained Experts

It was common among ancient Germanic tribes to tie female dogs in heat to a tree in the woods so that they would breed with male wolves and bring a healthy dose of ferocity back to the farm.

Dogs are much more than companions; they also excel in highly specialized

roles with the dog's nose being a particularly adept tool. While the human nose has five million olfactory receptors, the dachshund has 125 million and German Shepherd's longer nose has 220 million olfactory receptors. Their greater sense of smell is further enhanced by the fact that dogs sniff at a rate of up to 300 short breaths per minute, which constantly provides the olfactory receptors with new molecules that carry the scent. This means that dogs have a better sense of smell than humans by a factor of several million.

What these animals can do with their noses is simply incredible. In addition to traditional tasks, such as sniffing for drugs or explosives, tracking a wild animal that has been wounded on a hunt or searching

for people who have been trapped by avalanches or in earthquakes, there are more modern achievements as well. For example, a German Shepherd named Diana sniffs for concealed banknotes being transported through Frankfurt Airport. Diana can detect specific types of paper or ink and reacts to larger bundles of euro notes or dollar bills, such as when money launderers or tax evaders hide them on their person.

Diabetic alert dogs serve people with diabetes. These dogs can detect the scent of hypoglycemia or hyperglycemia in a diabetic's breath or sweat and warn the patient of a dangerous fluctuation of blood sugar level through a learned signal. The dog can even bring the person a blood sugar meter and, in the event of hypoglycemia, glucose. If hypoglycemia occurs during the night, the dog will wake the person or a family member.

Since 2012, Labradors have been used to look for the Asian long-horned beetle among deciduous trees in city parks in Winterthur, Switzerland. This wood pest was brought into the country in wood packaging material from China and is now spreading due to a lack of natural predators in Europe's forests. The beetles lay thousands of eggs in tree bark, and when the grubs emerge they devour the wood and destroy the tree. The dogs can smell the beetles or grubs, even when they're buried in the trunk several meters above the ground. The infested trees are then immediately cut down and burned.

Maggots as Surgeons

Insects are not always our enemies. During World War I, paramedics brought a gruesome sight into the field hospital where military surgeon William Baer was working. Two soldiers with compound leg fractures and severe wounds on their abdomens had been left in agony on the battlefield for seven days without food or water. Amazingly, the wounded soldiers did not have fever or blood poisoning. As Baer removed their clothing, he made another terrible discovery: Their wounds were covered with thousands of crawling maggots.

However, after the doctor had removed the insects he could not believe his eyes: "There was practically no bare bone to be seen and the internal structure of the wounded bone, as well as the surrounding parts, was entirely covered with the most beautiful pink tissue that one could imagine." The soldiers recovered within a few

short weeks. This was all the more astonishing as such wounds were fatal in 80 percent of cases at the time.

Baer remembered the wounded soldiers when he later worked as a surgeon at a children's hospital in Baltimore; he used maggots in treating persistent bone marrow infections. To his delight, serious infections healed within six weeks. William Baer thus became one of the founders of modern maggot therapy. The biological key to maggot therapy is that many types of insects lay their eggs in the bodies of dead animals or in open wounds so that their offspring can feed on the tissue cells. The types of flies that are suitable for maggot therapy are those whose larvae only feed on dead tissue and leave healthy flesh alone. The wound is picked clean of tissue that is already dead and tissue repair is accelerated. Also, because certain maggots produce bactericidal substances, they also disinfect the wound.

Using maggots to help treat poorly healing wounds was highly successful in the US in the 1930s. The green bottle fly (*Lucilia sericata*) proved to be particularly effective. Raised by pharmaceutical company Lederle and shipped in batches of a thousand for five US dollars, the ravenous maggots were used across the country as natural healers. A 1934 survey revealed that of a total 5,750 patients who had been treated with maggots, 91 percent recovered successfully.

Around 1940, sulfonamide and penicillin were brought to market as the first antibiotics. With the introduction of these wonder drugs maggots soon disappeared from use in medicine. Over the course of several decades, however, antibiotic-resistant microbes began appearing in some patients while other patients proved to be antibiotic-intolerant, which led wound specialists to look for other alternatives. In the early 1990s, Dr. Ronald Sherman in California and pharmacist Steve Thomas in the Welsh town of Bridgend rediscovered maggot therapy.

In modern treatment, about ten of the 1–3 millimeter-long larvae are used for every square centimeter of the wound, which is then covered with a fine nylon mesh to prevent them from crawling away. After just three days the maggots are big and fat and are replaced with a new batch. More than 10,000 patients in some 30 countries are now treated with this form of "bio-surgery" each year, including numer-

ous diabetes patients with leg ulcers. Steve Thomas founded the company ZooBiotic in 2004 and is now experiencing commercial success with maggots as well.

How Crows Use Cars

Whether as a bloodhound or a therapeutic maggot, an ox or water buffalo pulling a plow, a tough desert pack camel or a fast and untiring riding horse from the Pampas or Mongolia, animals have become versatile and valuable servants for people. There are, however, also examples of animals learning to use people for their own purposes. One humorous cultural adaptation is the behavior of the American crow, which throws walnuts onto Californian streets and rushes to the feast within seconds of the shell being cracked by a car. On the Shetland Islands carrion crows have discovered that it works best to let passing trucks crack open large sea snails. And Swedish hooded crows and northern ravens have figured out how to put people to use for them. They grab ice fishing lines with their beaks and pull up the bait or the fish to where they can reach it. □

Herbert Cerutti is an experimental physicist and has received numerous awards for his work as a science writer. He lives in Wolfhausen in the Canton of Zurich.

How Others Do Business

As globalization advances, it is becoming increasingly important to understand how working cultures differ. Why do Americans disagree with their bosses? Are Germans more impressed by hierarchies or titles? And why do budgets play a different role in Italy than in Brazil? The author, a professor at IMD, has surveyed thousands of businesspeople to find answers to these and other questions.

By Martha Maznevski

If you walk into a business class lounge at any airport in Europe, North America or Asia, you will see men in dark suits talking into a wire extending from their ear. Laptops on their knees, they are studying PowerPoint presentations on their screens. The few women among them, dressed in pantsuits and light-colored blouses, are doing much the same.

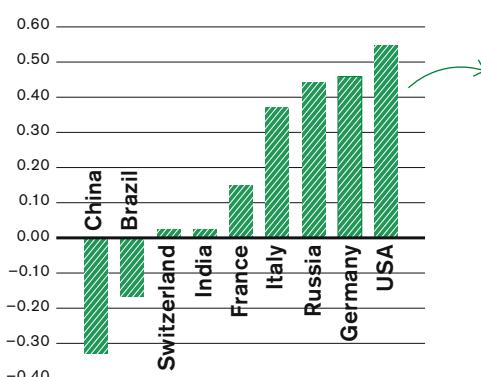
Is this the wonderful new global business world that we've heard so much about? Where every manager uses the same electronic tools and the same English acronyms? Where everyone thinks alike and wears the same clothing brands?

Far from it. Cultural differences are as large as they ever were, and as the world becomes increasingly "flat," their importance is growing. With globalization leading to more interactions among

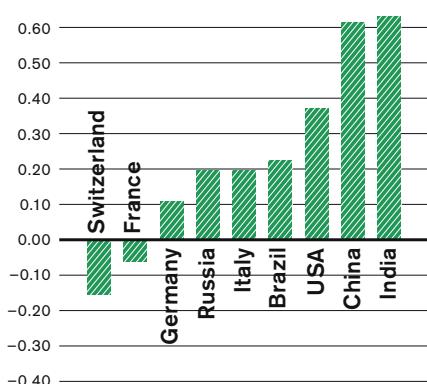
cultures, it is crucial to be familiar with the preferences and behavioral patterns of your boss, your colleagues, your subordinates – particularly when those individuals come from a different continent.

To take a scientific look at local differences, my colleagues and I at the International Institute for Management Development (IMD) in Lausanne drew up a "cultural perspectives questionnaire" that we put to thousands of businesspeople from all over the world. Their responses provide an insight into differences in how people work together, focusing on four dimensions. For Bulletin, we have summarized the results from nine different countries: Switzerland and three of its neighbors; the BRIC countries (Brazil, Russia, India, China), which represent the emerging market economies; and the United States, the world's largest economy. We analyzed the responses of at least 400 individuals from each country.

helps to reach a decision. Meetings are different in Asia. In many cases, participants are already familiar with the subject and the decisions that have been made; no discussion takes place. Disagreeing with an older person is considered inappropriate – the most important thing is for the group to be in harmony. Meetings are intended to help achieve that goal.



In China harmony of the group is important, while in the US it is control.



Switzerland is rather individualistic, whereas the collective is central in China and India.

1. Harmony vs. Control

Americans emphasize control and mastery, while the Chinese are most concerned with maintaining balance and making sure that the overall system is in harmony. Meetings are a good illustration. In the US, meetings are for making decisions. There's a problem to solve, all relevant arguments are put on the table, a decision is made. If you don't speak up, you're not helping, and as a result you will tend to be viewed negatively. On the other hand, if you disagree with the boss – and if you're right – that shows courage and

2. Individuality vs. Collective

While all cultures work in teams, the meaning of the team can be very different. In a highly collective culture like India or China, team roles are shared and fluid, with people pitching in wherever needed. Team members prefer rewards to be equally distributed, and are very uncomfortable if individuals are singled out for specific contributions. In mixed cultures,

such as Germany, Russia, Italy or Brazil, the preference is for clearly defined roles and identifiable contributions. So-called 360° feedback (by superiors, colleagues and subordinates) is most consistent with mixed cultures – they combine commitment to helping each other perform with the assumption that individual contributions can be described. It is also possible to implement 360° feedback in a highly collective culture, but the results tend to be much the same for every team member, and the focus is more on the debriefing discussions held afterwards to help individuals develop.

3. Hierarchy

Germany and Italy view hierarchy in radically different ways. Many non-Germans experience Germany as very hierarchical, with an emphasis on titles and formality. However, titles in Germany are a sign of expertise, something that is highly valued. Often, expertise coincides with position, and it appears to outsiders as if the power is coming from the position. Managers from other countries working with Germans have often made this mistake, and have found that their authority is not recognized because they have not proved their expertise. In Italy, on the other hand, authority automatically comes with formal power.

4. Analysis vs. Action

Of course, all managers analyze and take action, but the emphasis differs from country to country. Look at budgets, for

example. Managers of global companies are often frustrated when Russian, Indian or Brazilian business units are late in submitting their projections, and then fail to comply fully with the parameters that have been set. Americans and Western Europeans tend to view this as laziness, or at least as a lack of conscientiousness. But for CFOs in these places, drawing up a budget serves a different purpose – it's a chance to take a closer look at the current business situation. They're less interested in the deadline and keeping within the budget. For Americans, Italians and Germans, on the other hand, the approved budget defines the company's obligations for the coming year.

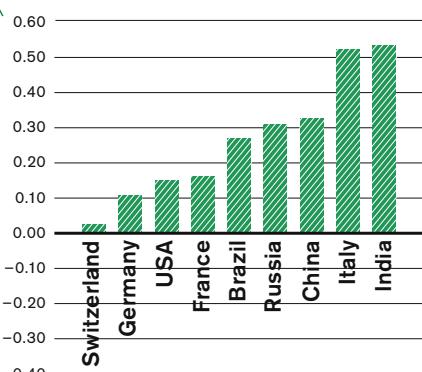
Switzerland – the Ideal Cultural Mix?

A look at the graphs shows that Switzerland is mostly close to zero. In other words, Swiss managers, significantly more than managers from any other country in the world, have a balanced perspective on all of the important cultural questions. Many people see this as a result of Switzerland's cultural diversity. But our research has shown that attitudes on these issues are quite similar throughout Switzerland. Swiss businesspeople value balance. They ask a lot of questions about the situation and context before formulating their response.

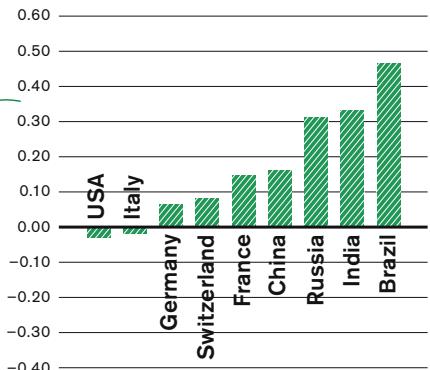
Not only is Switzerland politically neutral, one could also say that it is culturally neutral (but not without culture!). Perhaps this is why the Swiss are the world's bankers, and why – beyond attractive tax regulations – so many international companies have decided to locate here. However, Swiss businesspeople who work in other countries find it difficult to accept that other places have less neutral – and no doubt equally appropriate – cultural configurations.

Conclusion: Variety Gives Strength!

A final example to illustrate this point: A global chemical company requested my help. A project team had been assembled to solve an urgent quality-control problem. The team consisted of three people, one each from the US, China and Switzerland – and their efforts were a dismal



Switzerland and Germany are not very hierarchical, while Italy and India are highly so.



The US and Italy are predominantly achievement cultures, whereas Brazil is analytical.

failure. The American wanted to tackle the problem head on, the Chinese man wanted to start by analyzing the entire system, and the Swiss team member wanted to find a balance between the two approaches. Worst of all, each of the three was convinced that his solution was the only correct one. The end result was – no progress in solving the problem.

Our cultural perspectives questionnaire is intended to show, in a nonjudgmental way, the differences in how people work. If we are aware of those differences, we will be able to take advantage of each culture's strengths. Efficiency, for example, requires a high degree of hierarchy, while flat hierarchies are important for innovation. If every culture had the same set of values, we would inevitably lose variety, and it is variety that gives us the strength to adapt to new situations and to find entirely new solutions. □

Martha Maznevski is a professor at IMD in Lausanne, where she has directed the MBA program for the past five years. Originally from Canada, she teaches organizational behavior and has published a number of studies and books on that subject.



Moving Back in with Mom and Dad



Luca Cavaliere in his parents' kitchen in Foggia.

Luca Cavaliere, a 33-year-old university graduate, is no mama's boy. But he has moved back in with his parents in Apulia – into the room where he grew up, which he now shares with his sister. How has Italy come to this?

By Sandro Mattioli (text) and Alvaro Deprit (photos)

Luca Cavaliere, 33, is a quiet, matter-of-fact young man. Initially, he asked for time to think it over. His isn't an isolated case, he pointed out. Then he said yes – although the story he's been asked to tell, about moving back in with his parents, feels to him like the story of a failure, despite knowing that it's not he who has failed, but rather his country. Now he's walking ahead, leading his guest on a tour of Foggia.

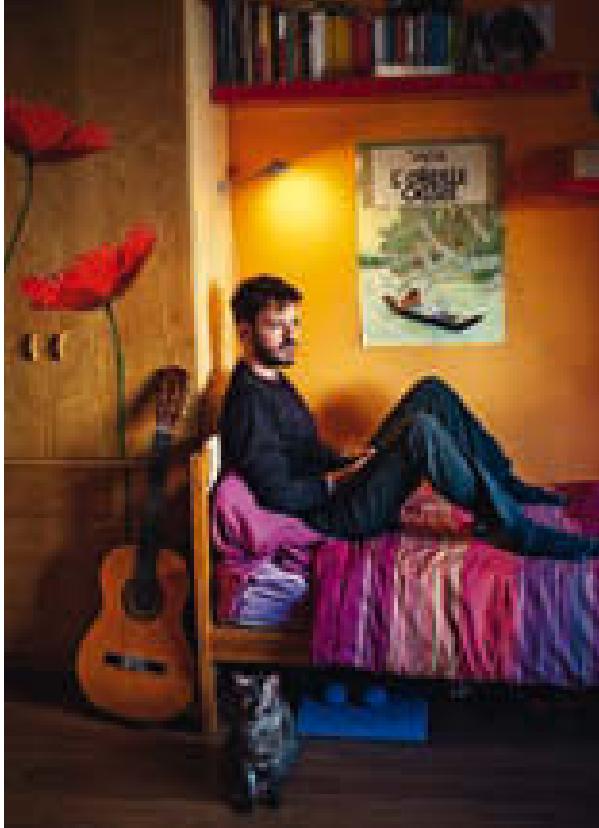
The other major Eurozone economies have gradually recovered from the 2008 financial crisis, but progress in Italy is slow. One symptom: At 12.5 percent, unemployment is at its highest level in 37 years. The unemployment rate in Germany is 5.2 percent, in France it is 10.9 percent. Particularly affected are those who should, by rights, represent Italy's hope for the future – the young and well educated. Among young people under the age of 25, the unemployment rate is 41.2 percent.

Luca Cavaliere says, "I had always thought that we were far removed from the situation in Greece." But he has come to believe that Italy is dangerously close to experiencing the kind of state of economic emergency that we are witnessing in Greece.

Luca likes showing visitors his home town. He walks by the cathedral with its too-small tower and along the pedestrian zone, stops to look at some run-down buildings, points out the "ipogeï," underground caves in the city center where, long ago, people used to live with their livestock. He looks like an intellectual, with his black coat and the colorful scarf around his neck. He speaks distinctly, but not loudly. His knowledge of history comes pouring out as he walks through the narrow streets of Foggia. But this city is no longer his own.

Out into the World

Here, in southern Italy, is where Luca Cavaliere was born and raised. After finishing school, he moved to Naples to study international relations. It was a very different world, a true metropolis. He liked it, this new world, and eventually his travels took him farther afield, to Milan and Rome, to Ireland and Ghana. He worked for the United Nations Refugee Agency and offered legal advice to immigrants at a home for asylum seekers. With a master's degree in international law, he had the necessary qualifications. >



Luca in the room where he slept as a boy, on his old single bed.

But now he's back in Foggia. The streets are narrow. The facades are crumbling, the once-magnificent theater has closed. Luca stops in front of a church for a moment, silently looking upward. It's his favorite church, a nondescript building with a small piazza. Opposite the church, an iron gate leads down to a basement. "Many famous musicians have played there," he says proudly. It was a jazz club for American soldiers during World War II. Although the soldiers have been gone for decades, their club is still here.

The Usual Chaos in Italy

Luca knows exactly what he wants to do in his professional life. He wants to seek justice, particularly for the weak. That's why he accepted a job advising refugees on behalf of an NGO in Foggia. Of course, he hadn't wanted to return to his home city so soon, and of course, he would have preferred to work in Brussels, Rome or a developing country. But the job was just too perfect a fit to pass up. Then another NGO filed a lawsuit. It had previously been the one to provide the legal advice, and objected to the reassignment of the mandate. The suit proved successful, and the original employees were rehired. So despite having a valid employment contract, Luca was let go.

What followed was typical of Italy's chaotic labor market. His employer sent him to Palermo, apparently not realizing that the position it had in mind had already been filled. Then it transferred Luca to Go-

rizia, located at the other end of the country near the Slovenian border. Luca waited for a month for the regional government to issue his work permit, moved into his office, and by then – as absurd as it may sound – the two-year term of his contract had expired. So Luca found himself once again in a small town, with no friends, no job and no prospects.

His job search turned into an odyssey. Luca went to Milan, looked for work in Treviso, traveled to Romania for a project, and sent applications to a wide range of cities, from Alessandria to Zurich. He was unable to find a job. Sometimes it was because his background was too

specialized, sometimes because he didn't have the necessary connections. When his savings ran out, he had no choice but to return home. "That was hardly what my parents had envisioned," says Luca. "They were looking forward to leading a quiet life."

Instead, they are now living under the same roof as both of their children, as they had years before. Luca sleeps in the room where he slept as a boy, in his single bed, facing his old spruce-wood wardrobe. On the other side of the room is a second sin-

He wants to seek justice, particularly for the weak.

gle bed, that of his sister, who has returned home after transferring universities. "We divided the room diagonally," says Luca. But it's an invisible partition. There's no wall unit, no curtain, no privacy.

Sometimes Luca thinks about all of the things his father had already achieved when he was Luca's age. He had a wife, a job, his own home, two children. Although his father doesn't have a university degree, by the age of 33 he already had many of the things that make for a decent life.

A Child Again

Luca says that he has a good relationship with his parents. But it was better before, when he lived far away. He liked talking

with them on the telephone, telling them about his life. Now that they see each other every day, talking is less appealing. He washes his clothes himself, but the kitchen is still his mother's territory. So he's no longer able to spontaneously invite friends over and cook for them, which he used to enjoy doing. While his parents place no restrictions on him, Luca is very conscious that he has invaded their space. It's this feeling of no longer being an adult, a feeling of being a child again rather than a grown son. Of course, they're not asking him for money, they're not charging rent. They know that he doesn't have any money. In Italy, if you're under 50 years old, you're entitled to unemployment benefits for only eight months. And there are no welfare benefits.

So for the past year and a half, Luca has kept himself afloat by taking temporary jobs – as a stagehand, tutor or photographer's assistant, whatever comes his way. "You wouldn't believe how many times I've applied for a job as a mail carrier," he says. That would be perfect for him. He could deliver the mail in the mornings, and in the afternoons write grant applications for EU projects. But apparently he's not the only one interested in the post office's regular job listings. He hasn't received a single reply. "It's the crisis," says Luca, shrugging his shoulders. "I have a university degree, I know how to ride a moped, and still..."

What he still has is hope, and that gives Luca something to hold onto. An invitation to come for an interview, approval of a project application – real life is only a letter away. □

Sandro Mattioli lives in Berlin. A freelance journalist and author, he is a frequent visitor to Italy, his father's home country. His most recent book is "Die Müllmafia" (publisher: Herbig).

If you want to know what this article is about, then you'll have some *work* ahead of you as we *work* through the idea of *work*.

Life's *Work*

By Peter Schneider

At the turn of the last century, Sigmund Freud came up with *Traumarbeit* ("dreamwork"); a few years later, he followed it with *Witzarbeit* ("jokework") and *Trauerarbeit* ("grief-work"). There is nothing particularly mysterious about these terms. Freud visualized the soul as a device or a machine that does what other, real machines do: *work*. And when machines *work*, they produce specific products like screws, ashtrays or – in the case of the human brain as psychic machine – dreams. So far, so good. However, in German the word for "*work*" became much more complicated during the psycho-boom of the 70's, when it was combined with every trendy psychoanalytic noun imaginable. Since then, our entire lives have been recast as *work*.

In German, we have relationship *work* (so why is there still no relationship unemployment insurance?), educational *work*, social *work*, networking, couples *work*, reconciliation *work*, memory *work*, identity *work* and motivational *work* as well as, of course, *bodywork* (in the sense of alternative medicine, rather than having dents in your car repaired). Even the expression "recovery *work*" pops up now and again.

And if someone says they *work* with migrants, it doesn't mean *working* together with them on a construction site or literally making something out of them (like a sculptor does with clay). Rather, they simply *work* with migrants. What else should they do with them? It is self-explanatory. Others, in turn, *work* with chil-

dren (nothing objectionable meant here) or with women (ditto), but the men's movement in Germany also does "men's *work*." This certainly does not refer to particularly hard physical labor that women are not able to do. Instead, it is something more like the grown-up variant of *work* to redefine gender roles or what we refer to as "boy's *work*" and "girl's *work*" in German. Neither one should be confused with "children's *work*," i.e. child labor; rather they should be considered as emancipating activities as part of consciousness-raising *work*.

Then we also have opposing types of *work*, such as *Bible work* ("by the sweat of your brow," you should *work* through the Bible) and *sex work* (another type of *work* where bodily fluids come into play).

Then there is empty chair *work*, a term which naturally sounds a bit strange and is often misunderstood by laypersons. It is, in fact, a counseling technique based on Gestalt and Behavior therapy. According to Wikipedia, "the technique involves the client addressing the empty chair as if another person, or aspects of their personality, or a certain feeling, etc. was in it." Did Clint Eastwood use this as inspiration for his performance at the 2012 Republican convention? (I'm not certain that joke *worked*). Sapienti sat! That's Latin for: A word to the wise is enough.

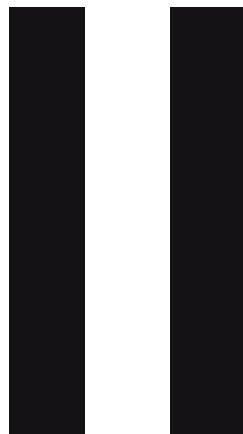
Where does this all-encompassing *work* mania come from? Why prolong our *working* lives right up until our last breath? That's no

joke, by the way. The term "death *work*" also exists. Is there truly no peace in the grave? "A strange delusion possesses the *working* classes of the lands," wrote Paul Lafargue, son-in-law to Karl Marx, in his far-sighted pamphlet "The Right to Be Lazy" from 1883: "This delusion drags in its train the individual and social woes which for two centuries have tortured sad humanity. This delusion is the love of *work*, the furious passion for *work*, pushed even to the exhaustion of the vital force of the individual and his progeny. Instead of opposing this mental aberration, the priests, the economists and the moralists have cast a sacred halo over *work*." But I say to you, dear people, who have struggled through until now: "Consider the lilies of the field, how they grow; they neither toil nor spin..." (Matthew 6:28). Now compare that to those relationship *workers*. Not only do they *work*, but they spin yarns, too. □



Peter Schneider
is a psychoanalyst, lecturer, columnist and author of numerous books.

— Work —



And now
it's time for a
short break



BREAKIN'
NEW YORK CITY:
Officers Bianco and Lane
(right) eat their dinner
on a rooftop in the Bronx.

SECOND BREAK IN
NEW YORK CITY:
Two movers play cards
during their lunch break.



BREAK IN HO CHI
MINH CITY.
A motorcycle taxi
driver rests in
front of a billboard.





BREAK IN MADRID:
Snapshot during lunch at
La Selva Bar on the
Plaza de los Mostenses.

Photo: Ricardo Cases



BREAK IN SHANGHAI:
Restaurant workers take a
short nap following the lunch
rush on Ruijin Road.



Love Is Her Area of Expertise:
David Khalil and
Wiebke Neberich,
who work for the
dating site
eDarling, are in a
relationship.

Balancing Work and Love

Work takes up half of your life. It's no wonder that many people find their "better half" at work. A love story involving a boss, an employee and a joke that paid off.

By Anne Lena Möskens (text)
and Diane Vincent (photo)

When Wiebke Neberich saw David Khalil for the first time, she thought, “That can’t possibly be the boss.” He was wearing a hooded sweatshirt and ripped jeans, and he had a bandage on his broken nose. She thought he looked like an intern. And the boss, for his part, was struck by how pretty she was, with long dark hair and dimples in her cheeks – and, after interviewing her, by what a good fit she would be for his company.

Khalil was one of the founders of the company eDarling, launched in 2008. They weren’t the first to enter the online dating market, but they had a strong financial backer: Rocket Internet. By the time Neberich walked into eDarling’s office in Berlin-Kreuzberg in the winter of 2010, the company’s workforce already numbered more than 200.

Millions of Europeans were already using the eDarling dating site. Khalil was looking to hire a scientist to gain a better understanding of the data on love that eDarling had collected in the two years of its existence, and to market those data. Neberich was writing her dissertation on the topic of “Distance Regulation in Relationships.” She was studying how couples deal with proximity, and what they do to make it work.

It gives her life meaning to explore how people succeed in finding happiness together, she says. Love is her area of expertise. “I never get tired of this topic.” As he interviewed her, Khalil put a check mark next to “expertise” and “enthusiasm.”

Of course, she got the job. And she rolled up her sleeves and went to work. As eDarling’s scientific spokesperson, she gave interviews about love, prepared data for universities and provided training for customer service staff. She met with Khalil once a week. Otherwise, what happened between them was – nothing. For an entire year.

283 Questions for Singles

Until they, too, registered with eDarling. Employees can use the site for free. David Khalil and Wiebke Neberich each answered the 283 questions that Wiebke had formulated to paint as complete a picture as possible of users’ personalities, and then, with the help of a computer program, to bring potential partners together.

Wiebke learned that David would be a good match for her – and vice versa. She

sent him an email: “The perfect match. I knew it.” She was kidding.

And they might have left it at that, knowing that an algorithm had determined that their perfect match was sitting only a few desks away. If it hadn’t been for the story about dancing the limbo.

As often happened, they were sitting together at a meeting. It was late afternoon when he glanced at his watch. “Can we speed things up a bit?” he asked. “I’m going limbo dancing at seven.”

What, she thought, limbo dancing? After work my boss does the limbo? Bending over backwards, dancing his way under a limbo bar? Granted, he would sometimes wear rather strange belts and shoes – she had noticed that. And it was really none of her business, professionally. But she couldn’t help asking, “Did you just say limbo?” He gave her a deadpan look. “Sure. If you’re short, like I am, it’s easy to be good at it. Why don’t you come with me?” “Next time,” she said.

But she also knew: “This is the man for me.”

A week later she waited for him after work. He just smiled. “Did you really think we’d go limbo dancing?” It was only then that she realized that it was just a joke.

They went to a little French restaurant in Kreuzberg with candles on the tables and a fireplace in the corner. It was Valentine’s Day. Both of them knew: This wasn’t a meeting, this was a date. Statistics show that over one-third of relationships at work begin when the office closes.

She tested him for a while. As a relationship expert, she knew what to focus on. Their next date took them to a lake, Schlachtensee, and both of them were wearing running gear. “Let’s see whether he’s in shape,” she thought, “and what he smells like.”

The Price Can Be High

There was still time to call it off with no need to explain. They thought it over: Is it worth it? If it didn’t work out, David Khalil could lose a valuable employee – and Wiebke Neberich might lose her job.

Studies have shown that between 15 and 35 percent of all couples meet at work. But when relationships between colleagues break up, the price can be high.

“I knew that I was taking a risk,” says Wiebke Neberich. But she also knew: “This is the man for me.” David Khalil says, “It was all or nothing.”

Three weeks after that dinner at the French restaurant, they kissed for the first time. Two months later they told their colleagues about their relationship. They wanted to be honest about it. “That would always be my recommendation,” says Neberich.

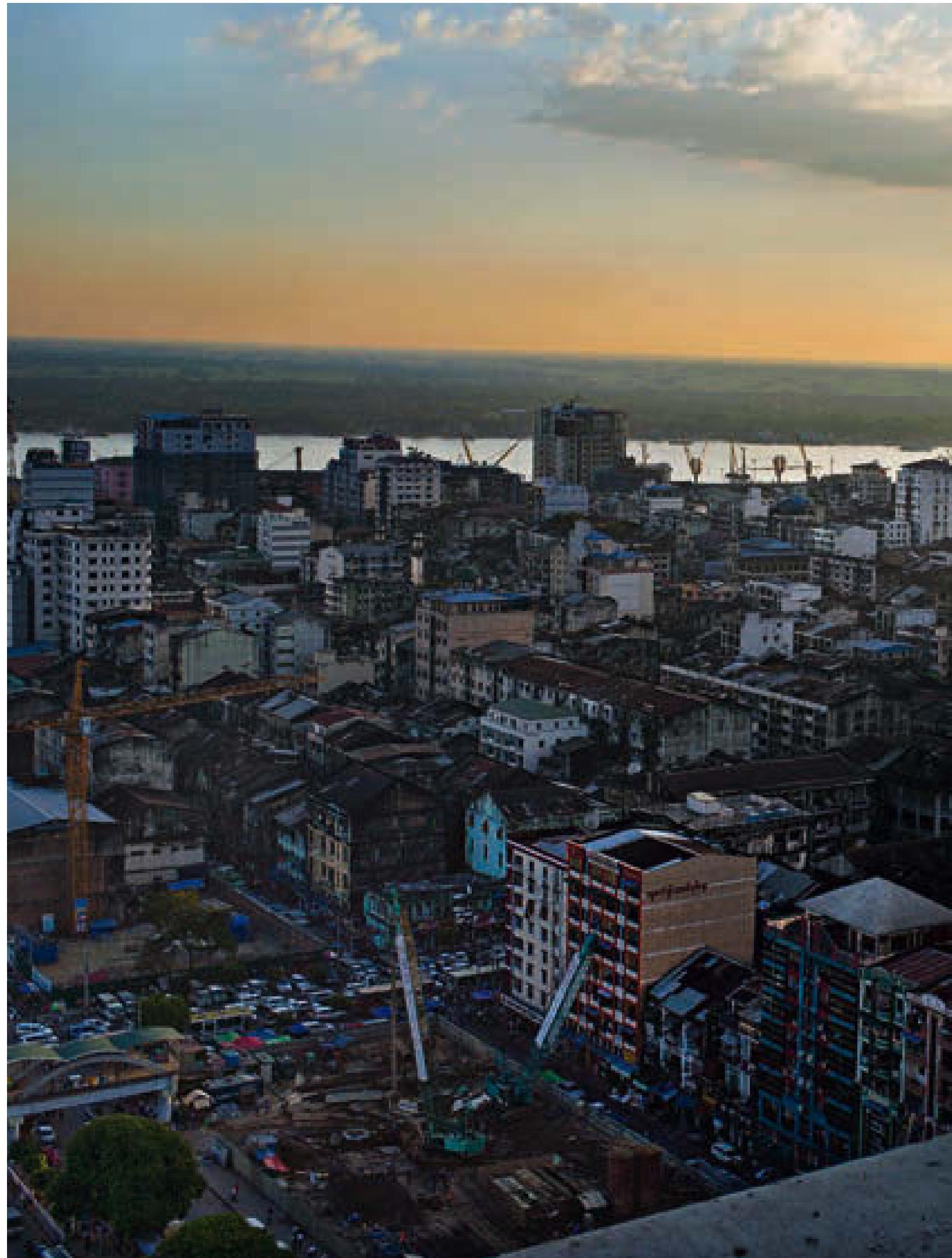
Fifteen couples are employed by eDarling. Some of them are still holding hands when they return from their lunch break. Not David and Wiebke. “We try to separate our private and professional lives,” he says. Wiebke, the relationship expert, has to laugh. “He really thinks that’s possible.” At the office he’s her boss. At home they’re equals. Sometimes the boundaries become blurred. “It requires constant negotiation,” says Neberich.

They live together, they see each other every day, and now they even share a desk. And still they arrange to spend time together whenever they can. Quality time, they call it. And then there’s private time, when one of them needs to be alone.

As a scientist, Wiebke Neberich realizes that statistically, there are a lot of things that she and David have done right. She is familiar with the studies showing that the work environment is a good place to start a relationship – because love most often blooms when people spend a great deal of time together. And her own research has revealed that when couples are matched based on their questionnaires, they tend to be happy and stay together. In addition, she has asked 540 eDarling customers what they think about love at the office. Of those respondents, 77 percent said, “Yes, it’s possible.”

Khalil and Neberich will soon welcome their first child. When they find time, they plan to marry. After work. □

Anne Lena Möskens is a Berlin-based journalist who currently writes for the newspaper *Berliner Zeitung*. In 2012, she received the Otto Brenner Prize for young journalists.





A Push for Change

After 50 years of military dictatorship, isolation and poverty, there is a sense of a new beginning in Myanmar, formerly known as Burma. Young entrepreneurs in Yangon are taking advantage of new opportunities while still struggling with old problems.

By Fritz Schaap (text) and Patrick Tombola (photos)

On the outskirts of Yangon, far from the smell of exhaust fumes and sewers, fried chicken feet and deep-fried crickets, is the Maple Trading garment factory, surrounded by palm trees and fields. The soil is a brilliant red. Win Ei Khine, the factory's CEO, is waiting impatiently. She doesn't have much time. "We're in the midst of our Christmas business," she says apologetically as she leads us into the building. It's early December.

The hall is filled with the staccato rhythm of hundreds of sewing machines, humming like a swarm of bees. On nine production lines, young men and women are busy sewing, cutting, folding and ironing. Win Ei Khine, who goes by the name of Winnie, oversees a workforce of 900. Maple Trading manufactures a wide variety of jackets and trousers, following patterns provided by its clients.

Since Winnie's parents opened the factory in 1996, business has never been better. The company was recently able to win Otto, the large German mail-order company, as a client. This is something no one but Winnie would have anticipated two years ago. In 2012, the factory was nearing bankruptcy. That was when Winnie returned from Japan, where she had earned a degree in international corporate strategy, to take over the management of her parents' company.

"Things weren't looking good," she says. At that point, the factory had two clients, and both were unhappy; now it has six satisfied clients, two of them in Europe. "My parents had a very antiquated management style." They argued with their customers, refused to admit mistakes and failed to respond to clients' requests. Quality was declining as well, since pressure from customers was being passed on to the company's workers. "My parents responded to every mistake by making a huge fuss. In the end all of the workers were utterly intimidated."

Learning from the World

Winnie brought with her a modern approach. She communicated with her employees, spent weeks on the production floor, listened to workers' problems and gradually began to optimize the production process. She also found ways to motivate the workforce: "My parents just issued orders; I explained what we were doing and why." She sees herself not so



Win Ei "Winnie" Khine in her textile factory: Business is better than ever before.

much as a boss, but as a mentor. "If a client criticizes something, then we need to do better. After all, he can take his business elsewhere – the customer is always right. This was a new perspective for Myanmar."

One of the most difficult challenges was to get her parents' management team on board. "No matter what I suggested, their response was, 'Impossible!' It's a mentality issue. People here have thought in a certain way for decades." But Winnie knew what was possible; she had seen it while living abroad. She smiles mischievously as she describes the changes in her factory. "I flew them all to Shanghai so that they could see the possibilities for themselves. They had never before been outside of the country, and were amazed." A trip is planned to Japan in the near future, for executives and managerial staff. "The more they see of the world, the better."

Something New: Women at the Top

Winnie Khine is typical of a generation of young entrepreneurs in Myanmar, since 1989 the official name of the former British colony of Burma. Most have returned after leaving the country to escape the military dictatorship that had stifled free expression, independent initiative and private industry. Today they are taking advantage of the new opportunities that began to appear some time ago. These young people bring with them economic expertise and an entrepreneurial spirit, as

well as new methods and a new mentality, and they are not afraid to defy long-standing conventions. A woman as head of a company is something new for Burma, where women have traditionally been seen as housewives.

Since 1962, military regimes had ruled the country with an iron fist, driving it into isolation and poverty. In the early 1950s, after Burma gained independence from British rule, the World Bank predicted that it would soon become one of Southeast Asia's wealthiest countries. Only a few decades later, it was one of the poorest and least developed nations in the world. It was not until 2011 that the generals ceded power. Now that the new government is pursuing a policy of economic and political openness, introducing a succession of reforms, Myanmar is experiencing a new sense of hope. With foreign investors flooding into the country, domestic entrepreneurs are trying to stake out their territory.

Throughout Yangon, the former capital of Burma, eagerness for change is palpable. New buildings are rising above the city, and shopping malls are being built at a dizzying rate. Above the stores in the dilapidated colonial buildings of the city center, brand new neon signs proclaim the names of major technology companies. Automated teller machines, which were rare only six months ago, can now be found at every supermarket. Traffic clogs the streets – more and more with

every passing month; while only a few regime loyalists were allowed to import cars in the past, a dense network of dealerships now covers the city. Of course, everyone who can afford it wants to have a car. Companies are opening for business, deals are being made. Today speed is of the essence; being first is an advantage.

"Look," says Ting Aung Moe suddenly, nodding toward the reception desk, "we're becoming more and more international." He is sitting at the bar of the new Garden Home bed and breakfast, located near the German embassy in Yangon. Two Australian women, with patches displaying the Australian flag sewn onto their big blue backpacks, are waiting for their room. A colorfully dressed Japanese couple are paying their bill.

Fleeing to Singapore

Moe, 44, opened his travel agency, Care & Share Myanmar Travels, a year ago. This morning he is waiting at the bar for the owner of Garden Home to discuss possible cooperation. Moe wants to expand his agency and increase his market share, since he is facing a great deal of competition. "Small travel agencies are springing up everywhere," he says. Travel is one of the country's most important growth industries. Over a million tourists visited Myanmar in 2012 – more than ever before. Hopes for this market are as high as its potential. The Asian Development Bank, for example, is forecasting annual growth rates of more than 30 percent.

Moe fled Myanmar for Singapore in 2008 to spare his three children life under a military dictatorship. There he worked as a tour planner, learning about the travel business from the ground up. As the country began to open up in 2011, he still hesitated: "I never would have thought that the military rulers could change." Then, in 2012, he gradually became convinced that change was possible in Myanmar after all. "I knew that I had to go back."

He did, and opened his company with the help of an American friend. It wasn't easy. "It meant dealing with considerable bureaucracy, getting signatures and stamps. And, of course, a lot of bribes. Even now, nothing gets done without a bribe." Despite the many obstacles he has encountered, he believes that the country is on the right path. Ting Aung Moe has learned to hope again.

He looks down the narrow road in front of the hotel. An old red brick wall is almost black from the incessant rain, and at the end of the road is a traditional old wooden house that is slowly crumbling. Behind barbed wire is the German embassy, and around the corner are several international NGOs. Kyaw Thein Tun, the owner of Garden Home, greets Moe at the bar and points to the embassy. "That's one reason why we opened our bed and breakfast here last year, rather than near tourist sites or the city center. Embassies and NGOs always have guests who need a place to stay." He knew that he had to >



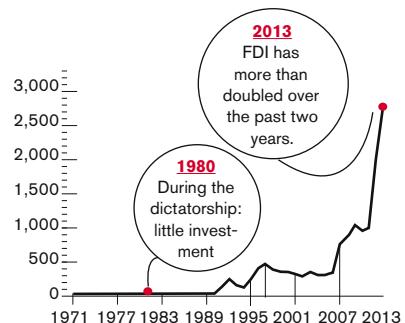
Ting Aung Moe opened a travel agency: Tourism is expected to increase each year by 30 percent.

Myanmar



- Population: 55 million
 - Largest city: Yangon (population 4.3 million)
 - Per-capita income: 1,600 dollars (PPP)
 - Mobile phones: 5.4 million (penetration: 10%)
- Source: CIA World Factbook

Foreign direct investment (FDI)
(USD, millions)



Sanctions are still in effect against Myanmar, but foreign direct investments have increased enormously since the country's opening.

Source: IMF, UNCTAD, World Bank

History

Myanmar has a long and eventful history. The region between China and the Indian Ocean was settled even before the birth of Christ. The roots of the country that is now called Myanmar can be found in the Buddhist kingdom of Bagan (approximately 9th to 13th century). What followed was a long and bloody series of wars and power struggles. Myanmar was a British colony from 1824 to 1948. It was occupied by Japan during World War II, and for a brief time it was even a democratic nation. A military government took over in 1962. Myanmar has experienced a gradual opening since 2011, with popular elections and a liberalization of the economy. The story of the country's name is as complicated as its political history. Both "Myanmar" and "Burma" are commonly used, with no clear distinction made between them. In this article the two are used interchangeably.



Kyaw Thein Tun on the veranda of his Garden Home bed and breakfast:
He received his training in the tourism business in Cyprus.

find a niche if he was to compete with the large hotels. In the tourism trade, there are rumors that those hotels are run by old drug lords with enormous sums of capital. Kyaw Thein Tun has succeeded.

He knows all about tourism. He too left Burma, 17 years ago, because he had no prospects. He went to Cyprus and found a job on a cruise ship; starting out as a bartender, he worked his way up to a position as human resources manager. As newspapers continued to report on the new openness in his home country, he decided to return. And he saw an opportunity: "The hotels were terrible and too few, and the staff had little or no education." He started looking for a guest house to buy. A simple room with breakfast costs about 75 dollars. As he and Moe walk through the hotel, they look at the rooms and negotiate prices.

Prospects Are Bright."

A great deal of negotiating is happening today in Myanmar. A sense of possibility and promise is in the air in Yangon. The speed of the country's development is incredible. Myanmar's economic and political opening has been rewarded by the Western countries. Last year, many of the sanctions imposed against the military regime were eased or lifted entirely. Yet some sanctions remain in place, so it is important to look carefully at the situation before contemplating entering the market.

The country is attracting foreign investors by introducing special economic zones and offering tax breaks. Import and export restrictions on hundreds of products have been eliminated. The plan is to allow foreign commercial banks to do business by 2015. They may be helpful in reforming the country's antiquated financial sector.

As the second-poorest country in Asia, ranking only slightly above Afghanistan, Myanmar needs to make considerable progress in nearly every economic sector – and this situation brings with it business opportunities for entrepreneurs. In a 73-page report on "Doing Business in Burma," the US Department of Commerce singles out construction, telecommunications, the textile industry and commodities as engines of growth, along with tourism. And a recent report by the International Monetary Fund is practically euphoric in pointing out that the longer-term outlook is bright. The economy grew by 6.5 percent in 2012/13, and growth is expected to reach 6.8 percent this year. The World Bank forecasts growth of 6.9 percent over the medium term.

Myanmar, with a land area that is roughly 16 times as large as Switzerland, has significant natural resources – large quantities of oil and natural gas, as well as jade, copper, gold and tropical woods. Its location, between India, China and Southeast Asia, is strategically import-

ant. Moreover, it is home to 55 million inhabitants, a not inconsequential market. At present, their purchasing power is still low, at about 1,600 dollars per year. According to a McKinsey study, however, by 2030 the country's middle class is likely to grow by a factor of seven, to 19 million – with a budget of 100 billion dollars available for consumption.

Accordingly, Myanmar is of considerable interest to international investors, the first of which came from the neighboring countries of Thailand and China. Since 2010, Chinese companies have invested some 13 billion dollars in Myanmar. They are involved in over 100 projects, primarily in the energy and mining sectors. Western companies are rapidly catching up. Coca-Cola and Unilever will spend over a billion dollars on production facilities and distribution over the next few years. Heineken is planning to open a large brewery. Japanese companies, too, are moving into the Myanmar market; automobile manufacturer Nissan, for example, is investing 500 million dollars in a vehicle production plant.

Business Meetings on the Golf Course

Few people are benefiting from the vibrant business climate more than businesswoman Wah Wah. In Burma, business meetings have traditionally been held on golf courses. It was the British who introduced golf, and by the time they left Burma, the sport was firmly established in the lives of the country's upper class. Wah Wah is sitting at a table under the old wooden roof of the Yangon Golf Club restaurant, located at the gates of the former capital. It is 11 o'clock in the morning, and Burmese and Chinese businesspeople are sitting at nearby tables. Bottles of Johnnie Walker are being opened. Two golfers are shooting balls on the driving range. Wah Wah is waiting for the manager of the golf course.

She launched her business a year ago after she, too, returned from Singapore. That business is Turf Sports Solutions, a subsidiary of an Australian company. She supplies the country's golf courses with fertilizer, sod and machinery. Recently she has also become involved in designing the courses' greens. The more money comes into the country, the larger the number of people who play golf.

Read more on page 62. >



A ferry port on the Yangon River in Yangon: Boats bring workers to the city center.



A food stand near a shopping center in the heart of the city.





At one of Yangon's first 3D cinemas, the audience is entranced by a Hollywood movie.



Sales staff at a clothing shop in Yangon.



Buddhist monks riding a bus through the city center.



Taking a break at a tire repair shop in a low-income neighborhood on the outskirts of the city.



Tourists at the popular Thiripyitsaya Sky Bistro, located on the 20th floor of Sakura Tower.

She is not yet entirely accustomed to her new business environment. “Golf doesn’t really mean much to me,” she says shyly, as she looks out across the green, trying to find the manager; she is here to deliver a package of new mower blades.

At the next table, heavy whisky glasses are clinking. “When I was in Singapore, I sent off 500 applications, and somehow I landed at a golfing company. I needed to provide for my family. I have three children and would have taken any job,” she says, shrugging her shoulders.

As Myanmar was opening up, she came back – although not entirely voluntarily. She had been unable to obtain a permanent residence permit in Singapore. It wasn’t easy for Wah Wah. “I found it very difficult at first. The standard of living in Singapore is very high, the public transportation system works, everything is very impressive. Here I have to stand in line for hours just to pay my telephone bill. Power outages are common, and then the internet doesn’t work, either.” But she persevered, and her sales have just passed the one-million dollar mark. It was the right decision, even if the business leaves little time for her family. During the day she can be found on a golf course, and at night she takes care of her paperwork. “I sleep only a few hours a night.”

She stands up, climbs into her golf cart and drives off. While inspecting the green at the eighth hole, she describes the difficulties of running a business in Burma. There are many areas that are still desperately in need of improvement. “Importing goods is still a very laborious process,” she says. “There’s an enormous amount of red tape. And of course, competitors with friends in customs or ministries have an advantage. If other companies are to stay in business, they have to pay a bribe.” Unfortunately, this is true for her, too.

As Corrupt as Zimbabwe and Congo

Rampant corruption is one of the biggest problems in Myanmar. In its latest Corruption Perceptions Index, Transparency International ranked Myanmar 157th of 177 countries – at the same level as Zimbabwe and below the People’s Republic of the Congo. At least this shows some degree of progress. In 2011, Myanmar was considered one of the world’s most corrupt countries, along with North Korea and Somalia. Observers have noted

favorably that licenses for mobile communications networks and a new airport have been awarded through an international and largely transparent process, rather than being issued to cronies of the government as they would have been in the past.

However, new entrepreneurs still find themselves struggling with old problems: entrenched elites with close ties to the corrupt administrative apparatus, which for decades has collected huge amounts of money in Burma; streets that are in disrepair, and inadequate infrastructure in general; a banking system that is barely functional; an administrative apparatus that is inefficient and lacks transparency; a shortage of well educated workers; too little legal certainty and weak property rights, even relative to other countries in the region.

If Burma is to realize its hopes and dreams, much remains to be done. All of the relevant institutions – the World Bank, the International Monetary Fund and the US Department of Commerce, among others – are in agreement: If Burma fails to pursue further reforms and establish credible institutions, the sense of hope that is palpable today can quickly dissipate.

“It is even more difficult for a woman,” says Wah Wah. “The golfing business, in particular, is a male domain.” When men conduct business in Burma,

it often happens at night. And it involves a great deal of alcohol. “They want to be entertained. So I have to go to nightclubs and drink with my customers, and find women for them.” Wah Wah’s time abroad has made it easier for her to deal with less pleasant customs. “But many Buddhist women would find it impossible.”

“Surviving Is Much More Difficult.”

Thar Htet, 29, founder of the software company Zwenexsys, has also encountered his share of difficulties. When he saw the changes that were taking place in his country, he wasted no time in packing up his laptop and other belongings in Shanghai and returning home. In Shanghai, he programmed backup platforms for mobile telephones. He was confident that the IT market in Burma would experience a boom. He was not entirely right. “I came back to sell IT products for the local market. And now my ten employees and I are handling outsourcing for a company in Thailand.” An entrepreneur needs to be flexible. The market was not as far along as he had expected. Practically no one has a computer.

“It is much more difficult to survive than I had thought.” In 2011, only one in four people in Myanmar had electricity, and only one in a hundred had internet access. Power outages occur on a daily basis. Four years ago, internet access



Wah Wah, a businesswoman in the former British colony, often works outside: In keeping with tradition, she holds business meetings on the golf course.

cost 3,500 dollars per year; today it still costs 500 dollars. These are not particularly good conditions for an IT company. “The staffing situation is dreadful,” says Htet. As soon as employees have acquired some expertise, they leave to join one of the larger international companies.

And then there are the enormous increases in rents. Since the influx of foreign investors and companies, there has been a severe shortage of residential and office space in the most attractive areas of Yangon. Even now, office space in a good location costs more than in Singapore or New York. Over the past two years, the rent in Yangon’s three major high-rise office buildings has nearly quadrupled, from an annual rate of approximately 300 dollars per square meter to almost 1,200 dollars today.

Reminders of the Past

Like many young IT entrepreneurs in Burma, Htet is waiting for the Norwegian telecommunications operator Telenor and Qatar’s Ooredoo company to start up operations. Htet concentrates on the app market. “I just spoke with Ooredoo. I’m very optimistic that we’ll be able to do business together. They serve a huge market, and we have the content.” According to the World Bank, three out of a hundred people in Myanmar owned a mobile telephone in 2011. The Burmese government’s goal is to increase the share of mobile phone owners to 50 percent by next year.

“The mobile phone market will explode in 2014,” Thar, a solidly built young man, says optimistically as he walks through his office, which is papered with



Thar Htet is the founder of the Zwenexsys software company: Conditions are worse than expected for IT entrepreneurs.

the logos of major IT companies. Tour operator Moe is also hopeful for the future. He is convinced that the reforms that have already been implemented can no longer be reversed. “Things are looking good,” confirms Kyaw Thein Tun of Garden Home bed and breakfast. There is a sense of joy in Burma about the country’s opening that is hardly matched anywhere else in the world.

The days of telephone booths on the side of the street appear to be numbered, however. And soon there will be no need for the strings that can still be seen hanging out of nearly every window in residential neighborhoods. Since people had neither doorbells nor telephones, they would

pull on a string with little bells attached. Some of Yangon’s streets are still reminiscent of earlier times, which are almost a thing of the past. Almost. □

Fritz Schaap is a journalist and winner of a CNN Journalist Award in 2012.

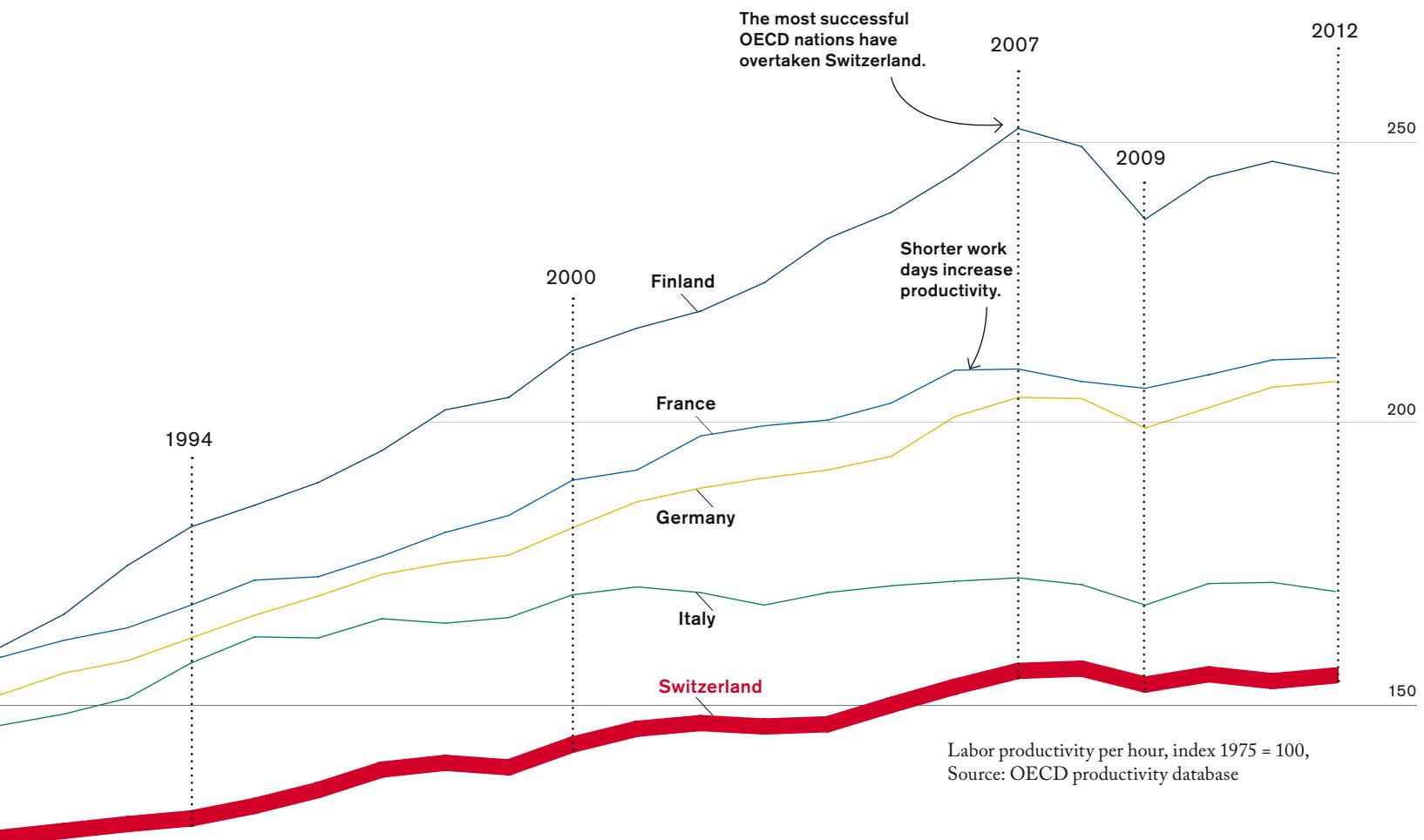
Patrick Tombola is a photographer and video journalist who lives in Italy, Australia and Turkey.

Credit Suisse Statement on Sanctions and Anti-Corruption Compliance: A range of economic sanctions were imposed against Myanmar beginning in 1997, but many of those sanctions recently were eased following political reforms in the country. While the easing of sanctions presents new opportunities to responsibly invest in Myanmar, entities and individuals seeking to conduct business there must ensure compliance with certain sanctions laws that remain in effect, as well as with anti-corruption laws given Myanmar’s reputation for corruption. Violations of such laws can result in financial penalties and potentially imprisonment. The Myanmar sanctions that remain in effect include, for example, a prohibition on dealings with certain blocked persons who appear on governmental watch lists (including any entities owned 50% or more by such blocked persons); a prohibition on the export of certain financial services to and investments with the Myanmar Ministry of Defense, state or non-state armed groups, or entities owned 50% or more by the foregoing; and the prohibition on the import into the United States of Myanmar rubies and jadeite, and articles of jewelry that incorporate them. The U.S. Department of State also mandates that U.S. persons disclose their investments in Myanmar in certain circumstances. Myanmar continues to consistently receive poor rankings on leading surveys that rate countries by their perceived levels of corruption, as determined by expert assessments and opinion surveys. Accordingly, entities and individuals conducting business in Myanmar should be aware that a range of anti-corruption laws adopted by Switzerland, the United States, the United Kingdom, and many other countries prohibit their citizens from engaging in foreign governmental and commercial-sector bribery. Such laws are far-reaching both jurisdictionally and in the types of conduct they prohibit. Thus, in varied ways, business operations in Myanmar can implicate such laws prohibiting foreign bribery. In light of the need to exercise caution and vigilance when conducting business in Myanmar, Credit Suisse has adopted an extensive compliance oversight process to review and monitor any Myanmar-related business activities. Credit Suisse also continues to closely monitor economic sanctions and anti-corruption developments related to Myanmar and elsewhere. Similarly, economic sanctions and anti-corruption laws should be scrupulously examined by anyone with business in Myanmar.

Hard Work, No Rewards

Contrary to popular belief, the Swiss are not more productive than their neighbors. Quite the opposite, in fact.

By Claude Maurer and Andreas Christen



work day; for example, the high part-time labor rate is often neglected.

Domestic Economy Slows Productivity
Any deficiencies in collecting data and all the differences in the form of the labor market cannot hide one fact: The growth of productivity in Switzerland is curbed and even reduced, in large part, by the isolation of the domestic economy and the low labor productivity in certain sectors focused on the domestic economy.

In Switzerland, one finds a division of the economy into two classes: a highly productive export sector and a less productive domestic economy, which has grown gradually over the years. Between 1997 and 2012, labor productivity in the export economy grew by almost one-third, adjusted for price. However, in the domestic economy it virtually stagnated (at approx. 5 percent). Without adjusting for price, the gap between the export sector and the domestic economy is smaller, but only because prices have increased much more rapidly in the domestic sector.

Apparently, the pressure of global competition and a strong franc have a dampening effect on prices while boosting productivity; the domestic economy, on the other hand, has (too) few such incentives. The efficiency of the export sector is thus largely to thank for the fact that Switzerland leads the world in terms of competitiveness (see interview on page 66).

New Jobs in the Wrong Sectors

At the same time, between 1997 and 2012 employment rose mainly in sectors with low or moderate productivity such as health care, social services and other domestically-oriented service industries. This also depressed growth in overall productivity. Only about one-quarter of the rise in employment at this time was accounted for by highly productive sectors such as the pharma industry.

The trend toward sectors with low productivity has greatly accelerated recently. In the first three quarters of 2013, virtually no new jobs were created in highly productive sectors compared to the previous year. Yet some 30,000 jobs were added in sectors with low productivity. To

ensure that per capita GDP grows more rapidly in the future, the highly productive sectors first have to play a greater part in the job market. Second, incentives have to be offered for productivity growth in the sectors that lack international competition. Only once this is accomplished can the weak economy actually be overcome. □

Claude Maurer is the Head of Swiss Macroeconomic Research, Andreas Christen is a Swiss Sectors Analyst at Credit Suisse.

“Many European labor markets lack flexibility”

The WEF analyzes 148 countries. Switzerland tops the list for the fifth straight year, the US turns a corner, and India falls further behind. Thierry Geiger explains why some countries are more successful than others.

Interview: Simon Brunner

Mr. Geiger, what makes a country competitive?

A country's competitiveness depends to a large extent on its labor productivity. Education plays a major role, of course, assuming the system meets the needs of the economy. In many countries, the qualification gap is a growing problem. The proportion of women in the workforce is also important. We are far from achieving gender equality, and there is still a lot of work to do in Switzerland in this regard. A flexible labor market is also important, as it enables workers to switch to the most productive sectors with the best prospects; unfortunately, this is not the case in many European countries. And lastly there needs to be a reasonable immigration policy, especially in our aging societies.

The past few years were challenging for many countries. Who was best able to rise to these challenges?

The competitiveness that we rate at the World Economic Forum (WEF) is a good indicator of a country's economic resilience. Some of the top countries in our Global Competitive Index, such as Switzerland, Germany and the Scandinavian countries, proved to be relatively robust in the global crisis. On the other hand, less competitive economies of countries such as France, Greece, Ukraine and India have fared much worse. They have had to struggle with a range of problems, including the fiscal crisis, high unemployment, low growth, social unrest and, in some cases, all these challenges at once.

Switzerland tops the list for the fifth consecutive year. Why?

Switzerland does well in all the important categories. These include innovation, a flexible labor market and a progres-

The World's Most Competitive Countries, 2013–2014:

1.	Switzerland
2.	Singapore
3.	Finland
4.	Germany
5.	USA
6.	Sweden
7.	Hong Kong
8.	Netherlands
9.	Japan
10.	UK
11.	Norway
15.	Denmark
23.	France
29.	China
49.	Italy
60.	India
64.	Russia
148.	Chad

India was wealthier than China until 1990. Today, China is four times wealthier than India.

sive business climate. Its businesses and its population at large are quick to adopt the latest technologies. Its public institutions are among the world's most efficient and transparent. The competitiveness of Switzerland is also driven by the country's excellent infrastructure and a highly-developed financial market. And the macroeconomic environment is one of the most stable in the world. This is an enormous advantage in an era in which many neighboring countries are still struggling with problems in this area.

The US recently fell to seventh place on the list, but is evidently on the recovery track. How is the country doing today?

Last year, the US reversed a negative trend that started five years ago when the

country was number one on the list. The latest recovery is based primarily on the culture of innovation and entrepreneurial spirit, and it is supported by monetary policy. However, the US still has to deal with high unemployment and underemployment.

There are major differences in performances of the emerging markets. How do you view these developments?

There are success stories, for instance, in Southeast Asia and Eastern Europe such as Indonesia, the Philippines, Poland and Estonia. Many countries, however, have not met expectations; in some developing countries growth is expected to occur, so to speak, automatically. Ill-advised political measures, lack of vision, inadequate structural reforms and a lack of investment, in addition to a global crisis of historic proportions, combined to prevent these countries from reaching their potential. One example is India, where one-fifth of the world's population lives and which was wealthier than China until 1990. China has since become four times wealthier than India. The development in these countries in the past two decades is primarily a consequence of the subcontinent's lack of competitiveness. □



Thierry Geiger is an economist at the World Economic Forum (WEF) and the co-author of the Global Competitiveness Report.

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We need to do everything in our power to make sure that our children can succeed in the labor market.



German philosopher and author Richard David Precht favors a radical reform of our basic education system. He contends that young people would be better prepared for the workforce if there were no grades, no subject-based instruction and, in some cases, no teachers.

By Simon Brunner (interview)
and Alexandra Compain-Tissier (illustration)

Mr. Precht, you have a ten-year-old son. What courses should he take to maximize his chances of success in the labor market?

That's not the right way to look at it. Young people should learn what they want to learn. When I finished school in the 1980s, everyone said that engineers and programmers were in demand. When a class reunion was held years later, we found that a large number of our classmates who had chosen those fields were unemployed. It is also important to keep in mind that many of the jobs that will someday support our children are entirely unknown to us today. So how can a student know what subject is the right one?

That sounds very open-minded. But what if your son were to announce that he wanted to be a harpist – or perhaps just a free spirit?
I would point out that there aren't very many harpists in the world, and that a fulfilled professional life would be very difficult to achieve. But if that was what he wanted to do, I wouldn't stand in his way. I do provide some guidance, however. For example, I caution against earning three degrees in the humanities, as I did. Perhaps he should also learn about economics, law, the natural sciences or technology.

You're a prominent critic of our current educational system. What do you think is going wrong?

The gap between what our children are learning in school and what they will need in life is wider than ever before. We insist that children memorize facts and figures, but that's not the kind of knowledge that lasts. Do any of us remember the things we learned in school? Within a few years of graduation, over 90 percent of the material has already been forgotten. At the same time, we neglect to en-

courage curiosity, creativity, originality and teamwork – and these are what people need to survive in a complex world.

What is your vision of basic education?
We mustn't destroy a child's intrinsic motivation to learn – it must be cultivated and encouraged. That's rule number one.

And you want to do that by eliminating grades?

That's part of it. More important than acquiring a certain body of knowledge over the school year is a child's personal development, and that can't be captured in numbers. For example, when I was a child I was good at gymnastics. Jumping over a beam was easier for me than for an overweight classmate. But if he managed to do it anyway, his achievement was greater than mine. How can you measure such an accomplishment? Grades aren't

There is a substantial gap between what our children are learning in school and what they will need in life.

very helpful. A written evaluation at the end of the school year might be the best approach.

Later on, and especially in the workforce, it's absolute performance that counts, rather than an individual's development or potential.

I'm not so sure of that. Evaluating an adult's performance isn't always easy, either. And there are many other factors to success, aside from performance. First of all, we need to give children a chance to find out what appeals to them. What do I like to do most? What is easy for me? What is the best way for me to learn?

You criticize subject-based instruction, which is used nearly everywhere today.
After the necessary foundation has been laid, schools should put much more emphasis on projects when teaching students. Placing boundaries between subjects impedes learning and stifles curiosity – not to mention the fact that the

wider world functions in an interdisciplinary way. It's not divided into subject areas.

What does project-based instruction look like?

A project might focus on “the era of Goethe,” for example. Students would read Faust with their German teacher, their history teacher would explain what was happening in Germany during that period, and their chemistry teacher would tell them about alchemy and conduct experiments using iron and sulfur. Students interested in theater might act out a scene from the play. This approach to learning helps students understand contexts and the significance of what they have learned. Projects can also shed light on how our economic and legal systems work; these two topics are woefully neglected in our schools.

But pure knowledge is essential for some subjects. Students have to memorize their multiplication tables.

You're right. And that brings us to my next point. You don't need a class to learn mathematics. We now have access to excellent, exciting learning software, which allows each student to work through the subject matter through play. Thus we no longer need traditional classroom instruction, which doesn't teach the top students anything they don't already know, but is too difficult for the weakest students. Whole-class instruction is therefore unnecessary in certain subjects and above a certain level. >

Richard David Precht

Richard David Precht, 48, is one of the most frequently cited younger philosophers in the German-speaking countries. He is the author of numerous bestsellers, such as “Who Am I? And If So, How Many?” (Goldmann, 2007) and “Liebe, ein unordentliches Gefühl” (Goldmann, 2009), and host of a series on the ZDF television network (“Precht”). Precht, who lives in Luxembourg and Cologne, has one son and three stepchildren. In his most recent book, “Anna, die Schule und der liebe Gott” (Goldmann, 2013), Precht examines Germany's educational system and argues for drastic changes.

But a number of studies have shown that teachers are the critical factor that determines a school's quality.

I agree. When teachers are involved, they need to be excellent. Today they focus far too much on didactics and deciding what students should learn. The most important thing, however, is for a teacher to be a good communicator. Fewer than half of my own teachers were capable of telling stories that captivated their students. If you don't enjoy listening to someone, you won't learn much from that person. To choose teachers, I would hold auditions and hire only candidates who are able to captivate their students.

You would eliminate grades, subjects and, in some cases, teachers. Would your "school of the future" do away with classes, too?

Precisely. We need to stop relying on class-based instruction, where children

are grouped by age and forced to learn the same things in exactly the same ways. We know that the more children and adolescents feel part of a community, the more they enjoy learning. The question, though, is whether such communities need to be classes that are defined by age. A system that may be reasonable for the first four to six years of primary school shouldn't be set in stone for a child's entire school career. No later than seventh grade, children are making friends of different ages.

With all due regard for creativity, fun and play: When should young people be introduced to our performance-oriented society?

I'm not opposed to performance, far from it. Each school could have a variety of "learning houses," like Gryffindor and Slytherin in the Harry Potter books. In my model, these houses would hold competitions – in reading aloud or mental arithmetic, for example.

The most important thing is for a teacher to be a good communicator. When you don't enjoy listening to someone, you won't learn much from that person.

Your school places great emphasis on the individual, but you still argue in favor of school uniforms. Why?

The advantages far outweigh the disadvantages. At school, internal values are paramount. Materialistic externals should play a less important role. School uniforms make social differences less apparent, and they eliminate the temptation to focus on brands and labels – which will come soon enough. Finally, uniforms make life much easier for parents.

When Apprenticeships and Apprentices Are Out of Sync

Support for young talent is essential if we are to alleviate the shortage of skilled workers. How can Swiss companies make themselves more attractive to young people?

By Noëmi Weder and Emilie Gachet

When asked what they are worried about, two out of three Swiss companies mention a shortage of skilled workers. For certain positions, finding well qualified employees is very difficult or even impossible (source: Swiss Federal Office of Culture, 2013). While it is nearly impossible to find hard evidence of such a shortage, several indicators suggest that it does indeed exist – such as the large number of unfilled positions relative to the number of people out of work. Based on this indicator, it is evident that in the fall of 2013, skilled workers were in short supply in certain industries (particularly the machine building, electrical and metal processing industries) and in engineering, technology, construction and information technology.

A continuing shortage of skilled personnel triggers structural adjustments at the corporate and economic levels, as well as changes in education policy. In the short term, the shortage can be offset by hiring foreign workers, skilled workers who are not in the labor force or workers with unrelated skills, but providing support and encouragement for young workers is essential if we are to find a long-term solution. According to the "apprenticeship barometer" published by the State Secretariat for Education, Research and Innovation in August 2013, however, there is an oversupply of apprenticeships even in technical fields, as well as in construction and architecture.

Why does supply exceed demand? Are our young people failing to reach the

necessary level of education? Or is it that the available apprenticeships are not what young people are looking for? Companies report that 66 percent of apprenticeships remain unfilled because applicants lack the necessary qualifications. It is unclear whether this can be attributed exclusively to poor school performance, or whether there are other reasons.

Relative to other countries, Switzerland's youth do fairly well. In the most recent PISA study, which was released in 2013, Switzerland's results were very positive – particularly in mathematics and the natural sciences, which lay the groundwork for the so-called STEM fields (science, technology, engineering and mathematics). A closer look, however, reveals significant differences.

What “hard knowledge” should schools impart? What minimal curriculum is required to prepare students for the workplace?

Students need to be able to communicate confidently, in writing and orally. They must be able to express themselves well and to speak in any situation. They should be able to think abstractly; they should be familiar with history, geography and political thought. Basic knowledge of the law and economics is essential. And they should have some practical experience with the arts.

Your critique of education concentrates for the most part on primary schools. As studies by economist and Nobel Prize Laureate James Heckman have shown, however, the preschool years are critical for a child’s success in later life.

I agree, and that’s why I favor making preschool mandatory in Germany. Every three-year-old should attend a preschool.

But you can’t delegate every aspect of child rearing to the state!

Obviously, I would prefer to have families take on these responsibilities. For the bottom third of the population, however, that isn’t always possible. For these families, the state needs to step in to counteract the often negative influence of the home environment on children’s learning, and see to it that these children receive a good education. While this is probably not the optimal solution, it is the only one that is feasible.

That sounds like it will cost a lot of money – taxpayers’ money.

Perhaps. But every euro or franc that we invest in this area is well spent. It will reduce later costs for unemployment insurance, the police and prisons – and for our social welfare system in general.

You were unemployed for nearly a year. What was it like?

It wasn’t a pleasant experience. I had finished my PhD and wanted to become a professor. Unfortunately, university politics made that impossible; someone else was chosen. My self-confidence began to decline. I wouldn’t wish that experience on anyone, and I am convinced that we need to do everything in our power to make sure that our children can succeed in the labor market – not by cramming their heads full of knowledge, but by allowing them to mature into well-rounded people. □

The bottom 25 percent of 15-year-olds scored 466 points, a full 131 points fewer than the top 25 percent (597 points). Training weaker students requires more time and effort on the part of companies. Although there has been an oversupply of apprenticeship positions since 2011, weaker students often struggle to find a position because they fail to meet companies’ requirements. The federal government is taking several steps to address this problem. For example, it is introducing a shortened, two-year program of basic professional training leading to a vocational certificate.

Unfavorable Image

It should also be noted that many young people are guided in their search for an apprenticeship not by the needs of the market, but rather by their personal interests and abilities. A good third of all apprenticeships – 34,000 last year – are in technical fields, construction and architecture. As many as 15 percent of them, roughly 5,000 positions, remained unfilled. By contrast, almost all of the available apprenticeships in the health care system were filled.

Some of the occupations that have the most difficulty attracting young people have an unfavorable image, perhaps be-

cause they are physically taxing. And occupations that are unable to find apprentices tend to be strongly male-dominated. One step toward solving this problem would be to make math-related occupations more attractive to young women. According to the PISA study, mathematics performance does not differ greatly by gender; rather, the issue seems to be differing interests. This means that the root of the problem is to be found not in basic education, but in role perceptions, prejudices and certain types of upbringing.

Demographic trends (such as the aging of the population) are reducing the demand for apprenticeships. Immigration might help to alleviate this problem – but this would require making basic vocational training more attractive to immigrants. Because they lack familiarity with Switzerland’s dual educational system, they tend to gravitate toward an academic track.

Moreover, companies must adjust to changes in demand and market their apprenticeships more actively. Here basic vocational training is competing with academic secondary schools. Companies and trade associations have a responsibility to help improve the image of vocational training and provide incentives in

their fields. A continuing oversupply of apprenticeships poses a threat to the supply of skilled workers. In response, companies might move part or all of their operations to countries where the necessary skills are more readily available, or they might make internal adjustments.

Noëmi Weder and Emilie Gachet work for Swiss Industry Research at Credit Suisse

Promotion of Young Talent at Credit Suisse

Over the past three years, Credit Suisse has increased the number of apprenticeships it provides by 25 percent, and now has a total of 750 apprentices. In all, the bank employs some 1,320 talented young people. Apprenticeships in the field of IT are a particular focus; their number doubled over that same period. Upon completing their training, 80 percent of apprentices continue to work for the bank. Continuing its efforts to promote Switzerland as a center for education and jobs, Credit Suisse is working to improve professional opportunities for young people. Over a period of five years, the bank is contributing CHF 30 million to projects designed to combat youth unemployment.

See also credit-suisse.com/responsibility

Creative Communities



1. Paul Knegten, 33, COO and co-founder of Amitree (software developer).
2. Emily Stuart, 26, Operations Director for Launch Media (news for entrepreneurs and startups).
3. Courtney Cochran, 35, Marketing for Drink Code (app developer).
4. Joshua Griffier, 34, Photographer.
5. Annette Leach, 31, Associate Director, Hotwire PR (international PR agency).
6. Robert Aikins, 29, CTO and co-founder of Drink Code.
7. Jonathan Aizen, 32, CEO and co-founder of Amitree.
8. Tony Novak, 32, CTO Amitree (software developer).

Co-working spaces are becoming more popular around the world. These office communities provide greater flexibility and build relationships – and provide impetus for new ideas.



9. Owen Rescher, 43, self-employed attorney. **10.** Jennifer Chou, 21, Marketing for Hacker X (headhunter for tech firms). **11.** Emily Lee, 23, Global Community Manager, Hacker X. **12.** Serge Sirisena, 29, CEO and co-founder of Drink Code (app developer). **13.** Janel Gallucci, 27, Managing Director, Mediaplanet San Francisco (marketing publications). **14.** Tim Pauly, 41, Community Manager, WeWork Golden Gate (office and co-working space).

By Steffan Heuer (text)
and Timothy Archibald (photo)

It almost feels as though you've stepped into the marketplace of a bustling village. Three people are deep in conversation at a long wooden table between bites of their sandwiches. Coffee is available at a kitchen counter, while a small group bursts around the corner and into the open room. They are juggling sodas, smart phones and laptops as they look for a free space in the sitting area that looks out over the San Francisco skyline.

This is a typical lunch break at the co-working office of WeWork, one of the largest providers of flexible workspaces for the self-employed and small teams in the US. In its Golden Gate Theatre branch, which is housed above an elegant, beautifully renovated music hall, some 420 members in 120 companies occupy seven floors. It will soon be 600, people who prefer working elbow-to-elbow and networking over taking their laptop to a café. Golden Gate is just one of 16 locations operated or being inaugurated by WeWork in US cities such as Boston, Seattle and New York.

“Like machines in a factory”

“I am the town mayor,” jokes Tim Pauly, aged 41. The lanky man with a goatee describes his job as follows: “We provide the infrastructure that enables our members to work better, make new connections and pick up new ideas.” Members don’t have to worry about office space, furniture or WLAN reception, and can concentrate on developing business ideas and meeting other people who can help their startups succeed.

Co-working facilities aim to establish a new work culture. Members typically pay a monthly fee of a few hundred dollars, with no long-term commitment. This entitles them to a permanent desk or free workspace, depending on the design of the co-working community or their needs. If you don’t want to be tied down, you can also show up and simply rent a space for a day. The operator takes care of the logistics of a conventional office, from internet connection and a mailbox to conference rooms.

On top of everything else – and that’s the main difference over renting a desk – the operators at WeWork aim to build a community of like-minded individuals, who might cross paths getting coffee or at events, sparking creativity. Events can include seminars, in which founders share their success stories, or workshops for tax advisors, designers and even wine experts. Electronic channels such as internal social networks play a central role in informing members about new additions and help to create an organically developing group.

This is in sharp contrast to the conventional office, in which everyone closes their doors and employees from different sectors or competitors rarely work under the same roof. The open-plan office with cubicle walls at half-height has also failed to create an atmosphere of collaboration and teamwork. “The way many people work is a relic of the industrial era – cram-

Working together is better than going it alone.

ming people into a building like machines in a factory,” states Jeremy Neuner, co-founder and CEO of the co-working provider Nextspace.

In his book, co-authored with Ryan Coonerty, “The Risk of the Naked Economy,” Neuner predicts that the days of the old workplace are numbered. Today, if you want to do creative work or find and keep motivated employees, you should offer many options between the two extremes of being present in the office and telecommuting from home. “There is an entire ecosystem of work setups to meet the needs of the individual.” This includes a combination of childcare and co-working, which Neuner’s company is trying out in San Francisco.

The Netherlands and Spain Lead the Way

This vision of a flexible and at times insecure form of work – due to fluctuating demand – lies behind all the co-working communities that have been cropping up like weeds in the past five to six years. In North America alone, there are more than 1,000 such facilities, three times as many as in 2010. In San Francisco, there will soon be a dozen co-working facili-

ties in the downtown, all of which have long waiting lists. These communities for creatives, who are mostly under 35, set up close to successful startups like Airbnb, Eventbrite or Twitter, and have become an important part of Silicon Valley’s innovative environment. This model is also rapidly spreading to the rest the world.

In Europe, some 2,000 co-working spaces have appeared in the last few years. The Netherlands and Spain rank at the top on a per capita basis. The consumer organization “coworking schweiz” lists some twenty spaces in German-speaking Switzerland alone.

And there is no let-up in the boom. Urbanization continues apace, with more people than ever coming to cities and working as lone guns or as part of small teams. Entrepreneurial spirit or a recession can promote self-sufficiency. In the US alone, according to a study, by 2020 some 40 percent of all workers – that is, 60 million people – will no longer have a permanent job and will work as freelancers. These permanently self-employed workers are united by ideas of social media platforms, the sharing economy, where knowledge and goods are shared, as well as the idea that everyone can become an entrepreneur. They are united by the belief that being part of a community is better than working solo and in the dark, and that you have to be technologically and personally connected to be successful and find fulfillment.

Jennifer Chou, a 21-year-old fresh out of college, is beginning her career with a startup on the seventh floor of the WeWork Golden Gate building, and she sums up the benefits of this modern workplace: “Every day, I feel like I’m going to this cool loft. It’s professional, but relaxed. Once you’ve worked like this, you don’t really want to look for a traditional job.” □

Steffan Heuer is the US correspondent for the German finance magazine “brand eins” and a published author.



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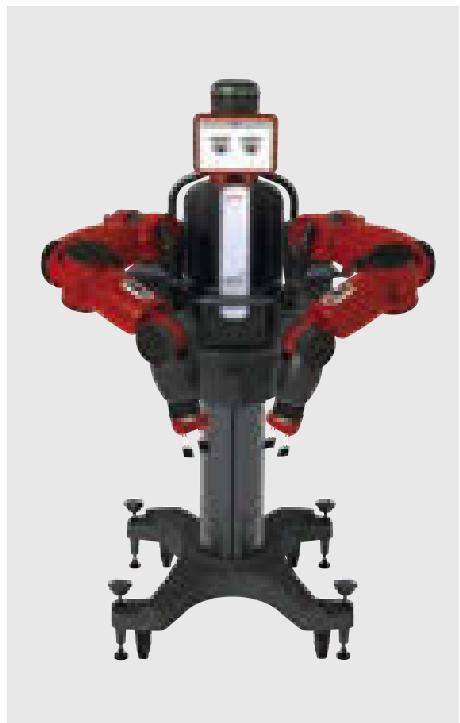
Humanity's Best Friend

Robots are becoming more and more important in our daily lives. They have learned to walk, swim, fly and communicate with each other. Some 1.5 million industrial robots are busy at work around the world; 16,000 service robots help soldiers and nurses do their jobs, and more than 3 million robots are used in homes. Meet six helpers – for today's challenges. And tomorrow's.

By Steffan Heuer



Navia (Induct Technologies) — This autonomous shuttle manufactured by the French company Induct Technologies is designed to revolutionize short-distance transport in population centers and at facilities such as shopping centers or campuses. The battery-powered shuttle has space for eight passengers and uses laser scanners, cameras and software to navigate standard streets, without a guide rail. The first Navia shuttles are already in use at the École polytechnique fédérale in Lausanne and Nanyang Technological University in Singapore.



Baxter (Rethink Robotics) — This friendly red robot with a smile on its touchscreen is designed by well-known MIT researcher Rodney Brooks to help humans and machines in a factory work together better and more efficiently. Baxter is trained manually by flesh-and-blood colleagues to carry out monotonous tasks while its human counterparts can concentrate on more challenging activities at Baxter's side. With a price tag of USD 22,000, Baxter is relatively inexpensive.



BigDog (Boston Dynamics) — This four-legged helper is designed to resemble a full-grown dog, and it provides a glimpse of the future of military robotics, in which robots will undertake dangerous missions, reconnoiter enemy positions and deliver ordnance. Developed by Boston Dynamics, BigDog can climb gradients of up to 35 degrees, power through mud, snow and ice, and carry a load of up to 150 kg. The Pentagon sponsored this project, and Boston Dynamics was purchased by Google at the end of 2013.



FrontRunner (Komatsu/Rio Tinto) — The Australian company Rio Tinto is betting on robots to perform the heavy work in its “mine of the future.” The automated transport system from the Japanese company Komatsu is already in trial operation in a mine, where it is being used to transport 290-ton loads of iron ore. An entire fleet of autonomous heavy-duty trucks will operate around the clock, coordinating with other robots that mine, crush and load the ore onto remote-controlled freight trains. Human workers monitor the operation from a control center located 1,000 km away in Perth.



Asimo (Honda) — The white robot from the Japanese automobile manufacturer Honda may resemble something from a sci-fi film, but inside this 1.3-meter tall humanoid you'll find a lot of sophisticated technology for use at home, in the office or in a factory. Asimo can climb stairs, jog and bend over, for instance to help nurses and patients in elderly care or hospitals. The robot detects obstacles in its surroundings at a distance of three meters, using ultrasound technology and cameras, and it can avoid these without special instructions from a map stored in its memory.



HOSPI-R (Panasonic) — Panasonic has developed this hospital robot in response to the impending nursing shortage in rapidly aging societies such as Japan. The candy-colored HOSPI-R unit transports medicine and samples, assisting doctors and nurses with these tasks. The unit securely carries loads of up to 20 kg and can navigate through a hospital independently without spilling its liquid deliveries; additionally, it only needs to be recharged every seven hours. The first HOSPI-R robots are already in use in hospitals in Japan, and similar devices are performing services in South Korea.

The answer is simple: The photo is crucial.

How do people find a job in the 21st century?
And how do companies find good employees?
On the internet, of course. Till Kaestner of
LinkedIn explains how **social recruiting** works.

By Simon Brunner (interview)
and Frank Bauer (photo)

Mr. Kaestner, how did you find your current job?

Through my **social network!** I read in the newspapers that LinkedIn was planning to expand its activities in Europe. I was interested, so I contacted the company through my online network – using LinkedIn, as it happened. The rest was a mere formality.

Is your story typical of job searches today?

We describe the old system as "**post and pray.**" It's no longer enough for a company to put up a notice of a job opening at the factory gate, expecting a line of suitable job candidates to magically appear. This is not so much because of the internet, but because the market has changed. In certain industries, demographic changes have led to a serious shortage of skilled workers and managerial staff. The market has shifted from the supply side to the demand side; at a certain level, there are more jobs than applicants. As a result, most attractive candidates already have a permanent position where they are fairly content. The challenge is to convince them to leave.

Social recruiting plays an important role in this context.

So most people who are on LinkedIn aren't looking for a job. Why do they use the site? Exactly. Fewer than 20 percent are really seeking a new job. The other 80 percent are maintaining their network, looking to see what their friends are doing or reading articles related to their fields. Companies are hoping to reach out to these passive candidates in the right way and at just the right time.

How?

More and more, human resources departments are doing what marketing and sales departments have done for a long time – promoting their companies. They're trying to develop a brand as an employer. However, it is still relatively uncommon for companies to have the necessary skills in this regard. There is a world of difference between placing an ad and establishing a significant **social media presence.** While it sounds like a lot of extra work, taking advantage of social media leads to much greater ef-



Till Kaestner, 42, has worked for **LinkedIn** since 2012 and currently holds the position of commercial director for Germany, Austria and Switzerland. He has a degree in architecture and lives with his wife in Munich. They have four daughters.

ficiency – it makes it possible to reach a much larger number of people at the same time or to target a specific group.

How have job seekers changed in recent years?

Members of **Generation Y** want to know exactly what it's like to work for a certain company. What are the company's values? How do people at the company interact with one another? Who would be my boss? What are his or her hobbies? How do people dress? How much travel would be involved? Are there opportunities for advancement? What work models are in place? Questions like these are rarely answered by traditional job listings. Companies that are open and honest about themselves therefore tend to be successful on LinkedIn. Most important, in my view, is for current employees to share their insights. They are a company's best and most honest brand ambassadors.

What factors make for a successful job search on the internet?

Because data is so abundant, we can identify quite precisely the profiles that are often viewed. The answer is simple: The photo is crucial. Profiles that include a photograph are viewed four times as often. It's also important to include personal details. Empty words like "creative," "team player" and "resilient" are deadly; employers go right on to the next profile.

What else should people avoid?

The purpose of a job search is for employers and employees who are a good match to find each other. Thanks to social networks, each side is able to find out a great deal about the other before they meet in person. But that means that honesty is crucial – hiring takes place in the real world, and if someone has lied it will quickly become apparent. Furthermore, today over half of all companies carry out background checks on job applicants, and this, too, has become much easier because of the internet.

Does a line still exist between private and professional networks in the online world?

Of course. Studies have shown that using a social media platform like Facebook is perceived to be a leisure time activity, like going to the movies or watching television. Time spent on a

professional network, on the other hand, is seen as an "investment," and involves very different attitudes and objectives.

In the business world, LinkedIn also appears to serve as a dating site of sorts. This is clear from articles like "Is LinkedIn the New Dating Hot Spot?" (Forbes) and "Thousands Of People Are Looking For Love On LinkedIn" (Business Insider).

Does that bother you?

Of course we're pleased if LinkedIn generates emotional connections, but it is fundamentally a businesslike, professional environment.

Do you, personally, accept every contact request you receive?

Definitely not. If a stranger sends me an "**add**" request without any explanation, I decline. After all, my network defines who I am! I have about 2,500 contacts on LinkedIn. While I don't know all of them personally, every one is relevant, in a wider sense, to my professional life.

LinkedIn is active in over 200 countries – are there regional differences?

Only a few; roughly the same functions are used everywhere. But we have observed differences from one country to another in the degree of contact people want. The Japanese tend to be cautious, Americans are very informal and open, Central Europeans are rather hierarchy-conscious – we are unlikely to add an executive to our network and then send off a message like "Hi boss, how's it going? Do you have a job for me?"

If I google you, the first hit that comes up is your profile on Xing, a LinkedIn competitor. Why is that?

It's only natural that I have a profile on a competitor's site, although less and less is happening there. Xing is very good at **SEO**, so that's why my Xing profile shows up first in a Google search. But this will soon change. □

Glossary

LinkedIn

The largest social recruiting platform, with over 250 million registered users. LinkedIn is listed on the stock exchange (NYSE), and its market capitalization totals almost 30 billion dollars (December 11, 2013).

Social recruiting

A method of finding employees using social networks. Also referred to as social hiring, social recruitment and social media recruitment.

Social network

A loose association of internet users who share a network community. Facebook, with over a billion members, is the world's largest social network. Synonyms: social media and social platform.

Post and pray

This refers to the traditional method of listing job openings. Companies place an ad, hoping that a suitable candidate will contact them.

Social media presence

Nearly all major companies maintain profiles on social media, where they present information about themselves and communicate with their stakeholders (customers, investors, potential employees, etc.).

Generation Y

A demographic term for the cohort of individuals who were teenagers around the year 2000. Synonyms: Gen Y and Millennials. A successor generation to the baby boomers and Generation X.

"Add contact"

Adding new contacts on a social network.

SEO

Search engine optimization (SEO) seeks to ensure that a website will be among the top hits that appear in an online search.

Work Space

The borders between work and leisure are becoming blurrier every day.



Jörn Kaspahl is an illustrator in Hamburg. His work has appeared in such publications as The New Yorker, Monocle, GQ, Wired and Der Spiegel.



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