

SGI Sustainable
Governance
Indicators

2014 Switzerland Report

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Executive Summary

Governance in Switzerland showed considerable continuity in the 2011 – 2013 period as compared to 2009 – 2011; indeed, even more so than when comparing 2009 – 2011 to the prior period. This applies to the country's overall quality of democracy, policy-specific performance and management structures. By implication, shortcomings as well as strengths have been preserved. For example, Switzerland is undoubtedly a stable and successful democracy, based on the broad support of citizens who in comparative perspective are extremely satisfied with the performance of their governance system. On the other hand, as with every other modern Western society, Switzerland is plagued by right-wing populism, and according to many observers, a considerable amount of xenophobia as well.

With regard to policy performance, Switzerland must be regarded as extremely competitive. It has even improved compared with other European countries and with previous periods. Unemployment rates are low, public finances are in extremely good shape, the welfare state is still sustainable and the educational system is excellent. In addition, having lagged from the 1970s until about 2005, Swiss economic growth has today become more dynamic. The country weathered the post-2007 crisis period, the instability of the eurozone, and the shocks of the European sovereign debt crisis remarkably well.

However, some of the constituent elements of these successes are eroding. For example, the unsolved problem of the country's relationship with the European Union represents a major and threatening challenge. Being dependent on the EU in economic terms, it is alarming that the country has failed to develop a new working formula for this relationship. Likewise, the country's successful system of negotiation democracy faces growing pressures. This pattern of formal and informal coordination and cooperation between most of the country's political and socioeconomic elites has allowed for the maintenance of a lean state and federal administration. However, the ongoing polarization of national politics, the erosion of accepted norms of decent behavior among the political elites, the deep divide on the European question and xenophobia, and the latter phenomenon's more or less tacit acceptance by the public could damage this successful mode of policymaking.

Professionalization within the country's political and administrative elite is somewhat limited, as the part-time political mandate is widespread, although the militia system features a professional administration at all levels. Coordination is in fact frequently negative rather than positive, taking the form of successful muddling-through without active involvement by other players.

However, apart from the remarkable degree of continuity during the period under review here, there were also a number of path-dependent changes:

Switzerland's policy decisions led to increased tension with the international human-rights regime in the 2009 – 2011 period, and this continued in 2011 – 2013. In the Swiss political discourse, emphasis is placed on the sovereignty of the people, which expresses itself in popular votes that are only weakly influenced by international legal norms. The gap between Swiss citizens' perceptions of sovereignty and the norms of the global human-rights regime widened further in 2011 – 2013.

Changing patterns of immigration have led to increasing conflict. For decades, Switzerland has been dependent on a flexible inflow both of highly qualified and low-skilled employees. Hence, the recruitment pattern for foreign labor was always bimodal, showing a strong overrepresentation of foreigners at the bottom and top of the job hierarchy. On the one hand, these labor inflows relieved Switzerland from the burden of paying for the training and education of a large segment of its highly skilled labor force. In addition, this flexibility helped to alleviate pressure on the welfare state, since the nation's demographic profile was shifted toward a younger, often foreign-born population with a high employment-participation rate. Recent decisions to recruit new, high-skilled immigrants from EU countries have further increased the share of highly qualified foreign employees within the population. On the other hand, these high immigration rates – representing about 1% of the population per year – continues to produce considerable social costs associated with integration, and is a persistent source of political conflict. In the past, opposition to immigration came largely from lower-class Swiss citizens, who felt themselves to be in competition with foreign workers in the areas of employment, housing and education. The new immigration patterns have increased concerns felt by middle-class Swiss citizens, who have hitherto enjoyed almost unchallenged status and employment opportunities. The strong migration of highly skilled labor from Germany, with flows often regionally concentrated, has increasingly called into question local definitions of identity and perceptions of supremacy.

During the period under review, Switzerland was forced to accept that some of its policies were no longer practical, and that advantageous solutions of the past were no longer sustainable. Three such unpleasant changes were notable. First, maintaining banking secrecy has become increasingly problematic. During the past four years, under pressure by the OECD, the European Union and the United States, Switzerland has had to substantially relax its rules on banking secrecy, which had long allowed foreigners to hide money in Switzerland in order to avoid home-country taxation. Given that banking secrecy constitutes a core element of Swiss identity and pride, this was a dramatic change. The decline of banking secrecy offered a stark contrast to the dominant national discourse, which argues that Switzerland can pursue autonomous and smart strategies in a globalized world by occupying policy niches left open by the great powers. The traditional discourse of sovereignty through intelligence increasingly conflicts with the realities of an integrated Europe, in which neighboring countries have increasingly criticized Switzerland as a free rider. During the spring of 2013, it became particularly clear that past policies of banking secrecy cannot be continued. Second, similar lessons have had to be learned in the field of tax policy. A number of influential Swiss politicians were surprised at German policymakers' refusal to accept a draft treaty because of insufficient concessions on the Swiss side on this issue. Switzerland has had difficulties in realizing that it is in a structurally weak situation relative to major neighboring countries and the European Union, and that its maneuvering room in international treaty negotiations is much smaller than previously assumed. Third, the country's reluctance to grasp its own structural weakness was also evident in negotiations with the European Union over bilateral treaties and their associated institutional solutions. There is a widening gap between Switzerland's self-perception as a smart and successful actor on the international scene and the realities of a highly dependent small Swiss economy in an integrated Europe, with the latter losing sympathy for the Alpine republic in times of crisis and trouble.

New economic challenges posed by the European sovereign debt crisis were successfully managed through pragmatic and heterodox economic and monetary policy. The Swiss franc proved to be a strong currency during the Euro crisis. In order to avoid major export losses, the Swiss National Bank pursued a decisive policy of creating a lower limit to the exchange rate, through a credible commitment to intervene massively if this threshold was crossed. Thus, in the field of economic policy Switzerland increased liberalization without giving up its very pragmatic economic strategies.

Even under strong external pressure, the Swiss political system has been unable to create active new policy approaches to two major challenges. It has failed to find new answers to the questions of immigration, and has been unable to recast its relationship with the European Union in a sustainable and mutually satisfactory way. Both problems are increasing in urgency and need to be tackled soon.

Key Challenges

Switzerland faced three major challenges as the 2011 – 2013 period closed, all of which had also been evident in the previous period. The government should develop a convincing strategy with regard to each of these issues.

First, the country's relationship with the EU remains founded on a provisional basis. The realities of domestic politics have to this point made bilateral agreements the only practical solution – neither a policy of “going it alone” nor EU membership are feasible strategies. However, the bilateral solution is becoming increasingly difficult to maintain. Switzerland will have to offer an institutional solution that meets the requirements of the European Union. Yet this could be difficult, given domestic attachment to national autonomy and the biased perceptions of many Swiss citizens with respect to their country's sovereignty and relative power position within Europe as a whole.

Second, migration is creating growing political and social tensions. The share of foreigners within Switzerland's population is among the highest worldwide. Moreover, an extraordinarily high proportion of elite positions in the economy and the higher education system are staffed by foreigners. Thus, immigration has stimulated economic growth. Some observers even argue that it is essential for the country to continue recruiting highly skilled labor, as without it, the Swiss economy will be unable to grow at the high rates it has become used to. Moreover, the free movement of labor is specified as part of the country's bilateral treaties with the European Union, which means the Swiss government has no legal means to effectively influence the quantity or quality of immigration coming from EU countries.

While the government and a large majority in parliament want to continue the regime of free movement of labor and have warned against propositions that could put the bilateral agreements with the European Union at risk, immigration also produces costs and social conflicts. In particular, substantial

portions of the Swiss population are reluctant to accept the high number of foreigners in the country and their growing relevance in some sectors of society. Due to the federal structure of the country, integration policies vary substantially between cantons and municipalities. Administrators at these levels have taken on the task of reconciling the realities of immigration with public opinion, but so far with only mixed results.

Given this state of affairs, the main task for Swiss policymakers in the coming years will be to convince the population that immigration, despite some perceived or real disadvantages, is beneficial for the country as a whole. This task is all the more important as the Swiss people will have to vote on several popular initiatives proposing severe restrictions on immigration in the next two years.

Lastly, the political discourse in Switzerland emphasizes the country's sovereignty in ways incommensurate with the country's real international position. There are hardly any politicians who publicly question this focus to any great extent. Yet Switzerland has signed international treaties, is dependent on the European Union (which in turn is not particularly dependent on Switzerland) and in practice has limited scope for independent action. The country's prevailing myths do not fit realities well. In all likelihood, Swiss citizens will increasingly be confronted by external pressures requiring the implementation of policies incompatible with the assumption of sovereignty. If political elites fail to engage in national discourse that corresponds to reality, they risk driving a large share of citizens to seek populist solutions to these tensions.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 9

The Swiss economic policy regime combines a variety of elements. It is a very liberal and depoliticized regime with regard to the regulation of the labor market, in particular to hiring and firing. The rules in this area are very close to those of the United States. By contrast, it was in the past a very liberal and politicized regime with regard to the in- and outflow of foreign labor. The country's economic policy regime is based on the integration of employers and trade unions into the policymaking process, with employers having the largest amount of influence ("liberal corporatism") and trade unions serving as junior partners. For trade unions, this corporatism has made sense, since it resulted in a regime of full employment (at least for Swiss citizens), high wages and generous private social policy implemented on the firm level. In addition, public-sector social policy has been expanded in terms of programs and expenditure levels.

Throughout the 20th century, Switzerland maintained a very protectionist policy regime, allowing for cartels and the exclusion of competition. The main beneficiaries were farmers, who were protected from world market competition by high tariffs, as well as small and medium-sized businesses and service providers producing for the domestic market. In addition to high tariffs and strict non-tariff barriers to foreign competitors, business was protected through the acceptance of high tariffs from abroad. Furthermore, collusive pricing was tolerated, while competition between providers and producers was limited by the variance in cantonal regulations. This latter aspect made it very difficult for businesses to make competitive offers and win bids outside their home cantons. However, this protectionism has changed considerably since the mid-2000s, replaced by a liberalization trend that continued during the 2011 – 2013 period. Economists have attributed the Swiss economy's strong growth since about

2005 to this liberalization. Today, it is an economy open to the world market, with domestic rules that facilitate the internationally competitive nature of large enterprises such as chemical producers and banks.

The government levies low taxes on both labor and capital, producing relatively small tax wedges. In return, this liberal state does not make significant interventions into the business cycle. Rather, it used to pursue a prudent and basically pro-cyclical fiscal policy. In times of major economic problems, such as in 2008 and 2009, fiscal stimulation packages have been implemented. However, for institutional and political reasons, these packages have typically been very limited in size. In addition, it proved difficult to implement these packages swiftly. In fact, many of the resources contained in these fiscal programs have not been taken up by employers.

The country's policymakers have long placed particular emphasis on a prudent fiscal policy (maintaining low levels of deficit and debt) and price stability. Prudent fiscal policy has resulted from a combination of institutional factors, in particular the fiscal weakness of the federal state compared to the cantons, rules limiting excessive deficits and debts (for example, a so-called debt brake), and the effects of direct democracy. Citizens have typically been reluctant to accept any policy changes implying an increase in taxation. These institutional factors have been further reinforced by the distribution of political power, in particular by the weakness of the political left, and the presence of a strong party (the Free Democrats, which are in this respect liberal) that supports a constrained-tax state. Responsibility for price stability is left to the independent National Bank, which is tasked with maintaining price stability as a primary goal, and has the tools of monetary and interest rate policy at its disposal.

In general, decision-makers have pursued a very pragmatic and heterodox economic policy, and have shown themselves willing to disregard liberal norms of policymaking if the need arises. For example, in recent years the Swiss government and the Swiss National Bank intervened massively to prevent the bankruptcies of Swiss International Air Lines, the national airline, and UBS, one of the country's two major banks.

This policy regime, which has been both liberal and protectionist, has come under pressure due to various changes in the economic environment. For one, deindustrialization and a marked shift to a service economy has meant a change in the demand for labor. The industrial sector once offered a large number of jobs with low skill requirements. These jobs were staffed to a disproportional extent by foreign labor. Due to the rules of the work permit system, many

foreign workers gained access to unlimited work permits between the mid-1970s and the mid-1990s. However, given their low skill levels, there is not enough demand for these employees in the modern high-skill service sector. Hence, the unemployment curve has shifted upward, and is today characterized by high rates of unemployment among foreign workers with low skills.

At the same time, employers are recruiting increasingly highly skilled labor for the service sector. It is true that Switzerland has depended on the inflow of highly skilled employees for the last century, but this process has further intensified during the last 20 years. One result has been a pronounced increase in social tension. Historically, the highly educated Swiss middle classes have been very much in favor of a pro-foreigner policy, as long as these foreigners did not offer major competition for this social sector's jobs and housing opportunities. With the increasing inflow of highly skilled German labor, this tolerance has eroded. For example, significant populist opposition to the hire of professors from Germany at the universities of Zurich and Berne in the past three years was led both by right- and left-wing politicians. In the spring of 2013, politicians on both the left and right took (primarily symbolic) action to reduce the inflow of labor from the European Union, seeking to appease citizens who fear the increasing competition of (highly qualified) foreign individuals for jobs and housing, as well as in the use of infrastructure such as railways. Hence, one of the pillars of Switzerland's economic success will arguably be politically less sustainable than in the past. One recent example was provided by the invocation of a safety-valve clause in the country's bilateral agreements with the European Union on labor mobility. This allowed for a temporary restriction on labor inflow from the EU if a certain threshold had been passed. This measure makes little sense in economic terms, and entails some political costs in dealing with the European Union; however, it represents one response to ordinary citizens' unease over the increasing share of foreigners.

Globalization has also led to the increasing importance of international organizations such as the WTO. Given its reliance on sectors such as chemicals and machine production, banking and tourism, Switzerland has had no option but to accept the liberalization of trade and services. Otherwise, retaliation by other nations would be economically extremely expensive. However, this has implied that sectors once strongly shielded by protectionist policies have become liberalized. Agriculture offers a major case in point. As a result of this liberalization from outside, the previous complementarity between protected domestic industries and a world-market-oriented industry – the driver of Switzerland's post-war economic successes – has become strained. The

potential increase in tensions between the export and domestic sectors has not resulted in open conflict, with the exception of some minor actions at the beginning of the period of liberalization. Yet these developments have increasingly undermined the country's system of interest representation and the corporatist structure of interest intermediation. Interest organizations, in particular employers' groups, have lost support, while their members have increasingly engaged in individual lobbying.

On a related note, Switzerland has not yet solved the question of its long-term relationship with the European Union. Provisional solutions have entailed bilateral agreements between the European Union and Switzerland, which have had major implications for the further liberalization of the service and agriculture sectors. In addition, immigration policy has changed substantially. Switzerland has abstained from any further recruitment of foreign labor from non-EU countries (for which there is little demand anyway), and has liberalized the immigration regime with EU countries. Essentially, this has meant free movement of labor between Switzerland and the European Union, intensifying the new problems and cleavages associated with the recruitment of highly skilled employees from abroad. However, this bilateral strategy today faces major problems. The European Union has requested institutional solutions to replace the bilateral relationship, arguing that the implementation and update of bilateral agreements has become too costly in terms of time and internal conflict. Specifically, the EU has requested the creation of independent institutions for settlement of disputes on the basis of the bilateral agreements, and as well as mechanisms for updating bilateral agreements without having to resort to new full-scale negotiations. As of the spring of 2013, neither the European Union nor the Swiss government had shown themselves willing to make substantial compromises on these issues. This calls the future relationship between Switzerland and the EU into question. Given the country's close integration with the EU market – 60% of Swiss exports go to the European Union, and 80% of its imports come from the EU – Switzerland is highly dependent on a functional working relationship with this much larger economic partner. By contrast, the EU is much less dependent on Switzerland.

Switzerland was a laggard in the development of the welfare state, though it caught up in the post-war period. Today it has a mature and generous liberal-conservative welfare state. In times of demographic change, this welfare state is only sustainable through high rates of economic growth. However, the protectionist elements of the country's economic policy regime inhibit growth to some extent. As a result of various liberalization measures, Switzerland's rate of economic growth has arguably increased considerably during the past

eight years. However, it is far from clear whether these growth rates are sufficient to sustain the generous welfare state given future demographic developments.

Labor Markets

Labor Market Policy
Score: 9

Swiss labor-market policy is largely a success story, with some blots on the record. Although the “golden age” of containing unemployment through the political management of the inflow and outflow of labor from other countries is past, the achievements of Swiss labor-market policy remain remarkable. In the last quarter of 2012, the harmonized unemployment rate was 4.3%, significantly lower than the OECD average of 7.9%, or the rates in neighboring France (10.5%) or Germany (5.4%). Switzerland has the lowest youth unemployment rate and the highest employment rate of any country examined in the Bertelsmann Stiftung’s SGI project.

Nevertheless, a few major problems are evident. The high employment rate is due to a particularly high share of part-time work. About 13% of men and more than 59% of employed women work part-time. The employment rate of women overall has increased dramatically in recent decades. In the fourth quarter of 2012, the employment rate among women was 74%, compared to 68% in Germany, 60% in France or 57% on average across the OECD. However, the employment rate for women is still considerably lower than that among men (80%).

A number of other inequities are also evident. Unemployment rates are highest among low-skilled foreign workers. There is still considerable wage inequality between men and women. In 2012, the median monthly wage for men was CHF 6,397 and CHF 5,221 for women. Not all of these differences are due to different skill levels; discrimination and the high share of part-time employment among women, which is an impediment to establishing a standard career, also play a role.

Highly skilled workers from EU countries pose few problems for Swiss labor-market policy; in particular since these employees are quite likely to return to their native country after a period of employment in Switzerland. In contrast, low-skilled foreign workers tend to stay in the country even if they become unemployed.

Taxes

Tax Policy
Score: 9

The Swiss tax ratio is significantly below the OECD average, and tax rates, particularly for business, are moderate. Taxation policies are competitive and generate sufficient public revenues. As a lean state with relatively low levels of public-sector employment, Switzerland at both the federal and cantonal level has less need for high tax revenue than do more ambitious states. Nonetheless, it is important to note that due to the principle of federalism, tax rates can differ substantially between regions, as individual cantons and local communities have the power to set regional tax levels.

However, one reason for Switzerland's apparently small government revenue as a percent of GDP is statistical. As typically cited, this share excludes contributions to the occupational pension system (the so-called second pillar) and the health insurance program, since these are non-state organizations. The share of government revenue as a percent of GDP would be about 10 percentage points higher if contributions to these two programs were included. This would bring Switzerland up to the OECD average in terms of public revenue.

With regard to equity, Switzerland's indicators correspond to the average of the 23 OECD countries of Western Europe, the United States, Canada, Australasia and Japan for the 2000 – 2009 period. Inequalities of market incomes and net incomes, as well as the extent of redistribution accomplished through tax and other public policies, are almost identical with the average values for this country group.

Tax policy does not impede competitiveness. Switzerland ranks at or near the top of competitiveness indexes, and given its low level of taxation is highly attractive for corporate and personal taxpayers both domestically and internationally.

Tax policy has contributed to an excellent balance between revenues and expenditures. Switzerland has a very low public debt (39% of GDP in 2013) and a positive financial balance – that is, the government's revenues exceed government spending.

Budgets

Budgetary Policy
Score: 10

Budgetary policy in Switzerland is fiscally sustainable. Gross public debt (general government) started to increase in the mid-1990s from a low level of 38% of GDP to reach a peak of 58% in 2004, but had receded to 39% by 2013. Structurally adjusted budgets were balanced even during the crisis of 2008 – 2009.

This fiscal sustainability is mainly due to the political decision to have a low tax load and a lean state. In addition, keeping the public deficit and debt low has been a major concern of politicians at all levels of the political system. Various rules and means have been developed in order to avoid the dynamics of expanding budgets. For example, on the federal level, there is the constitutional debt brake (Article 126, Article 159): “The maximum of the total expenditures which may be budgeted shall be determined by the expected receipts, taking into account the economic situation.” Direct democracy offers another effective means of keeping the budget within limits. In popular votes, the people have proven reluctant (compared in particular to members of parliaments when elections are drawing near) to support the expansion of state tasks with a corresponding rise in taxes and/or public debt.

Even taking into account the fact that some individual cantonal and municipal governments do pursue unsustainable budgetary policies, the total (i.e., general government) budgetary policy achievement arguably puts Switzerland in the OECD’s top group in terms of fiscally sustainable national policies.

Research and Innovation

R&I Policy
Score: 9

Switzerland’s achievement in terms of innovation is considerable, although it has no consistent innovation policy. Indeed, it is unclear to what extent public policy, as opposed to the country’s strong overall competitiveness and medium level of private-sector corporate investment, has actively contributed to the formation of strong levels of innovation and entrepreneurship. But public policy obviously has not impeded innovation.

In the field of research policy, two peculiarities of the Swiss political system have had a strong impact: First, it is a liberal country with considerable reluctance to engage in economic- or social-policy interventions. Therefore, research funding is mainly provided by private actors. Second, as a federal and

decentralized country, university research is performed by universities that are financed and regulated by cantons. However, this does not apply to the two federal schools of technology.

The output of the research system is impressive, as the following points demonstrate.

- Switzerland is at the top of the OECD in terms of per capita publications.
- Switzerland's share of global publications rose between 1981 and 2001.
- Swiss research is among the most-cited in the world.
- Switzerland is among the world's leading nations in terms of patent registration.
- The Federal Institute of Technology Zurich (Eidgenössische Technische Hochschule Zürich) is one of the best universities in the world; the universities of Basel, Bern, Geneva, and Zurich usually show up in the list of the 200 best universities worldwide.
- Swiss products enjoy strong demand in the foreign market, while a similar amount of foreign technology products are imported.
- Swiss companies allocate a significant portion of their assets to research.

However, there are several problems, including:

- a decrease in innovation in recent years (although Switzerland is still one of the most innovative countries in the world);
- the need to improve cooperation between universities and companies;
- weaknesses in social-science and humanities research relative to that conducted in the natural sciences or technological fields;
- a growing skepticism within the population as to the value of cutting-edge research;
- an unclear relationship between the recently created polytechnics and established universities;
- structural friction in coordinating Swiss research programs with EU research policy; and
- very low levels of public spending on research as compared to other countries. As a share of total research expenditure, public spending has declined from 28.4% in 1992 to 23.9% in 2004. This may not be a problem, however, as total research expenditure is probably a better indicator of sustainable growth overall.

Global Financial System

Stabilizing Global
Financial Markets
Score: 8

Switzerland is one of the world's major financial markets, and Swiss banks such as UBS and Credit Suisse are global financial players. The post-2007 global crisis and the economic problems of UBS in Switzerland – which forced the Swiss government to intervene massively in order to avoid bankruptcy of this major bank in 2008 – triggered banking reforms within Switzerland. The federal government, bankers and international organizations such as the OECD claim that Swiss private and public actors have been active on the global level in reforming the international banking system, in particular in interaction with the regulatory bodies in the United Kingdom, the United States and the European Union.

II. Social Policies

Education

Education Policy
Score: 8

Switzerland's education system is strongly influenced by the country's federal and decentralized structure, as education policy falls under the jurisdiction of the cantons and municipalities. The system provides a high-quality education. The university system performs very well, as is the case in many other small and open European countries. Vocational training is very solid, and seems to be one of the most important factors in the low levels of unemployment, particularly among younger people. The permeability of vocational and tertiary education has improved as compared to other countries.

The tertiary education system continues to discriminate against students from families with low social status and – probably as a related effect – against foreigners born in the country.

The Bologna reforms are now well under way in Switzerland. However, some experts claim that this process is detrimental to the quality of the technical colleges (Fachhochschulen), and that with academization, vocational training is losing its strong reputation.

In general, the quality of the Swiss education system is outstanding. However, given the strong impact of parents' social status on access to higher education, as well as regional inequality in access to educational opportunities, equity in

access overall is questionable. For example, the inequality in access to educational opportunities between cantons is similar to inequalities on this issue between European nation-states. As another example, in the canton of Geneva, 29% of all 19-year-old inhabitants acquire the Matur, a high-school diploma entitling its grantee to attend universities, while in the canton of Uri only 13% of 19-year-olds inhabitants gain direct access to universities. However, the importance of these differences are somewhat reduced by the permeability within the school and university system. Likewise, the system of vocational training offers considerable career prospects. Finally, resource allocation within the educational system seems to be very efficient.

Social Inclusion

Social Inclusion
Policy
Score: 8

Switzerland is largely successful at preventing poverty. This is due to an effective system of social assistance, in particular with regard to older generations. It is rare to fall into poverty after retirement.

The main social-insurance programs regulated on the federal level (addressing sickness, unemployment, accident and old age) work effectively and are comparatively sustainable. A generous level of benefits is provided. Social assistance is means-tested, and some stigma is attached to its receipt.

Life satisfaction is very high, income inequality is moderate, the share of working poor in the population is small and gender inequality has been reduced substantially in recent years. However, some problems and tensions relating to social inclusion are evident.

First, the transition to a knowledge-based service society entails new social risks. These will be faced by workers who cannot cope with the challenges of such a society, such as young people who lack either the cognitive or psychological resources to obtain sufficient training and start a normal career; single mothers who are unable to finish vocational training; highly skilled female employees who cannot reconcile work and family; persons (in practice, typically women) who have to care for frail elderly people and cannot devote sufficient time to a full-time job, and other such individuals. Like most continental welfare states, Switzerland has not sufficiently reformed a welfare state with roots in an industrial-age economy to address the challenges of a service-based society.

Second, political tension between Swiss citizens and foreigners over the financing of and the benefits provided by the welfare state is increasing in salience. Highly skilled foreign employees effectively subsidize a Swiss welfare state that benefits low-skilled foreign workers and middle-class Swiss workers. In addition, the growing population of foreign workers increases burdens on infrastructure such as railways and highways, compete with Swiss citizens on the housing market, and compete for highly paid and desirable jobs. This has increased the number of conflicts and sparked anger on all sides. As yet, there has been no constructive discussion and search for solutions within Swiss society, a process that could include the termination of the mythology attached to sovereign Swiss citizenship. Instead, right-wing populism is on the rise, with the right-wing populist party today the strongest political force in the country.

Lastly, it is becoming increasingly difficult to reach the kind of political compromise that has enabled modernizing reforms in the past. Previously, Swiss elites have often achieved compromise by compensating those making concessions in another area. However, this requires that resources for such side payments be available, a prospect that can no longer be taken for granted. However, given that Swiss economic growth has regained strength in recent years, the outlook for the near future is not bad. In 2013, the country's minister for social affairs proposed just such a broad compromise deal in the area of pension policy.

Health

Health Policy
Score: 9

Health care in Switzerland is said to be qualitatively excellent. A policy making health insurance mandatory ensures that the total population is covered, but care is expensive. Cost efficiency is a potential problem, in particular with regard to the organization of hospitals. Life expectancy is very high, life expectancy at birth is 80.3 years for males and 84.7 years for females. As of 2011, a 65-year-old male could expect to live for another 19 years on average, while a woman of the same age could look forward to another 22 years. This is about two years more than in Germany. Obviously, the health care system is important in this respect but is not the only explanatory variable; differences may also be due to the country's socioeconomic resources, natural environment, or other variables.

Health insurance is managed according to a very liberal formula. Premiums for health insurance do not depend on income, and premiums do not take into account the number of family members. Hence, insurance must be bought for

each member of the family, although premiums are reduced for children. In recent years, this liberal model has been modified through the provision of subsidies for low-wage earners and their families. Therefore, there is today some limited progressivity at the lower end of the income distribution. Nonetheless, health care reforms have not been particularly successful in terms of improving efficiency or controlling the structural rise in health expenditures.

Health care insurance is provided by a large number of competing mutual funds (non-profit insurance programs), all of which are required to offer the same benefits. Hence, there is no competition in the area of benefits, but only in the field of premiums, which is largely a function of administrative costs and membership structure. Considerable discussion has focused on whether this competitive market structure should be replaced by a single insurance company.

Even given these problems, the quality and inclusiveness of Swiss health care has shown itself to be outstanding, and there is no reason to expect any major change in this respect in the coming years.

Families

Family Policy
Score: 4

In international comparison, Swiss family policy does relatively little to enable women to enter the workforce. In a recent analysis examining the ability to reconcile work and family, looking at data from 2005, Switzerland scored lowest among 21 OECD nations. The new federal law providing subsidy payments to families, which took effect in January 2009, has done little to change the country's ranking in international comparison; nor has it changed the fact of substantial cantonal variation, one of the most salient characteristics of Swiss family policy. The new federal law defines minimum child and education benefits, but cantons may add a variable amount to this basic federal benefit level.

In general, Swiss family policy has a clearly conservative outlook with a strong liberal undertone. It is mildly supportive to the traditional family; there are some tax deductions and a period of parental leave offered to mothers (but not to fathers), as well as a very limited amount of child care facilities. As is virtually always true in Switzerland, there are substantial cantonal variations. The canton of Ticino has a very generous family policy aimed at helping mothers to reconcile work and family; other cantons (and their municipalities) fail to offer any substantial help such as child care facilities on a broad scale. Likewise, tax policies providing incentives either to stay at home or reenter the

labor market vary from canton to canton. However, taking the median canton and municipality, the portrait of a liberal-conservative family policy applies. Policies tend to create incentives for young mothers to stay at home during the first years of their children's lives. Afterward, mothers are provided with reasonable opportunity to find employment; however, these are in most cases part-time jobs. This allows mothers to care for their children, while also having some limited employment. Taking part-time jobs usually reduces the ability to have a sustained career as compared to the opportunities offered by full-time jobs. Hence, the system works in the sense that it mobilizes women within the labor market, but without giving them opportunities for income and career advancement equal to those afforded to men.

In March 2013, Swiss citizens rejected a proposal that would have added an article on balancing work and family life to the constitution. The proposal would have obliged the federal government and cantons to provide child care facilities in sufficient quantity to enable mothers to continue working if they desired to do so.

Pensions

Pension Policy
Score: 10

The Swiss pension system is based on three pillars, each with its own logic of financing and redistribution. The underlying concept is that pension income should not fall below the subsistence level, and should provide 60% of average pre-retirement income. The first pillar guarantees a basic income. The minimum benefit level for a couple as of 2013 was CHF 28,080 (about €23,400) per year, while the maximum benefit was CHF 42,120 (about €35,100). Employers and employees finance this through contributions. It is a pay-as-you-go system, and is highly redistributive, since the maximum benefit level for couples (provided to high-income earners) is just 1.5 times that of the minimum benefit level, while contributions are proportional to income.

The second pillar is a funded system financed through contributions by employers and employees. Contributions and benefits are proportional to income. Employees whose income from the first pillar already covers about 60% of their wage income are not entitled to this system. Many pension programs, particularly in the public sector, are very generous, and provide pension incomes (first and second pillars combined) that exceed 60% of previous income.

The third pillar takes the form of personal tax-deductible savings of up to CHF 6,739 per year (about €5,600). This system benefits high-income groups, since

they can afford to put aside these sums and have the highest returns on these savings given the tax advantages.

Demographic changes will present major challenges to the first pillar over time. Provided there is no major change in economic growth rates, the ability to sustain this pillar will be strained unless the average age of retirement (currently 65 for men and 64 for women) is increased or benefit levels fall.

However, given the solid basis of the pension system overall, Switzerland faces less pressure than many other European countries to adapt to demographic conditions. Swiss politicians did initiate a discussion of pension reform some years ago, but were unable to reach a compromise supported by a majority of the country's political forces. At the time of writing, policymakers were discussing proposals for reforming various elements of the pension system simultaneously, allowing for the partial compensation of losers by providing them with gains in other areas.

With regard to poverty prevention, the pension system is highly efficient. Every citizen can claim additional payments if he or she is not entitled to the first pillar's minimum pension. The system as a whole has a high degree of intergenerational equity, as it rests on three different pillars, and only the first pillar is based on intergenerational payments.

Financial sustainability will be a potential problem over time, but remains stronger than in comparable countries such as Germany.

Integration

Integration Policy
Score: 7

Though many integration efforts have been made, starting as early as kindergarten, integration policy cannot broadly be called a success in Switzerland, particularly given the very high share of migrants in the population (accounting for about one-fifth of the country's residents). Yet if the lack of a coherent federal integration policy is undisputable, this does not mean that integration policy is failing as a whole. Many local authorities are doing a good and sometimes innovative job of integration, especially for second-generation migrants. According to OECD statistics, second-generation migrants in Switzerland perform better in school and are better integrated into the labor market than is the case in other European countries.

On the other hand, in 2009 – 2010, only about 14% of all Swiss students at college-preparatory high schools had an immigrant background. In the same

period, 37% of residents accused of committing a crime were migrants. Thus, non-citizens have a disproportional likelihood to display criminal behavior, and do not attain high-school degrees in a proportion matching their population share. To be sure, these findings might be associated more closely with individuals' low social status rather than to their status as foreigners per se. Education remains a privilege of the upper and middle class in Switzerland. Until recently, immigrants belonged primarily to the lower social strata; they have thus faced discrimination on the basis of their lower-class family backgrounds, not strictly because they were foreigners. However, as immigration patterns are changing and the share of highly skilled foreigners in the population is increasing, some observers say this class-driven aspect to discrimination may diminish over the long term.

The country's policy on naturalization, which makes it very hard to become a Swiss citizen, poses a particular problem to integration. For many years, Swiss integration policy was predicated on the perception that foreigners were "guest workers," whose limited stay meant that broad efforts to encourage integration were unnecessary. Although the naturalization procedure is regarded as burdensome, 45,000 persons were naturalized in 2008, which corresponds to about half the number of immigrants arriving in the country that year. The annual naturalization rate of 0.6 people per 100 inhabitants is by far the highest in Europe (as compared to 0.3 in Sweden and Belgium, 0.2 in Norway, Great Britain and France, and 0.1 in Austria, Germany, Denmark and Italy), as is the share of foreigners living in the country. Switzerland ranks in a middle position among European countries in terms of the ratio between the annual number of naturalizations and the total immigrant population.

Another characteristic of integration policy is the strong regional variance, with various cantons and their local communities pursuing different strategies. For example, foreigners are entitled to participate in local elections in a few cantons. This leads to a bottom-up approach to integration rather than a federal standard.

The country's political environment tended toward increasingly integration-averse policies during the period under review. According to some observers, there is limited prospect for a more generous and liberal integration policy in the near term, as right-wing parties and voters are likely to oppose any such reforms.

Safe Living

Safe Living
Conditions
Score: 9

Switzerland has improved its internal security through its integration into the European Schengen/Dublin regime. However, the country's participation remains domestically controversial, as right-wing populist actors have accused center-left politicians of cooperating in an inefficient European security network.

Internal security policy has developed as a collaborative policy field, in which various international and national governmental actors interact with private organizations.

Given the country's comparatively low crime rates, and the public confidence shown in the police and the justice system, internal security policy can be deemed a success.

Global Inequalities

Global Social Policy
Score: 6

The Swiss government has increased its development aid contributions at an average growth rate of about 5% since 2000. Switzerland is among the nine OECD countries that increased their developmental aid in 2012.

The country used to maintain strongly protectionist trade policy; however, this has been considerably liberalized due to the old regime's economic inefficiencies, and as a result of pressure by global trading partners. A broadly accepted position among policymakers holds that Switzerland is a small country that cannot have a major global impact through its own action, and the country should maximize its interests in an unfriendly international environment. Switzerland consequently has a tradition of free-riding with regard to international or global relations. There is little evidence that Switzerland contributes significantly and actively to the global common good; even its role as provider of mediation between nations in conflict exists more in rhetoric than in reality.

III. Environmental Policies

Environment

Environmental
Policy
Score: 9

In general, environmental policies in Switzerland were improved in 2011 – 2013. The most remarkable developments in recent years have been made through the integration of environmental protection and sustainability issues into a wide range of areas that both directly and indirectly concern environmental policy per se. Following the OECD's strategy of green growth, Switzerland has launched several studies aimed at reconciling the goals of sustainability and economic development. Furthermore, the years 2010, 2011 and 2012 saw Switzerland develop a number of cross-sectoral strategies focusing on issues including sustainability, biodiversity, climate-change adaptation and forest management. New guidelines for integrated water management were published in 2011, taking into consideration the use and protection of natural water sources.

In 2011, the federal government decided to phase out the use of nuclear power over the course of the next several decades. However, the ongoing international financial crisis has put pressure on conservation policies. As of the time of writing, the parliament was discussing policies that would weaken protections for nature conservation areas, and allow more aggressive exploration of hydropower resources.

Switzerland invests considerable sums in the area of environmental protection. For example, there are about 8,000 jobs related to protection of the environment at the federal level (500), the cantons (1,500) and the municipalities (6,000) combined. Public spending on environmental protection totaled 2.5% of total public expenditure in 2012. A new article (Article 84.2) was added to the constitution in 1994, stating: "Transalpine freight in border-to-border transit shall be transported by rail. The federal government shall take the necessary measures. Exceptions shall be permitted only if they are inevitable. They shall be specified by statute." This article has not yet been effectively implemented, but the country has made enormous investments in improved railway infrastructure, particularly with regard to transalpine freight.

In certain regards, the ecological challenges facing Swiss policymakers have been much less demanding than in other countries. Switzerland never developed significant smokestack industries, and industrialization took place as a decentralized process. Thus, Switzerland has no regions with large concentrations of industries with significant emissions. Nonetheless, the country's record is mixed in terms of environmental policy overall, as demonstrated by the following factors:

- Switzerland is ranked very highly internationally in terms of controlling water pollution, and has implemented significant environmental-protection measures as a part of its water-infrastructure planning.
- Air quality has improved over the past 25 years, but threshold values of ozone and other are frequently exceeded.
- Switzerland recently updated its national climate-change mitigation policy. A broad mix of voluntary, regulatory and market-based instruments are expected to produce a reduction in emissions through 2020.
- Considerable success has been achieved in the area of waste-management policy, especially with respect to hazardous waste. Furthermore, Switzerland's recycling rate is one of the highest worldwide.
- Little progress has been made with respect to controlling noise pollution, as 25% to 30% of the population remains exposed to high levels of noise from road and rail traffic.
- Soil protection has improved.
- Average to high levels of success have been achieved in the area of chemical-management policy.
- Policies seeking to prevent the release of hazardous materials into the environment have been very successful.
- There has been little success in terms of nature conservation and landscape protection. The number of animal and plant species that have become extinct or are at the risk of extinction continues to increase.

Global
Environmental
Policy
Score: 9

Global Environmental Protection

Global environmental policy is high among Switzerland's foreign-policy priorities, and the country has played a significant role in designing and advancing global environmental-protection regimes. However, as a small country, Switzerland has limited independent influence. The European Union has taken a leading role in this area, and the United States too is aiming at a more active part in international discussions. Thus, Switzerland's impact depends in large part upon efficient collaboration with the European Union.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 10

There are no doubts that Switzerland's formal procedures correspond closely to the democratic ideal. However, some problems have emerged due to the country's small size, its strong dependence on other countries, the opportunities to free ride in the international and particularly European communities, and the extremely large share of immigrant workers.

With regard to active and passive voting rights, there is the obvious problem that in 2012, 23% of the total Swiss population and 29% of the country's civilian workforce held foreign citizenship, a much higher share than in other countries. Furthermore, some experts argue that the rules governing naturalization are rather strict, making the acquisition of Swiss citizenship costly, time-consuming and frequently even insulting for applicants. For example, citizenship can be claimed only after 12 years of residence, while the administrative process of naturalization takes one to three years, including interviews and a considerable cost of about €2,250 for a family with two small children (this example is taken from the city of Thun, Canton Bern). Thus, according to some commentators, the strict rules governing naturalization and the sheer size of the foreign population transform the "quantitative" problem of every modern democracy (that some adult inhabitants face discrimination on grounds of their nationality) into a qualitative problem: If more than a quarter of the social product is produced by foreigners, and if almost a quarter of the voting-age population is not entitled to vote or to run for public office, the legitimacy of parliament and government to rule on behalf of the total population (which is hugely more than the citizen base) is arguably called into question. Others argue, however, that while the economy is globalised, democracy functions only on the basis of a national society that identifies itself in terms of citizenship. This includes the (constitutional) right to define who is eligible for citizenship. According to this view, migration certainly creates new problems, in that the "demos" and the resident population do not coincide.

To date, Switzerland has dealt with these problems somewhat slowly and hesitantly. For example, some notable liberalizing changes were adopted with

Media Access
Score: 10

regard to naturalization (e.g., costs have been substantially reduced) and with regard to passive voting rights in some cantons and local communities. In contrast, the first chamber of parliament has taken a more restrictive stance as it has sought to revise the law of citizenship – arguably in response to growing unease among ordinary citizens over the rising share of foreigners.

Candidates and parties may purchase political advertising in the print media. The only restriction to equal access by candidates and parties to these media outlets concerns the availability of resources. In contrast, political advertising on television or other broadcast mediums is not allowed. In this regard, all candidates and parties have equal access, in the sense that none is able to buy political advertising on broadcast media.

Media organizations give a fair and balanced opportunity to political actors to present their views and programs, insofar as this does not become simple advertisement. Right-wing politicians sometimes complain that journalists give center-left politicians better access. For example, a right-wing journal recently argued that the public media are the mouthpiece of the center-left political elite. But there is little hard evidence that such a bias exists to any substantial extent, although it is hard to find journalists who side with the Swiss Peoples Party, the right-populist party.

Voting and
Registrations Rights
Score: 10

Once again, formal procedures and rules in the area of voting and registration rights are those of a model democracy. However, there are at least two problems. The first relates to the extremely large share of foreigners in combination with rather strict rules governing naturalization. Second, given the decentralized and federal structure of Switzerland as a multicultural country, there are minority and electoral rules that give some citizens more electoral influence than others. This applies first and foremost to representation in the Council of States (Ständerat), the country's second parliamentary chamber (which is modeled after the U.S. Senate). Each canton is entitled to two representatives. The Council of States has the same power as the House of Representatives (Nationalrat), and the size of cantons varies by as much as a factor of 36. This means that a citizen of the canton of Zurich, which has 36 times more inhabitants than the canton of Uri, has considerably less political power than one of Uri. Historically, these minority rights are traceable to the denominational conflicts of the 19th century. However, one can argue that this denominational definition of minority status no longer holds importance. This would mean that there is no further ground for this unequal distribution of political resources beyond the legacies of the past and the smaller cantons' institutional interest in retaining their power. Nonetheless, one has to recognize that democracy and federalism function on different principles (one person, one vote in the case of democracy, and one subnational unit, one vote for

Party Financing
Score: 1

federalism). Thus, the unequal weighting of citizens' votes is a consequence inherent in every democratic federation.

Switzerland does not finance parties with public money on the federal level. In return there are no constraints applied to party fundraising. There is some financing of parties on the cantonal level in Geneva and Fribourg. A considerable portion of political parties' revenues comes from the subsidies given to party factions in the national parliament or reimbursement of parties for services, which together amounting in some cases to 30% of total party income. Another important source of income is the attendance fee granted to members of parliament, which can be considered as a form of party financing. Parties won constitutional status only in the constitutional revision of 1999, and there is in general a continuing deep-seated aversion to any public financing.

In consequence, there is little to no public scrutiny of party activities, since no public money is at stake.

Since 2011, the Council of Europe' Group of States Against Corruption (GRECO) has argued that Switzerland's system of party donations lacks transparency. The attempt by Social Democratic Minister of Justice Simonetta Sommaruga to draft a law on political party financing failed due to political opposition. The government has insisted on maintaining the current rules.

Popular Decision-Making
Score: 10

Switzerland uses forms of direct democracy to a larger extent than does any other mature democracy. Direct democratic practices are intensively employed on all levels, from the local to the national. On the local and state (cantonal) levels, rules and practices vary considerably by region. This mode of decision-making has many advantages, in particular if it is institutionally and culturally embedded in such a way as to hinder the development of a tyranny of the majority and populist mobilization. In particular, the system is connected with a high level of satisfaction, creating strong citizen identification with the political system and offering many incentives for politicians to behave in a consensual way.

However, along with these laudable characteristics, there are some qualifications and criticisms that should not be overlooked:

- It is not true that citizens in a direct democracy are necessarily better informed or politically more interested than those of representative democracies at the same level of economic and social development. Switzerland provides little evidence that direct democracy educates citizens to be better democrats.

- About 95% of all political decisions at the federal level are taken in parliament without subsequent direct-democratic decision-making. However, the most important and controversial issues are dealt with in public votes.
- Participation rates in direct-democratic votes are usually very low (typically between 40% and 50%) and socially biased. Well-to-do citizens participate at disproportionately levels.
- Voting is frequently driven by cue-taking, rather than by well-informed individual decision-making. This is not to say that citizens are simply victims of slogans or propaganda; in most cases they distinguish between information of high and low reliability during campaigns.
- The most prominent instrument of Swiss direct democracy, the referendum, serves to impede reform and adaptation. It has a strong status-quo bias. One observer has argued that the referendum has the function of a conservative upper house.
- Direct democracy creates incentives for politicians to arrive at compromises (in order to avoid a direct-democratic decision) in a nontransparent way.
- Particularly in the recent past, direct democracy has created potential conflicts with human rights.
- Direct democracy has been successfully used for populist mobilization, again in the recent past.
- Frequently, popular initiatives approved by the people and the cantons are only partly implemented through parliamentary legislation.

Access to Information

Media Freedom
Score: 10

Public- and private-sector media corporations are free from government influence. This is enshrined in the Swiss constitution. Although the federal government chooses the chairperson and some board members of the quasi-public nonprofit radio and television organization, it exercises no influence over the organization's daily reporting or journalistic work.

Media Pluralism
Score: 10

The most important electronic media organizations in Switzerland in terms of coverage and intensity of citizen use are publicly owned. Private-sector television stations play only a small role in the country's media landscape. These are largely regional stations, such as Tele Bärn (mainly for the cantons of Bern, Solothurn and Fribourg) and Tele Züri (for the canton of Zurich). A number of foreign radio and television stations can be received in Switzerland, contributing to the country's media plurality. The country has a high number of privately owned newspapers, with a highly decentralized system of regional concentration. However, a strong tendency toward centralization has weakened the regional newspaper market. This has been amplified by the strong growth of free papers for commuters such as 20 Minuten in the morning and Blick am

Access to
Government
Information
Score: 9

Abend in the evening (similar publications exist in the French-speaking part of Switzerland). These have tended to crowd out readership of traditional newspapers, which have collectively suffered from a decline in readership of 17% (on a circulation basis) between 1998 and 2011. In addition, a trend toward concentration has affected formerly independent newspapers such as Bund and Berner Zeitung. In 1989, 275 newspapers existed in Switzerland; in 2011, this number had been reduced to 194, a reduction of 30%. As with other small nations, Switzerland enjoys a relatively diversified ownership structure, but over time there has been a very strong process of centralization and concentration.

Swiss authorities pursue very open strategies of information release. For example, the website of the federal administration offers access to major sources of political information.

Article 16 of the constitution, dealing with the issue of freedom of opinion and information, states that: “(1) The freedom of opinion and information is guaranteed; (2) Every person has the right to form, express and disseminate opinions freely; (3) Every person has the right to receive information freely, to gather it from generally accessible sources and to disseminate it.”

The Federal Law on the Principle of Administrative Transparency (Loi sur la Transparence, LTrans) was approved in December 2004 and took force in July 2006. The law gives any person the right to consult official documents and obtain information from authorities. The authorities must respond within 20 days. If a request is refused, a citizen can seek redress from the Federal Delegate for Data Protection. However, this law’s coverage is limited, applying to federal public bodies, other organizations and persons who make decisions under the Administrative Procedures Act, and parliamentary services. The Suisse National Bank and the Federal Commission on Banks are exempted. The law also does not apply to official documents concerning civil or criminal law processes, documents relating to foreign policy, or political party dossiers relating to administrative disputes. Consumer organizations have argued that the law contains too many exceptions.

Given these qualifications, it is noteworthy that this law has gained some influence, since the Federal Supreme Court has interpreted it in a liberal way.

Civil Rights and Political Liberties

Civil Rights
Score: 9

Civil rights are guaranteed by the constitution. However, the country does not have a classic constitutional court able to monitor the conformity of federal laws with the constitution outside the context of a particular case. Federal laws are binding for the federal courts. In contrast, the Federal Supreme Court in Lausanne monitors the conformity of federal regulations and cantonal laws with the constitution. With respect to basic civil rights, the European Court of Human Rights complements the Swiss Federal Supreme Court.

In December 2012, a parliamentary attempt to give the Federal Supreme Court the right to abstain from applying federal law if the federal law was incompatible with the constitution failed. The main argument was that in a semi-direct democracy, the constitutional court should not be authorized to declare federal laws void as a whole. Thus, Switzerland, for different reasons but in a manner similar to the Scandinavian countries, the Netherlands and Great Britain, does not possess a comprehensive judicial power of constitutional review.

In international comparison, the country's record of guaranteeing human rights is outstanding. However, conflicts between human rights and direct democracy have emerged, particularly in recent years. One such concern was represented by the successful 2004 popular initiative for the imprisonment of particularly dangerous criminal offenders without any opportunity for reexamination. This conflicts with the European Convention for the Protection of Human Rights and Fundamental Freedoms. This convention guarantees periodic reviews in which the necessity for continued imprisonment can be evaluated.

Likewise, there have been conflicts between popular votes on naturalization and the call by foreign-born individuals for fair and transparent treatment, and the opportunity to appeal naturalization decisions. Some observers have argued that the current naturalization procedure fails to conform to the standard of human rights set out in the constitution. The Federal Supreme Court decided in 2003 that naturalization procedures previously established by popular vote were unconstitutional, since they violated constitutional norms of nondiscrimination and the right to a lawful legal procedure.

The ban on the construction of minarets, approved in a popular vote in 2009, represents a particularly problematic decision. The basic claim of proponents was that minarets signify the potential aggression and power claims of Islam,

which need to be suppressed as a strategy for keeping the peace. However, it is evident that the popular initiative was clearly aimed against Islam and the Islamization of Europe. Legal scholars tend to argue that the decision violates the freedom of worship and the non-discrimination rule. It is expected that a case against the initiative will be brought to the European Court of Human Rights, and that the measure will in all likelihood be declared null and void. However, the legal process will take several years before the initiative can be repealed. The first attempts to repeal the law failed, since the plaintiffs were not considered to have the proper legal standing to file the suit.

The major underlying problem is the claim by many political actors that the people have an unrestricted right to decide any matter through popular vote. This conflicts with the basic rule of any liberal democracy that there are limitations to the will of the majority, such as human rights standards and protections for minorities. Switzerland's public debate on the limits to majority rule (through popular vote) shows little cognizance of these traditional limitations to majoritarian rule. This has become very obvious in recent debates over the conflicts between international law and Swiss citizens' decision-making rights in popular votes. Although anxiety over the ebbing of popular sovereignty extends beyond conservatives, this latter group in particular feels uneasy with the internationalization of law and some recent interpretations of human rights that have been made by a professional elite with little democratic legitimation and imposed in a top-down manner. In the conservative view, the internationalization of law and international court decisions against the results of Swiss referendums contradict Switzerland's legislative culture, which is characterized by the principle of subsidiarity and guided by the idea that popular decisions have the highest degree of legitimacy.

Political Liberties
Score: 9

Switzerland is in many ways a role model for the exercise and protection of political liberties. However, the adoption of the ban on construction of new minarets represents a severe violation of the right to worship, even if this in practice means little for the free practice of any religion. Before the November 2009 decision, there were only four minarets in Switzerland.

Infringements of this kind are limited in number. In the period under review, there was no popular vote and no federal bill or law having a negative impact on civil liberties.

Non-discrimination
Score: 8

In Switzerland, constitutional law and a consociational political system ensure the autonomy, freedom from discrimination, and rights to political participation of Swiss linguistic, ethnic and religious minorities. Article 8 of the country's constitution states: "Nobody shall suffer discrimination, particularly on grounds of origin, race, sex, age, language, social position, lifestyle, philosophical or

political convictions, or because of a corporal or mental disability. Men and women have equal rights.”

Nonetheless, a number of problems with regard to discrimination exist. The sheer size of the foreign population and its contribution to the wealth of the nation brings up the question of whether withholding political rights such as voting from this population might be regarded as an indefensible variety of discrimination. However, Switzerland’s conception of non-citizen voting rights is similar to that of other Western democracies, and undoubtedly protects the civil and human rights of foreigners without any discrimination. The Swiss People’s Party, the strongest party in the country, and one represented in the government, has repeatedly resorted to openly xenophobic or even racist discourse. While all legal gender discrimination has been eliminated, there is still considerable economic and social discrimination against women with regard to labor-market opportunities (particularly given the lack of adequate family policies), wage equality and equal career opportunities.

Rule of Law

Legal Certainty
Score: 9

Switzerland’s federal government and administration act predictably. This predictability is partially reduced by the very pragmatic administrative culture at the cantonal and local levels. The country’s division into small administrative districts, the tradition of decentralized local government and a partial “militia administration” system provide for a substantial amount of leeway in Switzerland’s public administration activity. The pragmatic administrative culture ensures flexibility and efficiency on the one hand, but reduces legal certainty on the other.

Judicial Review
Score: 10

The Swiss judicial system is guided by professional norms without political interference. The judicial system is based on professional training, though a mixture of lay and professionally trained judges serve at the local level in many cantons. Decisions by these judges are subject to review by higher professional courts. The Swiss judicial system varies substantially between cantons. This is due to Swiss federalism, which gives cantons great leeway in cantonal lawmaking and hence also in cantonal administration of justice. This also includes variations in the rules and examinations with regard to lawyers’ admission to the bar.

Appointment of
Justices
Score: 5

The judges of the Federal Supreme Court are elected for a period of six years in a joint session of both chambers of parliament, with approval requiring a majority of those voting. A parliamentary commission prepares the elections by

Corruption
Prevention
Score: 9

screening the candidates. Unwritten rules stipulate a nearly proportional representation of the political parties then in parliament. Another unwritten rule demands representation of the various linguistic regions. There is no special majority requirement.

Corruption in Switzerland is rare according to international rankings. Indeed, Switzerland is consistently rated as being among the most successful countries with respect to corruption prevention. It is governed by the rule of law, offers high wages to public officials, and is based on a decentralized democracy with parties that efficiently control and audit public officials.

However, there are opportunities and incentives for political and societal elites to abuse their position for private interests. This is due to the country's small size and the correspondingly small number of persons interacting in elite positions; to the culture of amicable agreement; and to the very pragmatic problem-solving culture. In addition, holders of elite positions know that they are highly likely to meet again in the future (and probably in different roles). This creates opportunities for the creation of broad informal networks, a reluctance to engage in close mutual surveillance and incentives for the non-observance of formal rules.

Given the considerable overlap between economic and political elites, critics such as the Swiss office of Transparency International have pointed to processes in which politicians' economic interests may influence their decisions in parliament.

As host to 65 international sports bodies, Switzerland is very concerned with corruption in sports. After the release of a report on the issue in December 2012, the federal government began to consider legal changes aimed at fighting corruption in sports more effectively.

Governance

I. Executive Capacity

Strategic Capacity

Strategic Planning
Score: 4

Strategic planning is not given significant weight in Switzerland, as most decisions are made on an ad-hoc basis. It is further rendered difficult by the fact that the country has a quasi-presidential political system (meaning the government cannot be voted out of office by the parliament) with a collegial government, a strong militia element, a consociational decision-making structure, a strong corporatist relationship between a weak federal state and outside interest organizations, and considerable uncertainty deriving from the system of direct democracy.

The Swiss government is not strictly speaking a parliamentary government, and does not have a policy agenda comparable to a “normal” parliamentary government. Furthermore, all seven members of the government have equal rights and powers; there is no prime minister. The president of the government is *primus inter pares*. He or she is not leader of the government in the sense of a prime minister.

Scholarly Advice
Score: 6

In the Swiss political system, the drafting of bills takes place mainly in extraparlimentary and parliamentary committees. As of 2012, about 120 of these extraparlimentary committees existed, with government-selected members that included academics, representatives of interest groups and parties, individuals with particular expertise and other such experts. While there are multiple criteria for selecting members, the government seeks a balanced representation of language groups, political parties and ideologies, and other societal interests. Academics are selected on the basis of academic profile, but their allegiance to political parties or other societal interests may also be taken into account. Thus, while expert commissions and their members do have a dominant influence on governmental decision-making, the influence of academics per se is much more limited than is the influence of the politically

constituted groups as a whole. In addition, the share of academics on these commissions is rather limited, amounting to about 11% of all seats. However, the combined total of academics and high-level federal and canton civil servants (who usually have academic training) accounts for 53% of all commission seats.

Strong external pressure on Swiss policy, in particular by the European Union, limits the scope of possibilities afforded to national decision-making, and hence also the potential impact of domestic experts.

Interministerial Coordination

GO Expertise
Score: 5

The Swiss political system does not have a prime minister or a prime minister's office. The government is a collegial body. However, there are several instruments of interministerial coordination and various mechanisms by which ministries' draft bills are evaluated. Departments engage in a formal process of consultation when drafting proposals, the Ministry of Justice provides legal evaluations of draft bills, and the Federal Chancellery and Federal Council provide political coordination.

GO Gatekeeping
Score: 5

There is no prime minister in Switzerland. The Federal Chancellery manages and prepares the agenda of the Federal Council, and can return items and postpone consideration of political issues if they are deemed to conflict with other policies.

Line Ministries
Score: 7

Switzerland's government consists of only seven ministries, each of which has a broad area of competency and is responsible for a large variety of issues. There are no line ministries. However, there are federal offices and institutions connected to the various ministries. These work closely with the minister responsible for their group. Since ministers must achieve a large majority on the Federal Council in order to win success for a proposal, there is strong coordination between offices. Indeed, political coordination among the high ranks of the administration can be rather intense, although the limited capacity and time of the Federal Council members, as well as their diverging interests, create practical bottlenecks.

Cabinet Committees
Score: 2

Not surprisingly, given the small number of ministries, there are no cabinet committees in Switzerland's political system. However, there is considerable coordination, delegation and communication at the lower level of the federal government. Every minister is in a sense already a "ministerial committee," representing the coordination of a large number of cooperating departmental units.

Ministerial
Bureaucracy
Score: 10

The federal government deliberates behind closed doors, and minutes of these meetings are not public. A leading expert on government decision processes has estimated that in most decision-making processes, “either the preliminary procedure or the co-reporting procedure leads to an agreement.” The preliminary procedure consists of interministerial consultations at the level of the federal departments. After the departments have been consulted, the co-reporting procedure begins. The Federal Chancellery leads the process by submitting the proposal under consideration as prepared by the ministry responsible to all other ministries. These then have the opportunity to submit a report or express an opinion. A process of discussion and coordination ensues, designed to eliminate all or most differences before the proposal is discussed by the Federal Council.

Two instruments, the large and the small co-reporting procedures, are specifically designed to coordinate policy proposals between the ministries. These processes invite the ministries to take positions on political issues. The co-reporting procedure is largely a process of negative coordination, which highlights incompatibilities with other policies but does not systematically scrutinize the potential for synergy.

Informal
Coordination
Score: 9

Given the small size of the federal administration and the country’s tradition of informal coordination, there is reason to assume the continuing presence of strong and effective informal coordination.

Evidence-based Instruments

RIA Application
Score: 8

There is no formal institution responsible for ex-ante impact assessment in Switzerland. Article 170 of the constitution states that “(t)he federal parliament shall ensure that the efficacy of measures taken by the confederation is evaluated.” In some ministries such as the economics ministry, individual units occasionally perform ex-ante impact assessments. Furthermore, ex-ante evaluations by the administration always include checks for consistency with existing law (performed by the Ministry of Justice), compatibility with EU regulations, and if necessary, analyze budget implications, probable administrative costs and personnel requirements. Ex-post evaluations have also been strongly developed; however, it is unclear whether the results of these analyses have any substantial effect on implementation.

Beyond these processes, functional equivalents of impact assessments do exist. First, expert commissions that draft or suggest laws also evaluate alternatives, while examining the potential impacts, benefits and problems associated with proposed solutions. Second, and probably more important, is the so-called

consultation procedure derived from Article 147 of the constitution. This article stipulates that “the cantons, the political parties and the interested circles shall be heard in the course of the preparation of important legislation and other projects of substantial impact, and on important international treaties.” As a consequence, all those who are affected by a planned law have a constitutional right to give their opinion as to its pros and cons.

In comparative perspective, Switzerland was a relative latecomer to performance management policies, as were Germany and Austria. It was only in 2011 that the federal administration decided to consistently implement some form of performance management.

Quality of RIA
Process
Score: 7

While stakeholder participation in regulatory impact assessment (RIA) procedures is a particularly strong point in Switzerland, communications processes vary between regions and policy fields. Evaluations by independent bodies are weakly developed in comparative terms.

Sustainability
Check
Score: 5

Given the decentralized political and administrative system of Switzerland, it is difficult to answer the question of whether the government conducts effective sustainability checks within the framework of RIA.

Societal Consultation

Negotiating Public
Support
Score: 10

Within Switzerland’s strong corporatist system there are numerous pre-parliamentary procedures and committees focused on consultation with various societal groups. These instruments are designed to prevent government proposals from failing in parliament or in referenda, and to offer solutions that benefit all parties. However, research shows that the degree of corporatist integration has declined in recent years. This is in part attributable to the growing intensity of conflicts between the social partners, as well to the influence of EU integration and internationalization. In addition, lobbying and pluralist pressure-group politics have gained in importance. However, if judged from a comparative perspective, the level of corporatist integration is still very high in Switzerland.

Policy Communication

Coherent
Communication
Score: 8

Switzerland’s government acts as a collegial body. All members of the government have to defend the government’s decisions, irrespective of their own opinion. However, in the 2003 – 2007 period, when the Swiss People’s Party’s Christoph Blocher participated in government, communication was less coherent than before and afterward, and the country’s politics moved in a more populist, aggressive and confrontational direction. Although the current

government is much more consistent in its public statements, coherence has not yet returned to the level reached in the 1970s through the 1990s. This decline in the coherency of government policy communications can be attributed to the following factors:

- the structure of the collegiate body itself, which makes it difficult to speak with one voice in the mass media age;
- the Federal Council's poor crisis management with respect to international affairs;
- political polarization, even among the members of the all-party government;
- the systematic distortion of the Federal Council's communications indiscretions on the part of some aggressive media outlets; and
- the Federal Council's lack of authority or capacity to sanction communications indiscretions, and inability to manage its communication policy effectively.

Implementation

Government
Efficiency
Score: 9

The Swiss polity contains many different potential veto points, including political parties, cantons that have veto power in the second chamber, and interest groups with the power to trigger a referendum. Thus, the government has to hammer out compromises carefully when drafting legislation. This is done in the pre-parliamentary stage of legislation. Once a bill is introduced into parliament, many of the necessary compromises have already been reached. For this reason, a substantial number of bills are passed in parliament without being modified.

Ministerial
Compliance
Score: 8

Government in Switzerland is not (primarily) party-driven. Ministers are expected to work together as a collegium, and to abstain from any politics or policies that benefit their party or themselves as individual politicians. In general this worked quite well as long as all members of government felt bound by the rules of collegiality. In recent years, due to growing political polarization and the attack on consociational politics by the right-populist party and its (informal) leader, Christoph Blocher, there have been some deviations from this course. However, even in periods of polarized politics, the Swiss government and the implementation of its policies are much less driven by the interests of individual politicians or their parties than is typically the case for parliamentary governments. In the 2011 – 2013 period, ministerial compliance and cooperation were much more pronounced than in 2003 – 2007.

Monitoring
Ministries
Score: 9

Switzerland's government features neither a prime minister's office nor line ministries, but does offer functional equivalents. Given the rule of collegiality and the consociational decision-making style, as well as the high level of cooperation at lower levels of the federal administration, there is little leeway for significant deviation from the government line. Monitoring is built into the cooperative process of policy formulation and implementation.

Monitoring
Agencies,
Bureaucracies
Score: 6

Switzerland's governance system offers considerable flexibility in implementing decisions. The central administration is very small; this does not prevent bureaucratic drift, but in all likelihood the opportunities for such drift are much smaller than in huge administrations.

A number of factors mitigate for close coordination between the federal government and the federal administration. The country's direct democracy means that citizens have the ability to limit the maneuvering room of both government and administration. In the collegial governmental system, coordination is essential to success, and government and administration alike depend on efficient collaboration given the reality of parliamentary control. There is little evidence of an administrative class that acts on its own; moreover, administrative elites perceive themselves to be politically neutral.

Furthermore, Switzerland's system is not characterized by a unitary federalism. Rather, it resembles the federalism of the United States. This implies that cantons have considerable responsibility for implementing policy, while the federal state has a subsidiary role. According to Article 3 of the constitution: "The cantons are sovereign insofar as their sovereignty is not limited by the federal constitution; they shall exercise all rights which are not transferred to the confederation." Even in areas in which the federal state has tasks and powers, such as social insurance, environmental protection or zoning, implementation is carried out by the cantonal and sometimes municipal administrations. These bodies have considerable flexibility in performing their work, and implementation of federal guidelines frequently varies substantially between cantons. Zoning policy has offered examples in which the same federal regulation has led to opposite outcomes in different cantons. In addition, much implementation is carried out by interest organizations through the corporatist channel.

Task Funding
Score: 9

In Switzerland, cantons and municipalities levy most of the country's tax revenues. They determine local tax rates and decide how tax revenues will be distributed. Between 2004 and 2007, Switzerland passed a rather successful reform of its financial federalism, which has now taken effect. The basic idea was to establish a clear division of tasks between the federation and the cantons, and create transparency with regard to the flow of resources between

the federal state and the cantons. In this reform, the basic principle of fiscal equivalence was strengthened. This means that communes, cantons and the federation each are responsible for the funding of their own tasks, and for the balance of their own budgets. The fiscal equalization scheme has been retained, as it is necessary to reduce certain geographical, economic and social disparities, but the danger of providing badly aligned incentives through earmarked subsidies is eliminated through the use of grants. Funds thus continue to flow vertically (from the federal state to the cantons and vice versa) as well as horizontally (between communes and cantons). Nonetheless, it remains to be seen whether the new fiscal equalization scheme will help cantons that have serious problems in fulfilling their tasks or in meeting their goals due to their small size, lack of resources, or other reasons.

Constitutional
Discretion
Score: 10

Municipalities and cantons have a high degree of autonomy is very high, while the federation has only a subsidiary role. The central government has little opportunity to counter decisions made by cantonal parliaments or governments. Municipal discretion in policymaking is a constitutional norm. Article 50 of the constitution states: “(1) The autonomy of the municipalities is guaranteed within the limits fixed by cantonal law. (2) In its activity, the confederation shall take into account the possible consequences for the municipalities. (3) In particular, it shall take into account the special situation of cities, agglomerations and mountainous regions.” The municipalities and cantons make use of their competences to the maximum extent possible.

National Standards
Score: 7

The Swiss political system is one of the most decentralized systems in the world. Cantons and municipalities enjoy very substantial autonomy. Within the scope of their quite significant competencies, it is up to the cantons and municipalities to decide what public services they want to offer, to what extent and at what level of quality. Therefore, there are no national standards for public services except with regard to those limited parts of the administration that implement federal law. However, all public services have to comply with the rule of the law and the human rights set out in the constitution. A comparatively small number of issues (i.e., social policies) are decided at the federal level, and are thus subject to national standards. In these cases, federal laws are implemented by cantonal administrations, which have to follow national norms.

Adaptability

Domestic
Adaptability
Score: 6

The Swiss government’s adaptation to international and supranational developments has been idiosyncratic, in the sense that it has not joined the European Union. However, it has tried to adapt by concluding a number of bilateral agreements with the EU. Similarly, in the field of security policy, it

has engaged in cooperation with other nations and the United Nations while insisting on neutral-country status. Whenever Switzerland agrees to cooperate with other countries or international organizations, it attempts to meet all the requirements of the agreement, including implementation of the necessary administrative reforms. However, there are serious concerns as to whether this model of adaptation is either sufficient or sustainable. Switzerland's policy is still predicated on the basis of sovereign nation-states negotiating with each other on an equal basis. Leading politicians continue to suggest that there is a balanced distribution of power between the European Union and Switzerland, giving Switzerland the free choice to stand alone, strike bilateral treaties or seek EU accession. However, these bilateral solutions have shown increasing structural problems as a consequence of EU enlargement and the decreasing homogeneity within the European Union. Hence, Switzerland's ability to continue these bilateral arrangements long into the future has been called into question. Conflicts between the EU and Switzerland escalated in 2012, with the EU demanding that institutional solutions be developed to address the bilateral system's weaknesses. Specifically, the European Union has called for self-executing rules enabling bilateral treaties to be updated, as well as independent institutions for the settlement of conflicts arising from the bilateral treaties. Switzerland has opposed these proposals. As of the time of writing, this disagreement had prevented the production of any further bilateral treaties, on which Switzerland is economically dependent. In the spring of 2013, it was unclear how this issue so vital to the country's economic future could be resolved.

International
Coordination
Score: 5

Swiss authorities have been somewhat reluctant to participate in the international coordination of joint reform initiatives. The idea that reforms are defined commonly on the international level and then become in some way binding for Switzerland is alien to the Swiss political discourse. In the course of the increasing polarization of Swiss politics during the past 15 years, with the associated decline in consociational patterns of behavior, there has even been increasing emphasis by right-wing politicians on the notion of a small, neutral and independent nation-state surviving on the basis of smart strategies in a potentially hostile environment. Large portions of the population support these ideas. Popular skepticism toward integration has mounted over the course of the last seven years. Nonetheless, it would be wrong to repeat the cliché of Switzerland as a solitary lone wolf, as there have been various attempts to contribute to international cooperative ventures. Switzerland is a fairly active member of the United Nations, the IMF, the Organization for Security and Cooperation in Europe (OSCE), the Council of Europe and most of the other important international organizations. Swiss foreign economic policy works actively to defend the interests of its export-oriented economy, as for instance

in the context of the WTO. However, the country concentrates its efforts in areas where it can realistically have some influence, such as economic matters or technical organizations dealing with issues such as transport, ecology or development. This said, there is a clear gap between the government's stated goals in terms of international cooperation and the resources – institutional or otherwise – that it has at its disposal for these tasks.

Organizational Reform

Self-monitoring
Score: 8

Self-monitoring takes place as a part of the political process, which includes a large number of private and public actors. It is not institutionalized, outside the context of the evaluation of policies (as by implication, policy evaluation leads indirectly to the monitoring of the institutional framework for these policies).

While the basic structures of federalism and direct democracy are very robust, and direct democracy provides incentives for political parties to cooperate within the context of power-sharing structures, lower-level government structures are subject to constant change. Recent examples of such change have affected parliamentary practices, fiscal federalism and the judicial system, canton- and communal-level electoral systems, communal organization, and public management. Nevertheless, one of the most important reforms, the reorganization of the Federal Council and its collegiate system, has failed despite several attempts.

Institutional Reform
Score: 5

The federal government has sought to improve its institutional arrangements through the adoption of new administrative techniques (specifically, new public management practices) and a number of other organizational changes. However, whenever the central government has sought to engage in substantial change through institutional reform (e.g., through reorganization of the Federal Council and the collegiate system), it has met with resistance on the part of the public and the cantons, which do not want more resources or powers to go to the federal level. This has limited the range of feasible institutional reforms.

II. Executive Accountability

Citizens' Participatory Competence

Policy Knowledge
Score: 8

There is some debate as to whether citizens are well informed in Switzerland. One of the first studies on the issue, based on surveys conducted after popular votes, found that only one out of six voters had a high level of policy knowledge. Studies based on larger data sets and relating to more recent data have showed that about 50% of citizens have good knowledge on public policy issues (i.e., they know the issue at hand and can provide reasons for their decisions). A recent study by Hanspeter Kriesi concluded that roughly equal shares of the citizenry lack civic competences, have medium competence and have a high level of competence. The intensity of the campaign around a given issue is of crucial importance in terms of public knowledge of the content of a bill.

Another recent study found that just 42% of Swiss citizens knew how many parties were in the government (which at the time of the survey had not changed during the previous five decades). Moreover, 36% knew how many signatures were needed to trigger a referendum, and about 45% knew the number of EU member states.

In a 2007 comparative study called *Citizenship and Involvement in Europe*, Swiss citizens scored at the same level as their counterparts in the Netherlands, Denmark and Norway with regard to the importance attributed to politics and interest in politics in general. These four countries demonstrated the highest scores among the 11 countries under study. In another recent study on political interest and sophistication, Switzerland was ranked in sixth place (behind Denmark, the Netherlands, Sweden, Norway and Germany) among the 21 European countries examined in the European Social Survey.

In a 2005 analysis, Kriesi argued that citizens are relatively well informed and rational when making their decisions in direct democratic votes. Either they consider arguments and counterarguments, or rely on reasonable heuristics. Thus, in general it seems fair to say that Swiss citizens are as well informed about policies as citizens in other mature and rich democracies.

Legislative Actors' Resources

Parliamentary
Resources
Score: 5

The Swiss parliament is not broadly professionalized. Officially, it is still a militia parliament, meaning that legislators serve alongside their regular jobs. However, this is far from reality. Almost 90% of members use more than a third of their working time for their political roles. Legislators' incomes have also been increased over time. On average, the various components of remuneration total more than CHF 100,000 annually (about €85,000). However, legislators do not have personal staffs, and the parliamentary services division offers only very limited research services, though legislators do have access to the parliamentary library. Thus, in comparative perspective, MP resources are very limited.

Obtaining
Documents
Score: 10

Parliamentary committees, as well as members of parliament, have access to government documents and receive copies of these promptly upon request. Legislators have also electronic access to the majority of government documents.

Summoning
Ministers
Score: 10

Parliamentary committees can summon ministers for hearings. Formally, this request is not binding. However, for political reasons, ministers typically respond to these requests, and answer the committees' questions.

Summoning Experts
Score: 10

Parliamentary committees are free to invite experts to provide testimony at hearings.

Task Area
Congruence
Score: 8

The Swiss government has only seven ministries, and all attempts to enlarge this number has failed due to political opposition within parliament. Hence, most of the seven ministries have responsibility for many more issue areas than in other democracies. Both the first and the second parliamentary chambers have nine committees dealing with legislation and two committees with oversight functions (such as the Finance Committee, which supervises the confederation's financial management). Four other committees have additional tasks (such as the Drafting Committee, which checks the wording of bills and legal texts before final votes). Thus, the task areas of the parliamentary committees do not correspond closely to the task areas of the ministries. Nonetheless, this does not indicate that the committees are not able to monitor the ministries.

Audit Office
Score: 8

Switzerland's Audit Office is an independent and autonomous body. It supports the Federal Assembly and the Federal Council through the production of analyses and reports. The chairman of the Audit Office is elected by the Federal Council; this election has to be confirmed by the Federal Assembly. In administrative terms, the Audit Office falls under the authority of the Finance Ministry.

Ombuds Office
Score: 2

There is no ombuds office at the federal level in Switzerland. Some cantonal administrations do have an ombuds office, however.

Media

Media Reporting
Score: 9

Radio and TV programs are of high quality in Switzerland. With very few exceptions, radio reports are reliable and analyses performed on an independent basis in a professional way. Some television programming shows a tendency toward infotainment and the personalization of politics.

Parties and Interest Associations

Intra-party
Democracy
Score: 6

Party decisions and party lists are formally produced at conventions of party members. In a 1999 analysis of local party organizations, Ladner and Brändle found that Swiss parties – with the exception of the Green party – prioritized party leaders' strategic capabilities over membership participation. This tendency has increased in recent years.

However, these oligarchic tendencies are arguably not the primary problem with regard to inclusion in Swiss parties. The decline in party membership and party identification – particularly in the case of the Radical and Christian Democratic parties – along with the low level of party resources may be even greater problems, since party decisions are being made by an increasingly shrinking active party membership base.

Association
Competence
(Business)
Score: 7

Employers' organizations and trade unions in Switzerland are pragmatic and avoid rigidly ideological stances. Of course the major interest organizations do have their ideologies, but this does not prevent them from entering rational discussions with other organizations and political parties. Furthermore, interest organizations in general have access to more substantial professional resources and often have a better-informed view of problems than do political parties. Thus, despite the defense of their own interests, associations often provide better policy proposals than do parties.

The influence of employers' organizations has declined as single firms or small groups have elected to engage in their own lobbying activities. Internal differences have also split these organizations.

Association
Competence
(Others)
Score: 6

Noneconomic interest groups are very heterogeneous in Switzerland. Some offer reasonable proposals.

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