

## Switzerland has a future. On the positive power of individuality

### About the book by Gerhard Schwarz

by Marianne and Werner Wüthrich

*The liberal economist Gerhard Schwarz, for many years managing editor of the "Neue Zürcher Zeitung" and for several years managing director of the think tank Avenir Suisse, has written an excellent book about Switzerland in generally understandable language. It is an example of how identification with the Swiss model is characteristic of the vast majority of the population, regardless of political persuasion.*

The book by the current president of the board of the *Progress Foundation* is an expression of the conviction that Switzerland's success, which has lasted for over 150 years, is not primarily due to economic reasons, but is based on the system of pronounced political self-determination. At the same time, this political system "grants citizens more participation and freedom [...] than any actually existing alternatives". (p. 13)

#### "A state built from the bottom up"

The first part, so titled, begins with the subchapter "Future Needs Provenance". For "you cannot preserve an order and develop it further if you do not know on what historical foundations it rests". (p. 18) One of the most important foundations that has developed in Swiss history is the cooperative principle: "What is really special about Switzerland, above all others, is its cooperative self-image." (p. 29) It is "this voluntary association from the bottom up, starting with the citizens, through the communes and cantons, to the language regions and the Confederation, that is unique". In fact, according to Schwarz, the concept of the "Confederation" is "so central that almost everything else is derived from it". (p. 32) For example, communal autonomy and federalism, the principle of subsidiarity and the militia principle.

As an illustrative example, *Gerhard Schwarz* explains the understanding of citizenship as communal citizenship: "You become a citizen of the Swiss Confederation and of a canton by becoming a citizen of a Swiss commune." Citizenship is not granted by an executive authority, but by the communal parliament or assembly: "The citizens of the commune decide whether they want to accept someone new into their cooperative or not." The author mentions that this practice is "controversial" today because it does not give the person seeking naturalisation any right to naturalisation despite fulfilling the requirements under federal law. But Swiss citizenship not only confers rights and obligations, it is also "an expression of integration into a new homeland". (pp. 33)

#### "Direct democracy – the people in the driver's seat"

In the chapter "Institutional peculiarities", (semi-)direct democracy ("part of the decisions are made by parliament) rightly takes first place due to its central importance for the country and the citizens. The direct democratic instruments are also an "outgrowth of the cooperative understanding of the state". (p. 37) *Gerhard Schwarz* illustrates the differentiated Swiss organisation of citizens' voting and electoral rights with vivid descriptions (pp. 37–46). Three examples, which should also be of interest abroad, will be highlighted here:

– The late introduction of women's voting and electoral rights (1971) "is often cited with a pitying smile as evidence of the failure of the system". The author points out that Swiss direct democracy works particularly slowly: "In it there is [...] only the slow, evolutionary, laborious path of small steps." In contrast to other countries that had introduced women's suffrage much earlier through a parliamentary decision, in Switzerland a popular vote was necessary to amend the constitution accordingly. This decision was taken voluntarily by Swiss men in 1971 with a whopping two-thirds majority. *Gerhard Schwarz* makes the point: "Those who resent the tenacious adherence to the male-only right to vote and the slowness of the process will tend to approve of semi-direct democracy only to the extent that it produces results within a useful period of time that correspond to their own values and ideas". (p. 38)

– The usually relatively low voter turnout (sometimes less than 50 per cent) does not mean that the other 50 per cent are not interested in what is happening in the state: "Because of the large number of elections and votes, many citizens only participate in votes that particularly interest or concern them. [...] Nevertheless, one cannot speak of a spectator democracy, because such abstinence is quite rational. Those who are affected can participate in decision-making." (p. 41)

– The claim that the people are incapable of judging complex issues properly is "refuted by Swiss reality. Of course, decisions are made that a majority of experts consider to be wrong, that contradict international majority opinions or that, in retrospect, are also regretted by the majority of the people and considered to be an error. But is it different in parliamentary systems? The Swiss people truly do not have to be ashamed of their voting results; they make no more mistakes than the parliaments of neighbouring countries [...]" (p. 43)

The direct democratic principle is also directly reflected in the elections of parliaments and cantonal and communal executives (see box "Cantonal State councillors and parliamentarians receive their mandate directly from the people").

#### The "militia principle – participation in the citizens' state"

Even though it is more difficult to find enough volunteers in many Swiss communes today than it was twenty or thirty years ago, in Switzerland "about one in three people over the age of 15 still does some kind of voluntary work, i.e. unpaid work for the community". For the functioning of Swiss communes, civic engagement is, as the author notes, "still indispensable", (p. 48). As important examples, he mentions work as a communal councillor (executive), cantonal councillor (legislative), in school or church administration, in social authorities or in the fire brigade. Like direct democracy, the idea of militia stems from the cooperative understanding of the state (p. 50). Thus, the mandate of a local councillor – except in large cities – is part-time and is only modestly compensated financially – one does not become a communal militia councillor to earn good money but to make a contribution to the common good.

Incidentally, the members of the National Council and the Council of States are also "militiamen": although they have almost a full workload and receive corresponding attendance fees, each of them has, as Schwarz writes, "kept one leg in business, ideally in the private sector" (p. 49).

The effects of the militia principle on the relationship between citizens and authorities are pragmatic: "Militia representatives are [...] closer to the citizens, more pragmatic and – because they are less economically dependent on their mandate – internally more independent. In short: they are more grounded and closer to the people" (p. 49). The author adds that therefore the trusting in authority respect that, for example, their German neighbours have for the authorities, is unknown to the Swiss" (p. 50).

You can read an example of this in the box on p. 6 "Militia principle: the citizen in the true sense".

#### Remarkable facts about federalism

After this look at some of the pillars of the Swiss understanding of the state, which the author brings closer to the reader in a lively and original way, the other contents of the book will only be touched on selectively here, so as not to go beyond the scope of a book review.

Two statements on federalism should nevertheless be singled out. One seems noteworthy to us from the pen of a liberal: "*One can of course ask whether in a globalized, highly labour-divided, mobile and digitized world such small-scale communities are still appropriate [...]. On the contrary, however, I personally consider small, manageable conditions to be a necessary counterweight to the growing complexity of the world*" (p. 56). The second statement is the astute observation that the trend towards centralisation is precisely not conducive to Switzerland's internal cohesion: "*Only federalism down to the level of the communes can hold together a nation characterised by so many and such great differences of religion, culture, language, geography and topography*" (p. 59).

#### In the middle of the world – and yet unique:

##### Swiss neutrality

When it comes to locating Switzerland in the world, perpetual neutrality is in first place, as it does in *Gerhard Schwarz's* book. He endorses the viewpoint of *Carl Spitteler*, the Swiss Nobel Prize winner for literature in 1919: "In his judgement, an exaggerated sense of mission in foreign policy is incompatible with neutrality" (*Schwarz* pp. 73). Consequently, *Gerhard Schwarz*, like many other Swiss, takes the view that candidacy for a seat on the UN Security Council would "hardly serve the role of a neutral and mediator" (p. 132). Rather, he argues, Switzerland has a far more useful instrument at its disposal with its tradition of providing its good offices: "Instead of constantly questioning neutrality, it is more advisable to provide ongoing, discreet and efficient proof that such neutrality can benefit world peace and stability" (p. 131).

Switzerland recently proved this in Geneva, where it made its neutral ground available to the presidents of the two great powers Russia and the USA, so that they could shake hands and talk. It is these small steps that are now required to come closer to the hope of the peoples for a more peaceful world. (See box "Switzerland isn't just known for chocolate and army knives").

Like Good Offices, *Gerhard Schwarz* acknowledges Switzerland's active support of the ICRC "one of the greatest institutions Switzerland maintains as a service to the world community, and whose headquarters in Geneva have not least to do with neutrality" (p. 74).

#### "The Place in Europe and in the world"

Like numerous Swiss liberals, but also those from all other political corners, *Gerhard Schwarz* is a staunch opponent of an institutional framework agreement between Switzerland and the EU: "If Switzerland wants to preserve and develop its Unique Selling Point, which means, its unique political system, it has every reason and every moral justification to move outside the EU, as much as it feels that it is part of Europe." (p. 85) From an economic point of view, the author – like the majority of the population, by the way – considers it reasonable to keep the more than 140 bilateral agreements with the EU alive, but Switzerland must "not pay any price for them" and also "not necessarily strive for a permanent deepening and expansion of the treaties with the EU" (p. 84). He points out that "Switzerland, despite its small size, is an important economic partner of the EU, in many respects number two or three after the USA and China". (p. 83) A long period without new contracts should therefore be understood "not as a catastrophe, but as an expression of strategic patience" (p. 84). These are remarkable statements from *Gerhard Schwarz*.

The author also recalls that Switzerland's trade "with the rest of the world" is already on a par with that with the EU and is continuing to develop strongly (p. 87).

#### A word about the great social importance of the dual professional education

*Gerhard Schwarz* dedicates a separate chapter to "Space for Entrepreneurship", which, in addition to various assessments from a market economy perspective, also emphasizes the great importance of dual professional education, "which is part of Switzerland's economic and social DNA". (p. 99) As long-time vocational schoolteachers, we are particularly pleased that the author is defending himself against pressure from the OECD for greater academization. He points out that the Swiss education system "not only does better justice to the various skills and better exploits the existing educational potential, but also serves social cohesion". In just a few sentences, he aptly demonstrates the great advantages for individual young people as well as for the Swiss economy and society (p. 100).

#### "Working for the future"

In the chapter "Working for the future" the author proposes a wide range of reforms to "secure the long-term future viability of the country while preserving individual freedom as much as possible" (p. 111): proposals to the "key properties" of the direct democracy, to strengthen the militia concept and the non-centralism, for participation in the world in the humanitarian fields of activity.

It goes without saying that *Gerhard Schwarz*, as a liberal, also focuses on free trade, more competition and less state.

But he does not put economic reforms first, "because the freedom of the market is indeed one of Switzerland's success factors, but not as distinct as the political system is one of its unique selling points". (p. 112)

This assessment is confirmed by the following report, which was recently read in the daily press: According to the ranking of the "Institute for Management Development (IMD)", Switzerland is 2021 – the year the negotiations with Brussels were broken off! – the most competitive country in the world. There are a striking number of small countries among the top ten countries. Switzerland has always been in the top five over the past five years. Reasons for this year's first place include the "world's best infrastructure", the "unsurpassed constitution of public finances" and the "institutional framework" of Switzerland.<sup>2</sup>

#### An example out of the plethora:

##### The revitalisation of the militia concept

In order to promote the participation of broader sections of the population in public life, it is important for *Gerhard Schwarz* to "always look for people under 35, of retirement age and/or with a foreign passport" when filling vacant positions. "However, it should be crucial to upgrade the militia work." (pp. 119) The author gives specific suggestions for this:

– Time-credit-exchange: This idea has already been implemented in St. Gallen and Vorarlberg, especially in the social field. For the militia services provided, time credits are transferred to a time account that can be used if necessary (p. 120). One example are transport services, for example for transport to a doctor or to a hospital.

– General compulsory service for men and women "in the army, civil protection and numerous civilian activities, including politics": As *Gerhard Schwarz* notes, this reform proposal by *Avenir Suisse* has "probably triggered the most constructive echo" (pp. 120). One objection: an obligation contradicts "a central aspect of the militia concept, the voluntariness". Of course, the choice from the diverse range of militia activities would have to be left to the individual.

#### Strengthening of non-centralism – importance of the Council of States and the majority of the Cantons ("Ständemehr")

"Federalism is probably even more at risk in Switzerland than the other younger pillars of the system, such as direct democracy or the militia concept. [...] The creeping tendency towards centralization and a mere enforcement federalism should be put to a halt", above all by relocating competences from the federal government to the canton and commune level, according to the author (p. 122). One should expressly agree to this assessment.

Two important pillars of non-centralism, which fortunately have endured, are the Council of States and the majority of the cantons. According to the author, the composition of the Council of States (two seats per canton, one seat per half-canton, regardless of the very different population figures) must not be shaken. "Reform proposals such as the one to take cities into account in the Council of States [...] aim to undermine federalism because they want to give more weight to the population and the electorate. But that is exactly what federalism does not want. It is a counter-program to democracy, to the principle of 'one man, one vote'". According to the author, the two-chamber system wants to favour the rural regions (p. 123).

The same applies to the majority of the cantons: Its purpose in votes (?) is to "prevent that the majority of the people formed in the urban centres of the Swiss midlands is sweeping over the rest of the country" (p. 123). Today there are proposals to reduce the weight of the rural cantons. Also, *Gerhard Schwarz* is – not quite consequently – not completely averse to such considerations (p. 124). In fact, the majority of the cantons is the far more effective instrument for strengthening federalism than the council of states, because in the former the people speak directly. A consolation for anyone who does not want the majority of the cantons to be diluted: this would not stand a chance in a referendum.

#### Excellently different

We conclude our remarks on this book, which is well worth reading, with *Gerhard Schwarz's* recommendation to us Swiss, «to stop constantly quarrelling with the smallness of our own country and to think that salvation lies only in size. Rather, Switzerland should understand and cultivate its cosmopolitanism – fuelled by multilingualism, small spaces and, above all, smallness – as a trump card. Switzerland is more global and international than most countries in the world – it should stay that way". (p. 149) •

<sup>1</sup> Spitteler, Carl. "Unser Schweizer Standpunkt" (Our Swiss point of view). Speech of 14 December 1914

<sup>2</sup> Fuster, Thomas. "Die Schweiz ist erstmals wettbewerbsstärkstes Land der Welt" (For the first time, Switzerland is the most competitive country in the world). In: *Neue Zürcher Zeitung* of 18 June 2021



Gerhard Schwarz (picture Desirée Goad)



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### «Switzerland isn't just known for chocolate and army knives»

On the eve of the Biden-Putin meeting of 16 June 2021

"A word about where we are tonight: Geneva, Switzerland. A city that is no stranger to deal making and peace keeping. Everywhere you look in Geneva, there are symbols on what can be accomplished here, the world works together. The Ligue of Nations headquarter here after World War I, the *Red Cross* founded here, and the *Geneva Conventions* signed here. Switzerland isn't just known for chocolate and army knives; the Swiss have long been known as being neutral. Geneva is a city that creates the space for diplomacy. United States and Russia have his tree here too. This Château [La Grange] is where *Ronald Reagan* met the leader of the Soviet Union, *Mikhail Gorbachev*, in 1985. [...] Now, the City of Peace hosts his next historic summit. And tomorrow all eyes here on Geneva, and we'll be here to witness it, with you."

Source: @NarahODonnell. CBS News (Columbia Broadcasting System) on 15 June 2021

### Militia principle: The citizen in the full sense

*m.w./w.w.* In his obituary for the recently deceased entrepreneur and politician *Ulrich Bremi*, former Federal Councillor *Kaspar Villiger* pays tribute to this "citizen in the full sense" who "rendered outstanding services to our country". Bremi began his "picture-book Swiss career" with an apprenticeship as a mechanic, followed by a school-leaving certificate, studies, military service and a career as an officer. He became an entrepreneur and chairman of the board of directors of well-known Swiss companies, at the same time a cantonal councillor and finally a member of the National Council. *Kaspar Villiger*: "He became the model of the citizen who put the knowledge and skills he had acquired in his professional life at the disposal of the community [...] for the common good." For in the Federal Assembly there was a need for "people who bring a full rucksack to Berne, and not people who want to pick up a full rucksack in Berne." *Ueli Bremi* embodied this principle in an exemplary manner."

*Villiger, Kaspar. «Der Bürger im vollen Sinne» ("The citizen in the full sense").*

*Neue Zürcher Zeitung* of 19 June 2021

(Translation *Current Concerns*)

### State councillors and parliamentarians receive their mandate directly from the people

*m.w./w.w.* On 18 June, *Mario Fehr*, member of the Zurich cantonal government, announced that he was leaving the SP (Swiss Social Democrats) because of differences of opinion with the cantonal party leadership. The Swiss uniqueness: because *Fehr* was elected by the people, he remains in office even without party membership. This is because cantonal voters do not elect a party, but individuals to their government. The five or seven or nine people, depending on the canton, who receive the most votes, are elected. Incidentally, *Mario Fehr* had the best election result in 2019, which means that he also received many votes from citizens who did not vote for him because of his party affiliation, but because they were content with his previous leadership. Although the party leadership will not nominate him for another period of office, he therefore has good chances if he wants to run again in 2023 as a party independent or for another party.