



# Switzerland Report

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Sustainable Governance  
Indicators 2020

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## Executive Summary

In the current assessment period, governance in Switzerland has sustained considerable continuity with recent SGI assessments. By implication, the country's strengths and shortcomings have fundamentally remained unchanged. These strengths include a stable and robust democracy, the efficient rule of law, an excellent system of public education and research, and a competent system of public transportation. The country has high levels of GDP per capita (one of the highest in the OECD) and accumulated wealth, and the natural environment remains ecologically sound. Social and economic policies are pragmatic, solution-oriented and heterodox. In general, compared with citizens in other OECD countries, Swiss citizens support national democracy, show high levels of trust in their government and parliament and are very satisfied with their life and how national democratic and economic institutions operate. The Swiss government can be commended for maintaining a highly competitive economy, sustainable fiscal position, comparatively sustainable and generous welfare state, and moderate and stagnant income inequality. The flexible labor market has maintained full employment, with high employment rates for both men and women. Youth and long-term unemployment remain very low. These outcomes have resulted in an absence of deep social divisions and marginalization (among Swiss citizens).

Notwithstanding these successes, shortcomings and challenges have persisted (see also "Key Challenges"):

(1) Most dramatic in this regard are developments in the relationship with the European Union. With 52% of exports going to and 70% of imports coming from the EU (2018) as well as a strong inflow of highly qualified labor from the EU, Switzerland is far more dependent on the EU than the EU is on Switzerland. This relationship is based on bilateral treaties, many of which are conditional on each other. Since 2008, the EU has requested an institutional framework agreement. Such an agreement would allow for a smooth revision of existing treaties and court-based adjudication of conflicts between the two

trade partners. By the end of 2018, a draft of an agreement was produced by the chief negotiators. However, it became immediately clear that this draft would meet with opposition from the populist right party as a matter of principle as well as from the left – in particular the trade unions – who fear the liberalizing effect of the EU and its Court of Justice, as well as some other actors who feared the abolishment of state aid to cantonal institutions such as cantonal banks. The government responded by procrastinating and muddled through efforts to build sufficient majorities, which has proven thus far to be in vain. Given the basic attitudes of Swiss citizens toward European integration, most politicians can only lose in terms of support and votes if they take a clear position on European issues. Therefore, little discussion took place in the run-up to the general election in October 2019. Furthermore, most politicians decided to not complicate things further and wait for the outcome of the referendum scheduled for May 2020 on whether to limit the movement of EU citizens into Switzerland and thus effectively terminate a major bilateral agreement with the EU (on which Switzerland is economically dependent). However, the EU, which is grappling with internal problems and centrifugal developments is not willing to accommodate the Swiss desire for renegotiations and has already introduced some penalties. Thus, in order to get Swiss trade unions on board with the draft agreement, they will likely require generous compensation. Meanwhile, the Swiss economy will suffer serious damage as a result of halted negotiations with the EU on various points, including an agreement on integration into the European electricity market or on technical standards for medical products.

(2) Closely connected to the issue of Europeanization (and globalization) is the polarization of Swiss politics and the concomitant weakening of the system of consensus democracy and social partnership. This applies not only to institutional and behavioral indicators of consensus democracy, but also to deep-seated cultural patterns and indispensable elements of elite socialization of the past, such as the willingness to compromise and interact respectfully with political opponents. The political system of Switzerland is converging toward the continental pattern of non-majoritarian politics. The results of the recent general election of October 2019 suggest a shift in power toward environmental parties, a major loss for the strongest party (in terms of votes) of the country, the right-wing populist Swiss People's party as well as a considerable loss of votes for the second major party, the Social Democrats. The results of this general election might be interpreted as marking the limits of right-wing populists' power and polarization. It may also indicate that environmental issues have become relevant topics in political discourse.

(3) As in previous years, the system of direct democracy succeeds in giving citizens the feeling that they have a say in government policies. This system is

one of the major reasons why Swiss citizens are far more satisfied with the way democracy works in their country than their European neighbors. The system of direct democracy, however, also demonstrates serious shortcomings. Among them is the likelihood that voters approve constitutional amendments which cannot be implemented on legal or economic grounds.

(4) In the past, Swiss cantons have offered generous tax deals to foreign firms who are located in Switzerland but do most of their business abroad. This has provoked criticism from the OECD and EU. The first reform proposal to address these criticisms without frightening these foreign companies that contribute substantially to the public revenues of local and canton authorities, has failed. Following this initial failure, the federal government has been very successful in designing a solution that allows for the acceptance of crucial parts of the first attempt at tax reform, but includes items pursued by parties on the left in the area of pension policy. This was an extremely pragmatic strategy that combined policy fields with concessions that have nothing to do with each other. The case demonstrates the ability to govern, albeit at the cost of any clear policy doctrine apart from muddling through and crafting majorities.

(5) Although the welfare state is sustainable and generous, the pension system must cope with demographic challenges. While increasing the age of retirement beyond 65 is unachievable given the constraints imposed by direct democracy, there were possibilities for reforming the three-pillar pension system (basic pension, occupational pension and tax-deductible savings for retirement). After a major reform was rejected in a popular vote in September 2017, legislators drafted a policy package that combines tax – requested by the EU (see above) – and pension reforms that are much less encompassing than the previous reform. Likewise, employers and trade unions have found a compromise (for which a majority in parliament still needs to be achieved) that mitigates immediate problems in the second (and most important) pillar of pensions. However, this is a short-term solution which also arguably shift costs to future generations.

(6) Despite the considerable continued successes of agricultural interests, which represent only 3% of the labor force, the power of vested economic interests remains limited, as demonstrated by a summer 2018 conflict. The arms industry pressured the government to facilitate arms exports to countries with internal violent conflicts. Pragmatically, the government argued that Switzerland needs a strong arms industry for the Swiss military and thus a diverse market for the industry. While the first chamber of the parliament did not oppose this ethically problematic argument, the other house and civil society opposed the effort and the project failed. In summer 2019, the required number of signatures were collected for a popular vote on a constitutional

article banning the export of weapons to countries that systematically and seriously violate human rights. Strong support for this initiative was expressed during the signature-collecting phase.

(7) Projects supporting ecological and humanitarian concerns are currently strongly supported by the population. An initiative demands a constitutional amendment on the responsibility of Swiss firms for violation of humanitarian or ecological norms in foreign countries. At the time of writing, parliament is debating how to react to this initiative, which will be otherwise decided upon in a popular vote. In November 2019, sufficient signatures had been collected for an initiative regarding a constitutional amendment requiring a dramatic decrease of CO<sub>2</sub>-emissions and a ban on fossil fuels (with some minor exceptions) by 2050. These developments, together with the results of the recent general election, point to the increasing salience and acceptance of ecological and humanitarian projects in Swiss politics.

## Key Challenges

At the close of this review period, Switzerland continued to face ongoing, interrelated challenges. There remains a disconnect between Swiss identity and reality: a vast share of the population is comprised of foreign workers and other migrants. Policymakers are struggling to implement popular referendums, navigating between “responsive” (i.e., implementing voters’ preferences) and “responsible” (i.e., furthering the common good under conditions of constrained choices) execution. They must also reform the pension system and find sustainable solutions for the country’s relationship with the EU. Finally, the push for ecological reforms has become strong and is changing political discourse and the distribution of political power.

First, the country’s relationship with the EU remains provisional and increasingly fragile. In the past, the realities of domestic politics made bilateral agreements the only practical solution as neither a policy of “going it alone” nor EU membership were feasible strategies. However, this bilateral solution is becoming increasingly untenable. While domestic conflicts about the future relationship between the EU and Switzerland have not abated, solutions have to be found. The strategy of muddling through, while currently successful, will eventually become unsustainable. An institutional framework agreement with the EU appears unavoidable, though there are no political majorities for such an agreement. Fashioning compromises that are compatible with EU rules and the need to craft domestic majorities depends on the skills of politicians and representatives of major interest groups. At the time of this writing, there are

no such compromises in sight, and any such compromise will likely be put up for discussion in the fall of 2020 at the earliest.

Second, minimizing internal political conflicts fueled by migration has grown more challenging. The share of foreigners within Switzerland's population is among the highest in the world. Immigration has stimulated economic growth. To sustain the high economic growth rate, it remains essential that the country continues to recruit highly skilled labor. An extraordinarily high proportion of elite positions in the economy and higher education are staffed by foreign workers. Foreigners are also younger than the average Swiss citizen. Consequently, they contribute far more to the Swiss pension system than they receive. Hence, they subsidize the Swiss pension system and contribute significantly to its sustainability. Nonetheless, immigration has prompted considerable concerns among the Swiss working- and middle-class about housing prices, jobs, the use of infrastructure (e.g., roads and public transportation) and national identity. Swiss workers constitute the base of the right-wing populist Swiss People's Party (SVP). Today, the SVP is among the strongest right-wing populist parties in Europe in terms of votes, representation in government and success in referendums. Notably, this political strength cannot be primarily attributed to xenophobia. At least in international comparison, Switzerland and some of the Nordic countries show a relatively low level of xenophobia. Even so, the SVP has been extremely successful in mobilizing xenophobic elements within the population. Nonetheless, the results of the recent general election suggest that the rise of right-wing populist movements in Switzerland have reached a limit of sorts.

Another challenge in recent years is the growing number of popular initiatives that have been approved by voters but which have been either only partially implemented or not at all. This failure to implement constitutional amendments derived from popular initiatives is not entirely new. Historical examples of provisions left unimplemented include the prohibition on absinth (1908) and ban on gambling houses (1920 – 1921). Notwithstanding, these precedents are few and the promoters of these initiatives were not in the political center. By contrast, the number of successful nativist-driven initiatives has grown in recent years and their advocates (e.g., SVP and related organizations) are politically powerful. Several recent initiatives remain only partially implemented because full implementation would violate international law, international treaties or economic norms. This has put the administration in a difficult position: full implementation would violate international or economic norms, but partial implementation gives rise to accusations among right-wing politicians that the "will of the people" is not respected. In order to mitigate the conflict between "responsive" and "responsible" government, political elites must effectively communicate that the Swiss nation – as all

consolidated democracies – is at best semi-sovereign and that there are strict limitations on what the public can decide upon. Such a communication strategy, however, would clash with the self-image of the Swiss, who are immensely proud of their (perceived) independence and sovereignty.

As in most other mature democracies, Switzerland's pension system must cope with the challenges posed by an aging population. To date, the system has been sustainable and provides relatively generous pension payments. Nonetheless, without exceptionally strong productivity growth or a continuing inflow of young foreign labor, in the long run, the retirement age or tax revenue and pension contributions must be raised or the level of benefits reduced. Far-reaching reform attempts have failed in past years and have been replaced by short-term and very limited solutions that may result in major costs for future generations. It remains to be seen as to whether this policy of muddling through and short-term compromises will bring any sound results in the long run.

## Party Polarization

Party polarization has increased since the early 1990s. Major reform processes – in particular with regard to adaptation to external constraints – have been stalled or made very difficult as a consequence of party polarization. The results of the national election of October 2019 did not change much in the total share of the polar parties (Swiss People's Party and Lega on the right; Social Democrats, Greens and the Swiss Party of Labour on the left) in the National Council (123 of 200 seats). However there was a considerable shift to the left, which achieved in 2019 35% of parliamentary seats in the National Council as compared to 28% in 2015, while the right went from holding 34% of seats in the National Council in 2015 to only 27% of seats in 2019. Given the high stability of Swiss politics, this marked an extraordinary change. (Score: 4)

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 8

The Swiss economy is highly competitive, ranking again at the top – five out of 141 countries – in the World Economic Forum’s 2019 competitiveness assessment. Switzerland has the third-highest GDP per capita in the OECD, which the OECD links to the country’s high employment rates and productivity levels. According to the OECD, these factors support, and are supported by, good health outcomes and an education system that delivers graduates with high performance scores.

The country’s economic policy regime combines a variety of mechanisms. Common denominators, however, are the practice of muddling through as standard operating procedure and heterodoxy as the primary philosophy underlying economic policymaking.

For example, regulation of the labor market is very liberal, particularly with regard to hiring and firing. In contrast, government policies were quite illiberal and politicized with regard to the flow of foreign labor and with regard to farming in the past. The policymaking process previously emphasized the integration of employers and trade unions, with employers enjoying considerable influence (“liberal corporatism”) and trade unions serving as junior partners. For trade unions, this corporatism made sense since it resulted in full employment (at least for Swiss citizens), high wages and generous employer-sponsored benefits. While this influence was strong in the past, in recent years the influence of both organized labor and capital has lessened, but it is still a major aspect of Swiss economic policymaking.

Throughout the 20th century, Switzerland maintained a very protectionist policy regime, allowing for cartels and monopolies. The main beneficiaries were farmers, who were protected from global competition by high tariffs and



strict non-tariff barriers, as well as small- and medium-sized businesses and service providers producing for the domestic market. Collusive pricing was tolerated, while competition between providers and producers was limited by the diversity of cantonal regulations.

This policy of protectionism has lessened considerably since the mid-1990s due to a deliberate strategy of market liberalization. At the same time, there has been continuous pushback to this liberalization. For example, an amendment to the law on cartels failed. It would have reduced the influence of major economic actors within the competition agency's governing board. Similarly, farmers were successful in being spared from austerity measures; they continue to enjoy a comparatively high level of protection.

Between 1960 and 2005, Swiss real GDP growth rates have exceeded the average of the 23 advanced-democratic OECD nations in only nine of 44 years. Between 2005 and 2014, Swiss economic growth rates were above average; since 2015 they have returned average or below average. Some economists have attributed the Swiss economy's strong growth since about 2005 to its liberalizing reforms. Others note that most of the increase in domestic product is not due to higher productivity, but rather to the increasing volume of hours worked, which itself is at least partially a result of population growth (1% per year, mostly due to immigration). With very few exceptions, Switzerland's current account balance has been positive since the 1970s, implying that exports exceed imports. In the second quarter of 2019, the balance was 12% of GDP, while Germany, for example, recorded 7% of GDP. Switzerland's main export industries are the chemical, pharmaceutical and metal industries (e.g., machines and watches). A considerable share of recent economic growth is therefore export-driven, making Switzerland very dependent on export markets. The country's persistently rocky relationship with the European Union poses imminent dangers to the continued success of its export-oriented economy. However, Swiss economic growth is very robust. Although the Swiss franc appreciated considerably following the decision of the Swiss National Bank to abandon the peg to the euro in January 2015, the impact on the national economy has been limited.

The government levies low taxes on both labor and capital, producing relatively small tax wedges. In addition, the state does not significantly intervene in the business cycle. Rather, it traditionally pursued a prudent and largely procyclical fiscal policy. In times of major economic challenges, 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 and proved difficult to implement swiftly. In fact, many of the resources contained in these fiscal programs have not been taken

up by employers. 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.

Rather than actively influencing the structure of industry, the government has restricted itself to facilitating the modernization of industries by creating favorable conditions for economic activity. In the financial industry, Switzerland has improved its surveillance of banks and set prudential banking regulations since the onset of the Great Recession in 2008.

In general, decision-makers have pursued a very pragmatic and heterodox economic policy and shown themselves willing to disregard liberal norms of policymaking if the need arises. This policy regime, which has been both liberal and protectionist, has come under pressure due to globalization and the increasing importance of international organizations such as the WTO. Given its reliance on the export of goods and services, Switzerland has had to acquiesce to liberalization.

Liberalization was accelerated by bilateral treaties with the EU and practically all new economic policies have followed EU standards. As a consequence of globalization and Europeanization, most sectors increasingly liberalized, in particular in the period between the mid-1990s and 2005. Agriculture offers a major case in point, though Switzerland's agriculture sector remains one of the most subsidized in Europe.

As a result of liberalization, one of the drivers of Switzerland's postwar economic success – the complementarity of protected domestic-oriented industries and liberal export-oriented industries – has been weakened. The increase in tensions between the export- and domestic-oriented sectors have generally not resulted in open conflict. These developments have, however, 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 and their members have increasingly turned to lobbying at the level of the individual firm.

Switzerland has not yet determined its long-term relationship with the EU. In the current review period, the quest for politically and economically sustainable solutions became more pressing. Previous interventions entailed bilateral agreements with the EU, which further liberalized the service and agriculture sectors. In addition, immigration policy has changed substantially. Switzerland has abstained from any further recruitment of foreign labor from outside the EU, while liberalizing its immigration regime with EU countries. This policy has meant free movement of labor between Switzerland and the

EU, intensifying opposition to the recruitment of highly skilled employees from abroad.

This bilateral arrangement with the EU faces major challenges. The EU has requested new institutional structures to complement and support the bilateral relationship. It argues that the implementation and update of bilateral agreements has become too costly as a result of delays generated by domestic conflicts. Specifically, the EU has insisted on the creation of independent authorities for the settlement of disputes as well as mechanisms for updating bilateral agreements without having to resort to full-scale renegotiations. In November 2018, the negotiators on both sides finished their draft of an institutional agreement. However, it turned out that there is no majority for this agreement in parliament. The Federal Council started a consultation on the draft agreement. At the time of this writing (at the end of 2019), no solution is in sight. Policymakers have not pushed it, preferring to wait first for the outcome of the national election in November 2019 and then the outcome of a “limitation initiative” scheduled for May 2020 on curbs to EU migrants that has been proposed by the right-wing SVP. Meanwhile the EU has withdrawn its recognition of the Swiss stock market equivalence. In addition, negotiations about updating current and future bilateral agreement have basically stalled. Given the country’s close integration with the EU market – accounting for 52% of Swiss exports and 70% of imports (2018) – Switzerland is highly dependent on a well-functioning relationship with this much larger economic partner. In contrast, the EU is much less dependent on Switzerland.

Broadly perceived as a laggard in the development of its welfare state, Switzerland caught up in the postwar period. Today it has a mature and generous welfare state. In a time of demographic change, this welfare state will only remain sustainable through high rates of economic growth. It is far from clear whether these high rates of growth can be realized in the future, in particular if the inflow of foreign labor from and trade with the EU is constrained.

Citation:

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## Labor Markets

Labor Market  
Policy  
Score: 9

Swiss labor-market policy is largely a success story. Labor-market flexibility in terms of hiring and firing is very high, trade unions and their representatives or allies on the firm level have no legal ability to interfere with employers' human-resources decisions (in contrast to Germany), and there is no minimum wage. Swiss voters rejected the establishment of a minimum wage in 2014. A particularity of the Swiss labor market is the large share of foreign workers. Foreign labor comprises nearly a third of the workforce (32% in 2018).

Although the "golden age" of containing unemployment by managing the flow of labor from other countries is past, the achievements of Swiss labor-market policy remain remarkable. In October 2019, the unemployment rate stood at 2.2% (Swiss definition; according to the OECD definition it was 4.1%). Youth unemployment (i.e., among 15- to 24-year olds) is only slightly above the overall unemployment rate (2.3% in October 2019). The share of long-term (i.e., more than 12 months) unemployed persons in total unemployment is only 13%. The employment rate of 82% (the ratio of employed to the working-age population) is the second highest in Europe (behind Iceland). In addition, the overall employment rate of women has increased dramatically in recent decades. In 2019, Switzerland had a female employment rate of 76%. In the OECD, only Iceland reports a higher female employment rate, and Sweden has about the same rate. A recent report on the effects of the free movement of labor between the European Union and Switzerland found that in general strong immigration from the EU did not endanger the employment prospects of domestic workers. Most EU immigrants from northern, western and eastern Europe are highly skilled, with two-thirds having finished tertiary education as compared to 37% of Swiss citizens. There is a very strong bimodal distribution of foreign labor by education: the shares of immigrants with tertiary and very low educational achievement is far higher than in the Swiss labor force. The recent growth of immigration of highly qualified labor from the EU is dramatic.

Nevertheless, several major challenges are evident. The high employment rate is due to a particularly high share of part-time work. In 2018, about 11% of employed men and 45% of employed women worked part-time (i.e., less than 30 hours a week). Only the Netherlands has a higher rate of female part-time employment. Unemployment rates are highest among low-skilled foreign workers. Also, there remains considerable wage inequality between men and women. The median wage of female workers is 88% (2016) of their male counterparts. Some studies arrive at the conclusion that only 57% of this difference is due to objective aspects such as education.

Highly skilled workers from EU countries pose few challenges for Swiss labor-market policy, particularly 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.

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## 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. Fiscal federalism (the responsibility of the municipalities, the cantons and the federation to cover their expenses with their own revenue) and Swiss citizens' right to decide on fiscal legislation have led to a lean state with relatively low levels of public – sector employment so far. 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, it should be noted that Switzerland's apparently small government revenue as a percent of GDP can be attributed in part to the way in which the statistics are calculated. Contributions to the occupational pension system (the so-called second pillar) and the health insurance program – which are non-state organizations – are excluded from government revenue calculations. The share of government revenue as a percent of GDP would be about ten 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.

Tax policy does not impede competitiveness. Switzerland ranks at 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.

The country's tax policy has come under scrutiny from the OECD and European Union for treating domestic and some international firms differently on the cantonal level. These international firms have their regional headquarters in Switzerland – employing more than 150,000 and contributing substantially to tax revenue – but do most of their business abroad. Examples include Accor, Hewlett Packard, Philip Morris, C&A, Google and eBay. In response to the scrutiny, the federal government introduced a reform of corporate-taxation policy. This first reform proposal failed in a popular vote in 2017. A large share of survey respondents attributed its failure to the sense that the reform was biased in favor of large enterprises and “the rich.” In 2017, a quid pro quo was agreed to. The tax reductions of the original reform proposal have been largely retained. In order to win the support of politicians on the political left, contributions to the first pillar of the pension system (AHV) will be increased by the same amount as taxes are reduced for firms. These additional resources for the AHV will be generated through increased contributions from the federal state as well as from increased social security contributions from employers and workers. This compensation deal was accepted by popular vote in May 2019.

Another major tax issue with constitutional implications involve tax rates for married couples which, under certain circumstances, may be higher than those of unmarried couples. A popular vote for a reform of this issue in 2017 failed by a narrow margin, possibly as a result of erroneous information provided by the federal government regarding the number of persons affected. An April 2019 ruling by the Federal Supreme Court abrogated the outcome of the 2017 referendum. This marks the first time in Switzerland's history that a popular vote was annulled by the Federal Supreme Court. The fact that specific

cantons attract certain companies and wealthy foreigners by offering them preferential tax advantages is another instance of differential treatment in tax policy.

Tax policy has been used as a leverage in environmental policy. Among OECD countries, Switzerland comes closest to aligning its pricing of CO<sub>2</sub> emissions with international climate cost benchmarks and is making further improvements in this area. After the first chamber of parliament failed to draft new and efficient CO<sub>2</sub> legislation in December 2018, the second chamber drafted in the fall of 2019 a far-reaching law. Given the shift toward green parties in the October 2019 national election, coupled with growing concerns about environmental issues among the center-right parties (with the exception of the right-wing populist SVP) this draft law is likely to be enacted in December 2019 and could survive a potential popular vote.

In its most recent country survey, the OECD suggested reducing direct taxes on low-income individuals as a growth-friendly strategy that would also remove disincentives for second-earners. This could be financed by making greater use of value-added tax, recurrent tax on immovable property and environmental taxes. However, there are considerable doubts as to whether these reforms will find a majority in Switzerland.

In summary, Swiss tax policy provides sufficient financial resources for the country. With minor exceptions, it does not discriminate against economic actors with similar tax-paying abilities, and it strongly promotes the country's competitive position. Tax policy is also increasingly designed to promote ecological sustainability. Should the second chamber's CO<sub>2</sub>-bill pass and not be revoked by popular vote, this will mark a clear step forward.

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## Budgets

Budgetary Policy  
Score: 10

Budgetary policy in Switzerland is fiscally sustainable. Gross public debt (general government) rose from a low 29% of GDP in 1990 to a peak of 52% in 1998, but fell again, reaching 28% by 2018. Structurally adjusted budgets were balanced even during the crisis of 2008 and 2009. It must be noted that the Swiss federal state is very slim in international comparison: only about a third of state expenditures are spent by the federal government. Since the turn of the century, the federal budget was always in the black or at least balanced,

with the government spending less than it received – with the exception between 2002 and 2004. In all likelihood, this positive balance will be maintained over the coming years. In 2018 as in previous years, the federal budget surplus as well as those of cantons and most municipalities have been much better than anticipated.

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 structures have been developed to avoid the dynamics of expanding budgets. For example, on the federal level, there is the constitutional debt brake (Article 126): “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, 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.

In spite of the country’s very favorable fiscal position, the Federal Council pursues a very prudent fiscal policy. 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. In its recent country survey, the OECD praises Switzerland’s budgetary policy, but it also notes that, in the past, authorities tended to skew policy in ways tighter than intended. It suggests making greater use of available fiscal leverage in order to inter alia improve economic and social outcomes, which includes increased spending on vocational training and social inclusion (OECD 2019: 34-35).

Citation:

OECD 2019: Economic Survey Switzerland, November 2019, Paris: OECD

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## Research, Innovation and Infrastructure

R&I Policy  
Score: 9

Switzerland’s achievement in terms of innovation is considerable. It spends 3.4% of GDP (2017) on research, as compared to the EU average of 2%. In the period between 2000 and 2017, the growth rate of expenditures on R&D exceeded the growth rate of GDP. Standardized by the number of inhabitants,



Switzerland is an international leader in patent applications, with strengths in health technologies and biotechnology. 69% of research spending is corporate spending with the direct aim of economic innovation, an important factor in the country's strong overall competitiveness. With a share of about 28%, public research funding plays a lesser role than in other European countries, but public spending on research is increasing. It depends on five main actors: the cantonal universities, the two federal institutes of technology, the National Science Foundation, the Federal Commission for Technology and Innovation, and the academies of sciences. These actors are independent of each other but cooperate based on complementarity and (limited) competition. The various institutions are highly autonomous, and research policies and processes are driven by bottom-up operations. Thus, Swiss research policy is not centralized, but rather relies on a concept of decentralized innovation with periodic intervention by the federal government. The output of the research system is impressive. The Federal Institutes of Technology Zürich and Lausanne belong to the top-ranked universities in the world, and the universities of Basel, Bern, Geneva and Zürich regularly appear on the list of the 150 best universities worldwide.

Some deficits persist, however, such as coordination among universities and the new universities of applied sciences as well as the weakness in social science and humanities research relative to that conducted in the natural sciences and technologically.

In 2016, the federal government defined its research and innovation goals for the coming four years: increased support for (1) continuing education in vocational training, (2) young academics, (3) training in medicine and (4) innovation. The resources for education, research and innovation should grow by 2% annually

Citation:

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bildung-wissenschaft/technologie.html>

Bundesamt für Statistik 2019: Forschung und Entwicklung in der Schweiz 2017 Finanzen und Personal, Neuchâtel: Bundesamt für Statistik

## Global Financial System

Stabilizing  
Global Financial  
System  
Score: 8

Switzerland is one of the world's most significant financial markets. 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. 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 regulatory bodies in the United Kingdom, United States and European Union.

After the financial crisis of 2007 and 2008, the government introduced measures to deal with the problem of banks being “too big to fail.” Though it remains unclear whether these new rules and institutions will be sufficient in the event of a major crisis, the Swiss approach numbers among the most sound and prudent systems of regulation worldwide.

During the review period, Switzerland proved very active in regulating new financial technologies (distributed-ledger technologies).

Citation:

OECD 2019: Economic Surveys. Switzerland, November 2019, Paris: OECD

## 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 in comparison to other countries. During the past 20 years, Switzerland experienced very strong growth in tertiary education. The number of students enrolled at the tertiary level more than doubled between 1999/2000 and 2018/2019. This is chiefly due to a growth in colleges of education and universities of applied sciences, which were institutionalized in 1998. Students with vocational training can acquire a diploma to enter these universities of applied sciences either during their training or through a special one-year course after they have finished their apprenticeship. In 2017/2018, almost a fifth of all students were at the tertiary level (compared to 11% in 1999/2000). For the educational year of 2018/19, 60% of all students in tertiary education attended universities, 31% attended universities of applied sciences and 9% professional education institutions.

While only 50% of those entitled to attend universities of applied sciences did so in 2000, this share increased to 64% by 2017. The share of female students in tertiary education increased from 39% in 1990 to 52% by 2018. In 2018, 46% of the labor force had completed tertiary education; in 2000, this figure was at 27%.

While women and – with some exceptions – persons from peripheral regions have equal access to higher education, the Swiss education system continues to discriminate at all levels against students from families with low social status. There is no empirical evidence that the education system discriminates against foreigners born in the country. Their lower success rates can be explained as a special case of discrimination against students from families with low social status.

Higher education in Switzerland is affected by the federal system. Whereas cantons such as Geneva, Basel-City and Ticino have followed international trends favoring general qualifications for university entrance, others cantons and in particular the German-speaking parts of the country, have focused on a split system of university and vocational education. Thus, in the canton of Basel-City, 30% of the respective age group acquire the matura, a secondary school exit diploma, which allows them to go directly to a university or university of applied sciences. However, in the canton of Obwalden, only 11% gain direct access to a university or university of applied sciences (2016). This involves a strong path dependency: two-thirds of the variation in the 2016 figures can be explained by similar figures from 1980, with some notable exceptions such as the cantons of Lucerne and Glarus. However, the effect of this “federal” discrimination is somewhat reduced by permeability within the school and university systems.

The vocational-training system also offers considerable career prospects. Men with vocational training in particular have similarly high employment rates over the course of their working life as do men with tertiary education. However, there is a significant difference in earnings. At the age of 50, the median annual earnings of a male academic is about CHF 125,000, in contrast to about CHF 80,000 for a male worker with vocational training; average figures indicate that workers with vocational education earn about 60% of that earned by a worker with a university degree (Korber and Oesch, 2016; BASS 2017).

With regard to digital skills (Eurostat and the OECD show 43% of the population having digital skills), Swiss adults lag top performers such as the Netherlands and Norway (around 50%), but are ahead of neighboring countries (Austria: 36%, Germany 37%, France 29%).

Resource allocation within the educational system appears to be very efficient. 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, there are questions about overall equity in terms of access.

Citation:

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bildung-wissenschaft/personen-ausbildung/tertiaerstufo-hochschulen.html>

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bildung-wissenschaft/personen-ausbildung.html>

BÜRO FÜR ARBEITS- UND SOZIALPOLITISCHE STUDIEN BASS AG 2017: Analyse der Löhne von Frauen und Männern anhand der Lohnstrukturerhebung 2014, Bern/Neuchâtel: Bass & Bundesamt für Statistik.

OECD 2019: Economic Survey Switzerland, November 2019, Paris: OECD

Korber, M. & Oesch, D. 2016: Berufslehre bietet bessere Lohnaussichten für Männer, Die Volkswirtschaft, Nov. 2016, 44-47.

## Social Inclusion

Social Inclusion  
Policy  
Score: 8

In contrast to many Western European countries such as Germany, Switzerland has recorded no major increase of income inequality over the past 20 years. The country has largely been 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, accidents and old age) work effectively, are comparatively sustainable and provide a generous level of benefits. Social assistance is means-tested, consequently some stigma is attached to its receipt.

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

First, the transition to a knowledge-based service economy entails new social risks. These will be faced most by workers unable to cope with the challenges of this new economy. These vulnerable workers include young people who lack either the cognitive or psychological resources to obtain sufficient training and begin a career, single mothers who are unable to finish vocational training, highly skilled female employees who cannot reconcile work and family, and persons (typically women) who must care for elderly relatives. Like most continental welfare states, Switzerland has not sufficiently reformed

the welfare system to address the challenges of a service-based economy. There is, however, considerable variance between local communities in the degree to which they address these challenges.

Second, tensions between Swiss citizens and foreigners over the benefits provided by the welfare state, as well as their financing, are increasing. In October 2019, the unemployment rate of foreign workers was 2.4 times higher than the unemployment rate of Swiss workers. The share of recipients of social assistance was 2.3% for Swiss nationals and 6.3% for foreign nationals (2017). The share of social assistance recipients varies strongly by national origin. It is highest among non-EU citizens. On average, EU/EFTA citizens have a slightly higher share than Swiss citizens (3.1%), while 12.5% of non-EU foreigners rely on social assistance. It should be noted that unemployment and poverty is most pronounced among low-skilled workers, where immigrants are over-represented. At the same time, highly skilled foreign employees subsidize a Swiss welfare state that benefits low-skilled foreign workers and middle-class Swiss workers. For example, citizens from EU/EFTA countries pay 25% of all contributions to the first pillar of the pension system (AHV), while they receive only 15% of all AHV-spending.

Also, some native workers view the growing population of foreign workers as a burden to infrastructure (e.g., railways and highways), as increasing competition on the housing market, and as tightening competition for highly paid and desirable jobs. This state of affairs has fueled a number of conflicts, sparking tensions and frustration on all sides. To date, there has been little constructive discussion and search for solutions within Swiss society. Instead, right-wing populism has increased in recent years, albeit the nation's largest political party, the right-wing populist Swiss People's Party (SVP) seems to have reached a ceiling as indicated by its loss of votes in the general election of October 2019 and the failures of their projects in recent popular votes.

Citation:

<https://www.bfs.admin.ch/bfs/de/home/statistiken/soziale-sicherheit/sozialhilfe.assetdetail.6546140.html>

BSV (Bundesamt für Sozialversicherungen), 2017: Faktenblatt – Auswirkungen der Personenfreizügigkeit EU/EFTA auf Sozialversicherungen und Sozialhilfe, available at: <http://www.bsv.admin.ch/themen/internationales/aktuell/index.html?lang=de>

Bundesrat 2017: Kostenentwicklung in der Sozialhilfe. Bericht des Bundesrates in Erfüllung der Postulate 14.3892 Sozialdemokratische Fraktion und 14.3915 Bruderer Wyss vom 25. September 2014

## Health

Health Policy  
Score: 8

Healthcare in Switzerland is said to be excellent in terms. According to the OECD, its health system is among the best in the OECD. Mandatory health insurance ensures that the total population is covered. However, care is expensive. Health insurance premiums (at constant prices) have nearly doubled over the past twenty years. 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 82 years for males and 85 years for females (2018). As of 2018, a 65-year-old male could expect to live for another 20 years on average, while a woman of the same age could look forward to another 23 years. Obviously, the healthcare 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. These subsidies vary by canton, and policy change is frequent. In general, healthcare reforms have not been particularly successful in terms of improving efficiency or controlling the structural rise in health expenditures. In 2018, health expenditure was equal to 12% of GDP, compared to 17% in the United States and 11% in France and Germany.

Healthcare 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. In 2014, voters decided in a popular vote to retain the present system. Currently, a number of attempts to curb the large increase in health expenditures are meeting stiff resistance from vested interests, such as doctors, hospitals or health-insurance funds.

Even given these problems, the quality and inclusiveness of Swiss healthcare has shown itself to be outstanding, and there is no reason to expect any major change in this respect in the coming years. There remains, however, some concern about the centralization of medical services and sufficiency of medical coverage in marginal regions.

Citation:

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bevoelkerung/geburten-todesfaelle/lebenserwartung.html>

<https://stats.oecd.org/Index.aspx?DataSetCode=SHA>

## Families

Family Policy  
Score: 4

In international comparison, Swiss family policy has done relatively little to enable women to enter the workforce. Policies to reconcile work and family lag very much behind other comparable modern societies. Overall spending for family benefits is low in international comparison and Switzerland ranks very low with regard to length of paid maternity leave as well as enrollment of children between 3 and 5 in formal pre-primary education.

A January 2009 federal law providing subsidy payments to families – amounting to 4% of all social policy spending in 2015 – has done little to change the country’s ranking in international comparison nor has it changed the substantial variation between cantons, 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 2018, a new law providing two weeks of paternity leave to fathers was enacted. There are currently additional initiatives by left and green-liberal parties to establish longer parental leave periods.

In general, Swiss family policy has a clearly conservative outlook with a strong liberal undertone. It is mildly supportive of the traditional family: In addition to a number of childcare facilities, Switzerland offers some tax deductions, a parental leave period of 14 weeks to mothers and, more recently, the aforementioned two weeks of parental leave to fathers.

There are substantial variations of family policy on the cantonal and municipal level. The canton of Ticino has a very generous family policy aimed at helping mothers reconcile work and family; other cantons (and their municipalities) frequently fail to offer any substantial help (e.g., childcare facilities) on a broad scale. Differences and reform dynamics are particularly pronounced between municipalities with regard to external childcare. Local communities with minimalistic family policies co-exist with municipalities, which strongly facilitate the reconciliation of work and family for young mothers. It has been argued that the interplay of local, cantonal and federal family policies makes the policy process and power distribution very disparate.

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 employment. In this regard, the OECD recently suggested expanding affordable childcare and access to early childhood education so that women can increase their working hours. Currently, 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 – with considerable regional variation.

Citation:

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Stutz, Heid; Livia Bannwart, Victor Legler 2017: Familienberichte, Familienleitbilder und Familienkonzepte der Kantone. Forschungsbericht Nr. 1/2017, Bern: Bundesamt für Sozialversicherungen

These reports are accessible via:  
<https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-66484.html>

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Häusermann, Silja. 2013. The Politics of Old and New Social Policies. In: Bonoli, Giuliano. & Natali, David (eds.) *The Politics of the New Welfare State*. Oxford: Oxford University Press.

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[http://www.oecd.org/els/soc/PF2\\_1\\_Parental\\_leave\\_systems.pdf](http://www.oecd.org/els/soc/PF2_1_Parental_leave_systems.pdf)

Yekaterina Chzhen, Anna Gromada and Gwyther Rees (2019), Are the world's richest countries family friendly? Policy in the OECD and EU, UNICEF Office of Research, Florence.

OECD 2019: Economic Survey Switzerland, November 2019, Paris: OECD.

Stadelmann-Steffen, Isabelle; Oehrli, Dominique 2017. Perceiving Reconciliation: Child Care Policies and Gendered Time Conflicts. *Gender & society*, 31(5), pp. 597-623

Häusermann, Silja. 2013. The Politics of Old and New Social Policies. In: Bonoli, Giuliano. & Natali, David (eds.) *The Politics of the New Welfare State*. Oxford: Oxford University Press.

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Pension Policy  
Score: 10

## Pensions

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 2019 was CHF 28,440 (about €25,855) per year, while the maximum benefit was CHF 42,660 (about €38,780). The minimum pension for a single person was CHF 14,220 (about €12,930), while the maximum pension was CHF 28,440 (about €25,855). Employers and employees finance this through contributions. It is a pay-as-you-go system and 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. Historically, this system of occupational pensions is the core of the Swiss pension system and powerful interests (e.g., major political parties and financial institutions) allow for only piecemeal reforms.

The third pillar takes the form of personal tax-deductible savings of up to CHF 6,768 (about €6,150) per year. 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.

In international comparison, the Swiss pension system performs extremely well. According to a comparative analysis of 12 countries by a major Swiss bank, this system has the smallest “pension gap,” that is, the estimated share of income which a worker at age 50 must save privately in addition to contributions to the pension system if she wants to enjoy an adequate lifestyle during retirement. The respective figure for Switzerland is 11%, while in Germany it is 40%, in the UK 47% and in France 39%.

Demographic changes will present major challenges to the first pillar over time. Provided there is no major change in GDP or productivity 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 change. Switzerland has tried to modernize its system at a relatively early stage. In September 2017, an ambitious reform proposal failed in a popular vote – as many other reform efforts in this policy area over the last 20 years. Then the government found the necessary majorities for a new reform effort, though much less ambitious and comprehensive. It consists of increased revenues for the first pillar in exchange for tax cuts for firms (see Tax Policy section).

Two new reforms were proposed in 2019: (a) Employers and trade unions (but not the trade and crafts association) have agreed on a reform of the second pillar which reduces benefits in the future but shields the very next age groups. Basically, this means that the costs of the reforms are shifted to the younger generation. (b) The Federal Council has proposed introducing a new pension for unemployed workers 60 years of age and older. Both reform efforts have to be understood in their political context: After repeated failures to comprehensively reform the pension system, the social partner agreement signals the willingness to find a minimal and suboptimal solution to the looming problem of financial sustainability of the pension system. The pension for elderly unemployed reflects concerns about the job fears of elderly workers caused by increasing competition on the labor market, in particular due to the international mobility of labor. There is a referendum addressing the bilateral agreement with the EU regarding the migration of EU citizens and thus the free movement of labor that is scheduled for May 2020. By appeasing elderly workers with the new pension opportunity, the Federal Council hopes to reduce the support for the initiative. This initiative aims to abrogate the agreement on labor mobility between the EU and Switzerland which would automatically also mean the termination of other bilateral agreements between EU and Switzerland. These agreements are, however, of major importance for the Swiss economy.

Important lessons can be learned from previous referendums on pensions as recent research has shown: there are no majorities for substantial retrenchment, in particular with regard to an increase in the age of retirement. Likewise, there are no majorities to increase the generosity of the system if this endangers its financial sustainability. Consequently, any successful reform must consist of various components which compensate losers in order to win a majority of voters. However, these compensations need to be carefully calculated.

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 the pension system remains stronger than in comparable countries such as Germany.

Citation:

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## Integration

Integration Policy  
Score: 7

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. As many foreign workers gained access to unlimited work permits between the mid-1970s and the mid-1990s, the policy approach grew inappropriate over time. Accordingly, a number of efforts to improve integration have been made, starting as early as kindergarten. Nonetheless, 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-quarter of the country’s residents). For example, the Migrant Integration Policy Index (MIPEX, 2015) ranks Switzerland 21 out of 38 countries. There is a substantial variation in integration by groups of migrants. In 2017, 39% of migrants from northern and Western Europe were members of voluntary associations and groups as compared to about 50% of Swiss citizens without a migration background. In contrast, such membership applies to less than 20% of those from southern and eastern European countries.

Yet if the lack of a coherent federal integration policy is undisputable, this does not mean that integration policy as a whole is failing. Many local and cantonal authorities are doing a good and sometimes innovative job of integration, especially for second-generation migrants. In this respect, most policy development and implementation is decentralized to the local and regional levels.

According to OECD statistics, second-generation migrants in Switzerland perform better in school and are better integrated into the labor market than in other European countries. This is not to say that immigrants have equal opportunities in all respects. If immigrant unemployment rates and dependence on social aid are above the national average, this is due to the fact that the share of low-skilled workers with a correspondingly higher risk of unemployment is also above average among immigrants. But the lack of a coherent integration policy may add to the problems, and social discrimination is not limited to the labor market. Within the housing market, for instance, some groups of immigrants may find it comparatively difficult to rent apartments.

With regard to naturalization, about 42,500 foreigners were granted Swiss citizenship in 2018, with Germans and Italians comprising the largest groups. Calculating the number of naturalizations as a share of all migrants actually living in the country, the Swiss rate of naturalization is very low in comparison with other consolidated democracies. In 2018, about 2.0 % of resident foreigners acquired Swiss citizenship. Only some of the new democracies in Central and Eastern Europe and a few Western democracies (e.g., Austria and Germany) have similar or lower naturalization rates. The naturalization procedure is burdensome. As naturalization in Switzerland is a bottom-up process that starts at the level of the commune, considerable regional differences are evident, with some communes and cantons pursuing a liberal naturalization policy, and others acting more restrictively. These regional differences show up also in the issue of political rights. A few cantons and communes grant political-participation rights to foreigners, even though the federal government does not. Thus, with regard to integration, naturalization and legislation on political rights, we find a bottom-up approach rather than federal standards.

In Switzerland, as in all modern societies, some segments of society suffer from globalization and, in particular, from the free movement of labor. These “globalization losers” are particularly likely to hold xenophobic attitudes – to insist on “my country first” positions – and, consequently, to vote for right-wing populist parties. The Swiss Peoples Party is the political party with the strongest electoral support. It has been particularly successful in mobilizing these segments of society. However, this is a far from perfect explanation. In a 2017 survey (MOSAiCH), 59% of all respondents with below median years of education supported a xenophobic statement, compared to 43% of those with above median years of education.

Therefore, on the one hand there, is limited prospect for a more generous and liberal integration policy in the near term given the strength of integration-averse political actors and citizens. On the other hand, as a comparative analysis of European Social Survey data shows, Switzerland belongs to the least xenophobic societies in Western Europe, together with the Nordic countries; for example, the country is much less xenophobic than Austria, the United Kingdom and France.

Citation:

Armingeon, Klaus and Sarah Engler 2015: Polarisierung als Strategie. Die Polarisierung des Schweizer Parteiensystems im internationalen Vergleich, in Markus Freitag and Adrian Vatter (Hrsg.): Wahlen und Wählerschaften in der Schweiz, Zürich: Verlag Neue Zürcher Zeitung, 355-379, 467-469. ISBN: 978-3-03810-098-0

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MOSAiCH 2017, Statement: Ich wünsche mir einen Schweiz, ... mit gleichen Chancen für Schweizer einerseits und Ausländer andererseits / eine Schweiz mit besseren Chancen für die Schweizer (Respondents supporting the latter statement were coded as xenophobic).

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bevoelkerung/migration-integration.assetdetail.9166984.html>

<https://www.bfs.admin.ch/bfs/de/home/statistiken/bevoelkerung/migration-integration/buergerschaft/erwerb-buergerrecht.html>

### Safe Living

Internal Security  
Policy  
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.

With the de-facto break-down of the Schengen and Dublin rules in 2015, Switzerland resorted to more systematic controls at its borders. Having already had a comparatively high asylum-seekers-to-population ratio before the refugee crisis of 2015 and 2016, Switzerland was largely spared from the dramatic refugee influx observed in Germany, Denmark and Hungary. As of 31 October 2019, there were only 11,992 new asylum-seekers, compared to 40,000 in 2015 (during the refugee crisis) and 23,000 in 2013 (i.e., the year before the wave of asylum-seekers to Europe).

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.

On the whole, Swiss citizens feel quite safe. In 2018, a survey asking for the five most pressing problems found that issues related to safety were mentioned only moderately: asylum-seekers (31%), social security (13%), personal security (12%) and internet security (9%).

Citation:

<https://www.sem.admin.ch/sem/de/home/publiservice/statistik/asylstatistik/archiv/2019/10.html>

<https://cockpit.gfsbern.ch/de/cockpit/credit-suisse-sorgenbarometer-2018/>

### Global Inequalities

Global Social  
Policy  
Score: 6

The Swiss government has increased its development-aid contributions since 2000. Currently, Switzerland's contributions are 0.44 of GNI in 2018. This remains far below the UN target of 0.7 of GNI as well as below the spending levels of the Scandinavian countries, Luxembourg, the Netherlands, the United Kingdom and Germany. The Swiss government has set the goal of spending 0.5% of its GDP on development aid in the long run. Sustainable agriculture, decentralized governance, poverty reduction and vocational training are core issues driving Swiss development cooperation (SDC). In the countries where it supports projects or aid distribution, SDC has a good reputation for maintaining independence from home industrial interests and for making long-term commitments. Nevertheless, it is a small donor with limited impact. SDC is well embedded within international development agencies and coordinates its activities with their agendas on issues such as poverty reduction, climate change and sustainable economic development. To a certain degree, SDC's activities differ from general patterns of Swiss foreign policy, which is more conventional. Foreign policy is mainly trade oriented, supporting policies of market liberalization through international agencies like the WTO. In this context, development cooperation policies have become controversial. Whereas the SVP criticizes development cooperation as ineffective and calls for SDC budget cuts, the policy network of Swiss private development-aid agencies advocate a shift in policy that involves the mitigation of north-south inequalities by revising trade arrangements that disadvantage developing countries.

Citation:

<https://admin.media-flow.ch/deza-seco-jahresbericht-2018-de#950>

### III. Environmental Policies

#### Environment

Environmental  
Policy  
Score: 9

In this area, 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, Switzerland has in recent years developed several cross-sectoral strategies focusing on issues including noise management, pesticide mitigation, 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. In 2016, the "Energy Strategy 2050" was adopted by parliament and won a majority in a popular vote in May 2017. It aims to significantly develop energy efficiency and exploit the potential of hydropower as well as other renewable energies (e.g., solar, wind, geothermal and biomass). There will be no permits for the construction of new nuclear power stations or any fundamental changes to existing nuclear power stations. However, existing nuclear power stations may stay in operation for as long as they are deemed safe. A more radical initiative was rejected in a popular vote on 27 November 2016. It would have led to the shutdown of existing nuclear power plants in the near future. Three out of the five nuclear power plants would have been closed down by 2017.

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 amounts to 0.7% of GDP, substantially higher than the OECD average of 0.5%. 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:

- 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 ozone and other threshold values are frequently exceeded, and legislation for more ambitious norms on CO<sub>2</sub> reduction has suffered setbacks.
- Switzerland recently updated its national climate change mitigation policy. A broad combination of voluntary, regulatory and market-based instruments are expected to produce a reduction in emissions through 2020. The country has committed to reducing by 2030 its greenhouse gas emissions by 50% (measured against 1990 levels), which includes purchasing international credits that reduce emissions elsewhere. The targeted domestic reduction amounts to 30%. Switzerland has also announced a goal of reaching net zero emissions by 2050 (including international credits).
- 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. On the other hand, the volume of household waste remains large.
- In Switzerland, 1.6 million people (every fifth inhabitant) are exposed to harmful or disturbing road traffic noise during the day and every seventh inhabitant to overall noise disturbances. Total traffic noise generates costs of around CHF 1.9 billion annually.
- Soil protection has improved.



- Average to high levels of success have been achieved in regulating the use of chemical substances.
- 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 protection. The number of animal and plant species that have become extinct or are at risk of extinction continues to rise. In Europe, Switzerland has the lowest share of conservation areas for sustaining biodiversity. Biodiversity remains therefore one of the most pressing environmental challenges for Switzerland.
- Even though Switzerland's agricultural sector is rather small compared to other European countries, pesticide use per inhabitant is one of the highest in Europe. Negative externalities and exposure risks are to be addressed by the "plant protection action plan" introduced in 2018.

In the 2019 national election, the green parties recorded a major increase in votes received. The green party increased by six percentage points its share of votes and the green-liberal party increased this by three percentage points, while the two major parties suffered losses of four (Swiss People's Party) and two percentage points (Social Democrats) respectively. By Swiss standards this is a tectonic change indicating much better prospects for enactment of environmental policies. A major challenge for environmental policies in Switzerland remains the adequate and bona fide implementation of federal rules by cantonal and municipal institutions.

In December 2018, the National Council failed to find a compromise on revising the 2012 CO<sub>2</sub> law. The Council of States delivered an ambitious draft of comprehensive measures in the fall of 2019. Should this draft be implemented, the target of reducing by 2030 domestic greenhouse gas emissions by 30% could be reached.

Citation:

OECD 2017: OECD Environmental Performance Reviews: Switzerland 2017, Paris: OECD

OECD 2019: Economic Surveys. Switzerland, November 2019, Paris: OECD

Ingold K, Lieberherr E, Schläpfer I, Steinmann K, Zimmermann W 2016: Umweltpolitik der Schweiz: ein Lehrbuch. Zürich/St.Gallen: Dike Verlag.

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 9

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. Thus, Switzerland's impact depends in large part upon efficient collaboration with the EU.

# 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 challenges 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 challenge that in 2019 25% of the total population and 31% of the country's civilian workforce held foreign citizenship, a much higher share than in other countries. The strict rules governing naturalization and 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 almost a third 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 vastly more than the citizen base) is arguably called into question. Others argue, however, that while the economy is globalized, 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 regard to naturalization (e.g., costs have been substantially reduced) and with regard to passive voting rights in some cantons and local communities.

Media Access  
Score: 10

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 relates to resources. In this regard, there is a lack of transparency as political parties and candidates are not required to disclose who is supporting them. In 2017, the Social Democratic Party collected sufficient signatures to force a vote on a constitutional "transparency" article, which will be held in

the next few years. The initiative would require that political parties name donors that give more than CHF 10,000. Likewise, if a person spends CHF 100,000 or more on an electoral or a popular campaign, they must name all donors who gave at least CHF 10,000.

Political advertising on television or other broadcast media is not allowed. In this regard, all candidates and parties have equal access, in the sense that none are 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. There is little hard evidence that such a bias exists to any substantial extent. On the other hand, representatives of the Swiss People's Party have successfully used their economic resources to control quality papers (e.g., temporarily the *Basler Zeitung*) and they have tried to restrain the country's leading newspaper, the *Neue Zürcher Zeitung*.

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 proportional voting system for elections. Small parties from small electoral districts successfully claimed before the Federal Supreme Court that they have effectively no chance of winning one of the very few seats allotted to these districts. The court then ruled that every citizen must have the same influence on elections. Therefore, the size of districts must be designed in such a way that there are at least 10 seats at stake, thus giving small political parties a real chance to win a seat. Several cantons affected by the ruling reorganized their electoral system and districts accordingly. However, the court's decision is not very coherent. It forces the cantons to guarantee that voters within a canton will have an equal degree of influence but accepts that federalism leads to much more significant inequalities of influence at the national level.

This leads to the second challenge. It is certainly true that the decentralized federal structure of Switzerland as a multicultural country gives some citizens much more electoral influence than others. This is particularly true of representation within 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 National Council (*Nationalrat*), while the size of cantons varies by as much as a factor of 36. This means that a citizen of the canton of Zürich, which has 36 times more inhabitants than the canton of Uri, has considerably less political power than one of Uri. This overrepresentation of small cantons has

real effect within the bicameral parliament's legislative process. Historically, these strongly protected 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 the strong overrepresentation of small cantons should somehow be modified. So far, all parliamentary initiatives aiming at such a reform have failed.

Citation:

Source: Adrian Vatter 2018: Swiss Federalism. The Transformation of a Federal Model. Routledge: New York/London

Party Financing  
Score: 1

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.

National parties won recognition only in the constitutional revision of 1999 and there remains a deep-seated aversion to public financing. In consequence, there is little to no public scrutiny of party activities, since no public money is at stake. However, a considerable portion of political parties' revenues comes from the subsidies given to party factions in the national parliament or through reimbursement for services; these together amount 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 a form of party financing.

External observers, such as GRECO (Group of States against Corruption) have repeatedly argued that there is a lack of transparency in political party financing.

In 2017, the required number of signatures for a vote on a popular initiative for transparency have been collected. It would lead to a new constitutional article, stipulating that political parties must name any donors who donate at least CHF 10,000. Similarly, if a person spends more than CHF 100,000 on a federal election or a popular campaign, they must inform the Federal Chancellery and name any donors who gave at least CHF 10,000. The Federal Council has recommended rejecting this initiative; the parliament has begun discussions on the initiative. The respective commission of the Council of States proposed in October 2019 that political parties with representation in the federal parliament be required to publish their income as well as donations exceeding CHF 25,000 on an annual basis. Similarly, the Council of States proposed that campaigns conducted in the context of popular votes or elections be required to publish their budget and final ledgers should either exceed CHF 250,000.

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, particularly 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:

- Citizens in a direct democracy are not 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. However, research indicates that voters are willing and able to search and process information as well as open to substantial arguments beyond mere heuristics when making their decision.
- 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 disproportionate 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. However, recent popular votes indicate severe problems with regard to public knowledge and access to information. For example, according to VOTO 2017, the vote on the tax reform in 2017 was strongly influenced by a “when in doubt vote no” heuristic: citizens who felt uncertain and insufficiently informed voted no. Likewise, the initiative to exit nuclear power was rejected in November 2016 because two-thirds of voters assumed that within the following two years 50% of electricity production would have to be substituted by alternative sources. Although a majority of citizens support exiting nuclear energy, they feared that a swift exit could endanger the security of Switzerland’s energy supply.

However, this fear has been proven misplaced. Only 15% of energy production needed to be substituted within a two-year period. If informed correctly, the public would likely have voted for exiting nuclear energy. Hence a lack of information and knowledge led to an outcome from a popular vote that contradicts citizens' preferences.

- 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. For example, the delayed development of the Swiss welfare state or the belated enfranchisement of women are mainly due to the institution of direct democracy.

- Direct democracy creates incentives for politicians to compromise. This is a unique component of the Swiss political system: the threat of direct-democratic voting is meant to foster compromise in the pre-parliamentary stage and in parliament.

- Particularly in the recent past, direct democracy has created potential conflicts with human rights and international treaties.

- Direct democracy has been successfully used for populist mobilization, in particular recently. A telling example is a February 2014 initiative which led to a new constitutional amendment capping migration. This amendment cannot be reconciled with Switzerland's bilateral agreement with the European Union on the free movement of labor. Swiss citizens are in favor both of a cap on migration and continued good relations with the EU. While political elites promised voters that the EU would renegotiate the terms of this agreement, the EU stated from the beginning that it would not renegotiate. As a result, the government and parliament have had to muddle through by not implementing the constitutional amendment.

- The learning capacity of voters is limited. After the failed implementation of a constitutional rule on mass immigration, a third of citizens would even now vote for this failed reform; notwithstanding that a large share of citizens trust that the government is properly handling EU-related matters.

- Frequently, popular initiatives approved by voters and the cantons are only partly implemented through parliamentary legislation.

Citation:

Rinscheid, Adrain and Rolf Wüstenhagen 2016: Meinungsbildungsprozesse bei energiepolitischen Volksabstimmungen. Erste Ergebnisse einer Längsschnittstudie, St. Gallen: Universität St. Gallen/Hochschule für Wirtschaft und Oekologie ([https://iwoe.unisg.ch/de/iwoe-news/2016/20161215\\_aii\\_studie](https://iwoe.unisg.ch/de/iwoe-news/2016/20161215_aii_studie)).

VOTO 2017: VOTO-Studie zur eidgenössischen Volksabstimmung vom 12. Februar 2017, Lausanne/Aarau/Luzern: FORS et al. (<http://www.voto.swiss/etudes-et-donnees/>)

Armingeon, Klaus and Philipp Lutz 2018: Voting against all odds, Bern: University of Bern, unpublished manuscript based on an analysis of the 2017 MOSAiCH survey.

Armingeon, Klaus and Philipp Lutz 2019: Muddling between responsiveness and responsibility: the Swiss case of a non-implementation of a constitutional rule, in: Comparative European Politics, First published online: April 24, 2019:<https://doi.org/10.1057/s41295-019-00185-2>

Armingeon, Klaus 2004: Direkte Demokratie und Demokratie in Europa, in: LeGes – Gesetzgebung & Evaluation 3, Bern: Schweizerische Bundeskanzlei, 59-72.

Heidbreder, Eva, Stadelmann-Steffen, Isabelle, Thomann, Eva, Sager Fritz 2019: “EU Referendums in Context: What can we learn from the Swiss Case?” Public Administration. <https://doi.org/10.1111/padm.12566>.

Milic, Thomas. 2015. ““For They Knew What They Did” – What Swiss Voters Did (Not) Know About the Mass Immigration Initiative.” Swiss Political Science Review 21: 48-62.

### 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 non-profit radio and television organization, it exercises no influence over the organization’s daily reporting or journalistic work.

Media Pluralism  
Score: 9

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. 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 (similar publications exist in the French-speaking part of Switzerland). These newspapers have crowded out the readership of traditional newspapers which are collectively suffered from a decline in subscriptions. The number of independent newspapers has also been on the decline as media concentration continues. In parallel, online media consumption is outgrowing print media consumption.

In a popular vote in March 2018, a proposal for a constitutional article on public radio and television was rejected by a large majority of 72%. The proposed article would have prohibited the federal government from



subsidizing or running radio and television stations. This would have implied the abandonment of public radio and television. Although rejected, the debate on the initiative triggered reform processes within public radio/television, such as increasing efficiency and resources.

Citation:

<https://www.medienmonitor-schweiz.ch/>

<https://www.bfs.admin.ch/bfs/de/home/statistiken/kultur-medien-informationsgesellschaft-sport.gnpdetail.2019-0244.html>

<https://www.bfs.admin.ch/bfs/de/home/statistiken/kultur-medien-informationsgesellschaft-sport/medien/medienangebot-nutzung/printmedien/angebot-print.assetdetail.5586416.html>

Access to  
Government  
Information  
Score: 9

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.

In systems of direct democracy, federal governments bear a particular burden in terms of ensuring proper information is provided for referendums. In spring 2019, the Federal Supreme Court overturned a national referendum on how couples should be taxed because the information provided by the executive

proved to have been incorrect. In its decision, the Court pointed out that the information provided by the administration on the alternatives in referenda needs to be improved.

Citation:

Eveline Huegli, Marius Féraud (2014). Evaluation des Bundesgesetzes über das Öffentlichkeitsprinzip der Verwaltung (BGÖ). Schlussbericht im Auftrag des Bundesamts für Justiz. Bern: Büro Vatter.

### 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 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 United Kingdom, does not possess a comprehensive judicial power of constitutional review.

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 life imprisonment of particularly dangerous criminal offenders without any opportunity for re-examination. 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 non-discrimination 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.

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 professional lawyers. In the right-wing populist and 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. Consequently, in the summer of 2016, the country's strongest political party, the Swiss People's Party, had collected sufficient signatures for an initiative aiming to give federal law precedence over international law. This initiative was rejected on 25 November 2018.

Political Liberties  
Score: 9

Switzerland is in many ways a role model for the exercise and protection of political liberties. However, the November 2009 adoption of a ban on constructing new minarets must be considered a serious political signal against the right to freely worship, even if, in practice, the law means little for the free exercise of religion. Before the decision, there were only four minarets in Switzerland.

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." Comparatively, support for the non-discrimination of foreigners is very strong, with only the

Scandinavian countries showing stronger support. The acceptance of gays and lesbians corresponds to the average across European countries.

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 discrimination. The Swiss People's Party, currently the strongest party in the country, has repeatedly resorted to openly xenophobic discourse. Although gender-based discrimination is illegal, women continue to face considerable economic and social discrimination with regard to wage equality and equal career opportunities.

Social discrimination in higher education persists, as it does not attract political attention. Children with weak socioeconomic backgrounds have considerably lower chances of gaining access to higher education, and little progress has been made in the last decades.

Citation:

Klaus Armingeon and Sarah Engler 2015: Polarisierung als Strategie. Die Polarisierung des Schweizer Parteiensystems im internationalen Vergleich, in Markus Freitag und Adrian Vatter (Hrsg.): Wahlen und Wählerschaften in der Schweiz, Zürich: Verlag Neue Zürcher Zeitung, 355-379, 467-469. ISBN: 978-3-03810-098-0

### 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 partially non-professional administration system ("Milizverwaltung," militia administration: referencing the non-professional army) 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

Appointment of  
Justices  
Score: 6

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.

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 screening the candidates. Unwritten rules stipulate a nearly proportional representation of the political parties then in parliament. By tradition, judges voluntarily pay part of their salary to the political party to which they are affiliated. This is considered a tax on their salary, which they would not have without the support of their party. In 2017, a committee of the Council of Europe criticized this arrangement and recommended: "the system should be backed up by safeguards to ensure the quality and objectivity of the recruitment of federal judges. Once judges have been elected it is important to sever the ties with the political powers by doing away with the practice whereby judges pay part of their salary to their party" (GRECO 2017:4).

Another unwritten rule demands representation of the various linguistic regions. There is no special majority requirement.

Comparative analyses found that Swiss Federal judges are at the bottom of international rankings with regard to formal independence, but at the top with regard to actual independence.

The collection of signatures for a popular initiative aiming to have federal judges selected by lottery rather than through election in parliament began in 2018. In September 2019, the Federal Administration concluded that the required number of signatures for the initiative had been collected.

Citation:

Group of States against Corruption (GRECO/Council of Europe) 2017: Fourth Evaluation report. Corruption prevention in respect of Members of Parliament, Judges and Prosecutors. Switzerland, GRECO: Strasbourg, <https://www.coe.int/en/web/greco/evaluations/switzerland>

Adrian Vatter and Maya Ackermann 2014: Richterwahlen in der Schweiz: Eine empirische Analyse der Wahlen an das Bundesgericht von 1848 bis 2013, *Zeitschrift für Schweizerisches Recht*, 133, 517-537.

Corruption  
Prevention  
Score: 9

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 have pointed to processes in which politicians' economic interests may influence their decisions in parliament.

In 2018, there were scandals involving irregularities within the public bus system ("Postauto"). In addition, although formally correct, practices within the Swiss army have been criticized, including free flights in army helicopters for partners of high-ranking officers.

Citation:

NZZ, 13.11.2018,

Bundesamt für Justiz, Press statement 14.8.2018

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 5

Strategic planning is not given significant weight in Switzerland. 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 non-professional 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. Compared with other advanced democracies, strategic planning in Switzerland is underdeveloped and, constrained by the governmental and federal structure and the logics of direct democracy, it is rather inefficient.

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.

Strategic planning is the task of the Federal Chancellery, the central coordinating body of the federal administration. Strategic planning in this context involves: identifying the current legislative period’s major challenges; describing the legislative period’s major goals and instruments; specifying the goals for the current year; and exercising accountability by providing parliament with annual reports.

:

Schedler, Kuno 2019: Strategische Staatsführung und Steuerungsinstrumente –wie können Regierung und Exekutive strategisch führen?, in: Ritz, Adrian, Theo Haldemann and Fritz Sager (eds.): *Blackbox Exekutive. Regierungslehre in der Schweiz*, Zürich: NZZ Libro, 285-305

Vatter, Adrian. 2018. *Das Politische System Der Schweiz. Grundlagen, Institutionen Und Vergleich*, 3rd edition, Baden-Baden: Nomos (UTB).

Expert Advice  
Score: 9

In the Swiss political system, the drafting of bills takes place primarily within extra-parliamentary and parliamentary committees. As of November 2019, 116 of these extra-parliamentary 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.

In December 2018, the Federal Council decided to reduce the number of committees by 13, but also to create two new committees.

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 committees 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 about half of all commission seats.

In Switzerland, public policies are regularly assessed by evaluators who have had academic training. According to a 2016 study by Pleger et al., about 50% of these evaluators felt influenced or pressured by stakeholders; about the same level as in the United States, but considerably less than in Germany and the United Kingdom (about 80%).

This finding underscores the importance of evaluations for policymaking. A 2017 large-scale cooperative research project by Sager et al. concluded that policy evaluations not only play an important role for policymaking in the executive-administrative nexus but also contribute to decision-making in parliament and to a lesser degree in direct-democratic decision-making.

Citation:

Lyn Pleger, Fritz Sager, Michael Morris, Wolfgang Meyer, and Reinhard Stockmann 2016: Are Some Countries More Prone to Pressure Evaluators Than Others? Comparing Findings from the United States, United Kingdom, Germany and Switzerland, *American Journal of Evaluation*, DOI: 10.1177/1098214016662907

Sager, Fritz (2017). "Evaluation and democracy: do they fit?" *Evaluation and Program Planning*. <https://doi.org/10.1016/j.evalprogplan.2017.08.005>

Sager, Fritz, Thomas Widmer und Andreas Balthasar (Hg.) (2017). *Evaluation im politischen System der Schweiz – Entwicklung, Bedeutung und Wechselwirkungen*. Zürich: NZZ Verlag, Reihe „Politik und Gesellschaft in der Schweiz“.

[https://www.admin.ch/ch/d/cf/ko/Statistik\\_AnzahlGremienAK.html](https://www.admin.ch/ch/d/cf/ko/Statistik_AnzahlGremienAK.html)



### 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 Department of Justice provides legal evaluations of draft bills, and the Federal Chancellery and Federal Council provide political coordination.

Due to the double role of the Federal Council as a collegial unit with the task of producing widely acceptable proposals, and individual federal councilors as heads of departments with the task of satisfying their parties' programs and their department policies, coordination becomes more difficult with the increasing political polarization between government parties.

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 support 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.

There is a tension, however, between the consensus principle in the Federal Council that demands a common solution supported by all seven ministers, and the departmental principle that enables ministers to pursue their party line within their departments which, in turn, allows them to satisfy party members as they secure support for consensus-derived government solutions. Increasing polarization in parliament strengthens the departmental principle and renders consensus-driven solutions within the Federal Council more difficult to achieve. Nonetheless, the Federal Council so far managed to balance the two principles (Sager and Vatter 2019).

Citation:

Sager, F. & Vatter A. (2019). „Regierungshandeln im Spannungsfeld von Partei- und Exekutivpolitik am Beispiel des Bundesrats“, in *Blackbox Exekutive*. Eds. A. Ritz, T. Haldemann & F. Sager. 195-211. Zürich. NZZ Libro.

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 numerous 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 a continuing presence of strong and effective informal coordination. According to Mavrot and Sager, informal coordination not only takes place among administrative units in the seven departments, but also between the respective administrations at the different federal levels.

Citation:

Mavrot, Céline, and Fritz Sager (2018). Vertical epistemic communities in multilevel governance. *Policy & Politics*, Volume 46, Number 3, pp. 391-407.

Digitalization for  
Interministerial  
Coordination  
Score: 7

The Federal Council has developed a strategy for information and communication technology in the Federal Administration. It uses digital technologies effectively to support interministerial coordination. The development and use of IT in the Federal Administration has, however, experienced challenges with regard to efficiency and the appropriate use of fiscal resources. For example, the development of a software for use in tax policy and administration has been heavily criticized by the Swiss Federal Audit Office.

As for the cantons, Schmid et al. developed a digitalization index for each canton and found that a high level of e-government and digitalization can be found in cantons with strong financial resources (i.e., wealthy inhabitants and a strong economy). The cantons of St. Gallen, Aargau, Zug and Neuenburg score highest in this index.

On cross-national comparison, Switzerland receives medium to low scores on e-government issues. In the European Commission's e-Government Benchmark 2019 report, however, Switzerland fared well in terms of user-centricity and cross-border mobility for businesses. It received middling scores in terms of transparency and cross-border mobility for citizens, and low scores with respect to key enablers.

The federal government developed a Digital Switzerland Strategy in September 2018 emphasizing the opportunities associated with a digitalization of the economy, polity and society of a small country. The Confederation, the cantons and the communes have established e-Government Switzerland as the organization responsible for the expansion of e-government services in Switzerland. Its strategic plan runs under the framework agreement 2016-2019 and focuses on steering, planning and coordinating joint e-government activities at the three levels of government.

Citation:

<https://www.bakom.admin.ch/bakom/en/homepage/digital-switzerland-and-internet/strategie-digitale-schweiz.html>

Schmid, J., Urben, M., & Vatter, A. (2018). Cyberföderalismus in der Schweiz: Befunde zur Digitalisierung kantonaler Verwaltungen. *Yearbook of Swiss Administrative Sciences*, 9(1), 12–24. DOI: <http://doi.org/10.5334/ssas.116>

### 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 Department of Economic Affairs, 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 Department 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.

In a 2011 study, Sager and Rissi argue that “the meager impact and success of the RIA is due to its institutional context, namely Swiss semi-direct referendum democracy. Direct-democratic involvement and the division of power in the course of consensual government are both great barriers for effective policy appraisal.”

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.

From a 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 implement some form of performance management on a consistent basis.

In 2016, a report by the Federal Audit Office criticized RIA praxis in Switzerland arguing that it did not fully comply with the formal requirements for RIA. This critique led to a political debate about whether the Federal Administration had deliberately misinformed the parliament. In the course of this debate, the widespread neglect of RIA by politicians was largely ignored. In December 2018, the Federal Council emphasized the need to improve RIAs by optimizing existing processes without creating new institutions.

Citation:

EFK [Eidgenössische Finanzkontrolle] (2016). Prognosen in den Botschaften des Bundesrates, Evaluation der prospektiven Folgenabschätzungen von Gesetzesentwürfen, Bern.

Fritz Sager/Christof Rissi 2013: The limited scope of policy appraisal in the context of referendum democracy – the case of regulatory impact assessment in Switzerland, *Evaluation: The International Journal of Theory, Research and Practice* 17(2): 151-164.

Fritz Sager (2017). „Regulierungsfolgenabschätzung (RFA): Prognosen und Kompromisse“, *Neue Zürcher Zeitung*, 14. Februar 2017, S. 9.

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. For in-depth RIA, an extended version of standard RIA, Rissi and Sager show how procedural assessments used to be the most prominent form of RIA utilization in

Switzerland. RIA are often outsourced to independent research companies, though this does not affect utilization. In the course of the debate about the Federal Audit Office report on the quality of RIA, an independent Regulation Assessment Unit was demanded by some politicians. However, the proposal is yet to be made concrete.

Citation:

Rissi Christof and Fritz Sager (2013). "Types of Knowledge Utilization of Regulatory Impact Assessment (RIA). Evidence from Swiss Policymaking," *Regulation & Governance* 7(3): 348–364.

Sustainability  
Check  
Score: 7

The government conducts effective sustainability checks within the framework of RIA. Given the decentralized political and administrative system of Switzerland, however, they are only used in few departments.

The Federal Office for Spatial Development uses the Sustainability Impact Assessment (Nachhaltigkeitsbeurteilung, NHB) and the Federal Office for the Environment uses the Economic Impact Assessment (Volkswirtschaftliche Beurteilung, VOBU). There is no social impact assessment at the federal level.

Quality of Ex  
Post Evaluation  
Score: 9

Article 170 of the constitution states that "(t)he federal parliament shall ensure that the efficacy of measures taken by the confederation is evaluated." Ex post evaluations have been strongly developed and are, to varying degrees, standard in most policy fields. Evaluations are best established in the fields of development cooperation, public health, education and economy. Ex post evaluations are a most important source of information for the revision and development of policies when used by the administration. Administration experts draft laws and reports based on the available empirical evidence, which mostly consists of policy evaluations. However, the administration formulates drafts that are subject to pre-parliamentarian and parliamentarian policymaking processes that include many relevant actors that do not prioritize evidence. The main goal of policymaking in Switzerland is acceptance rather than evidence-based policy. However, as many evaluations focus on learning within the administration rather than executive control and new legislation, the impact of evaluations remains significant in Switzerland. The Swiss evaluation community is one of the most professional in Europe and evaluations are of good quality. The role of ex post evaluations in Switzerland can thus be considered important.

Citation:

Fritz Sager, Thomas Widmer, Andreas Balthasar (eds.) 2017: *Evaluation im politischen System der Schweiz. Entwicklung, Bedeutung und Wechselwirkungen*, Zürich: NZZ Verlag

## Societal Consultation

Public  
Consultation  
Score: 10

Within Switzerland's 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 referendums, 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. If judged from a comparative perspective, the level of corporatist integration remains very high in Switzerland, but from a historical perspective it is low. In any case, direct democracy offers interest groups major influence by threatening to trigger a referendum. This offers strong incentives for political elites to incorporate major interest groups in policy development. On the other hand, the federal government has become stronger in domestic politics due to the consequences of European integration.

Citation:

Sciarini, Pascal, Manuel Fischer and Denise Traber (eds) (2015): Political decision-making in Switzerland: Challenges to consensus politics, Basingstoke/New York: Palgrave Macmillan

Fischer, Manuel and Pascal Sciarini (2019): Die Position der Regierung in Entscheidungsstrukturen, in: Ritz, Adrian, Theo Haldemann and Fritz Sager (eds.): Blackbox Exekutive. Regierungslehre in der Schweiz, Zürich, NZZ Libro, 49-64.

## 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 to 2007 period, when the Swiss People's Party's (SVP) Christoph Blocher participated in government, communication was less coherent than before and afterward, and the country's politics shifted, taking a more populist, aggressive and confrontational tack. 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. The government includes two SVP members who have little incentive to increase communication coherence. The following factors have contributed to this decline in the coherence of government policy communications:

- the structure of the collegiate body itself, which makes it difficult to speak with one voice in the mass media age;
- political polarization, even among the members of the broad coalition government;

- the systematic distortion of the Federal Council's communication leaks on the part of some aggressive media outlets; and
- the Federal Council's lack of authority or capacity to punish and deter communication leaks, and its inability to manage its communication policy effectively.

Overall, as digital transformation proceeds, government communication is increasingly influenced by and conducted through various media forms, including social media.

Citation:

Raupp, Juliana and Jan Niklas Kocks (2019): Regierungskommunikation, in: Ritz, Adrian, Theo Haldemann and Fritz Sager (eds.): *Blackbox Exekutive. Regierungslehre in der Schweiz*, Zürich, NZZ Libro, 373-388.  
 Hinterleitner, M. & Sager, F. (2019). „Krisenmanagement und Risikovermeidung“, in *Blackbox Exekutive*. Eds. A. Ritz, T. Haldemann & F. Sager. 409-427. Zürich. NZZ Libro.

## Implementation

Government  
Effectiveness  
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 must 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.

Actual implementation then takes place at the cantonal level. The cantons formulate and decide upon an implementation act for each federal law, a process very similar to the EU transposition process and in which cantons enjoy large discretion. The actual policy delivery for almost all policies is in the hands of the cantons.

Citation:

Sager, F., & Thomann, E. (2016). "A Multiple Streams Approach to Member State Implementation Research: Politics, Problem Construction and Policy Paths in Swiss Asylum Policy," *Journal of Public Policy*, 37(3): 287-314. doi: doi.org/10.1017/S0143814X1600009X

Sager, F., Ingold, K. & Balthasar, A. (2017). *Policy-Analyse in der Schweiz. Besonderheiten, Theorien, Beispiele*. Zürich: NZZ Verlag, Reihe „Politik und Gesellschaft in der Schweiz“.

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 so long as all members of government felt bound by the rules of collegiality. In recent years, due to growing political polarization and an attack on consociational politics by the right-wing populist

party, there have been some deviations from this course. However, even in periods of polarized politics, the Swiss government and its policy implementation is much less driven by the interests of individual politicians or parties than is typically the case for parliamentary governments. In the current review period, ministerial compliance and cooperation were much more pronounced than between 2003 and 2007.

In the Swiss federal system, implementation is first the task of the cantons and even the municipalities. Implementation therefore must be seen as a multilevel process. According to Sager and Thomann, implementation varies among the cantons and is determined by political party government composition, policy pressures and bureaucratic preferences at the cantonal level.

Citation:

Sager, Fritz, and Eva Thomann (2016). "A Multiple Streams Approach to Member State Implementation Research: Politics, Problem Construction and Policy Paths in Swiss Asylum Policy," *Journal of Public Policy* 37 (3): 287–314.

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 such as in Germany. 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.

A 2016 study by Fritz Sager and Eva Thomann on cantonal asylum policies showed that implementation was mainly dependent on the extent of the problem, politicization and partisan power distribution in the respective canton as well as the previous policy. This analysis allows for many different constellations, which can explain the large variation in cantonal implementation of federal laws.

Federal agencies are monitored by the Swiss Federal Audit Office and the Parliamentary Control of the Administration; public and semi-public enterprises are monitored by various independent regulatory agencies.

Citation:

Fritz Sager and Eva Thomann: Multiple streams in member state implementation: politics, problem construction and policy paths in Swiss asylum policy. *Journal of Public Policy*, Available on CJO 2016 doi:10.1017/S0143814X1600009X

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 cantons as well as create transparency with regard to the flow of resources between the federal state and 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. In any case,

Constitutional  
Discretion  
Score: 10

there is a divide between those cantons that pay more and those receiving payments.

Municipalities and cantons have a high degree of autonomy, 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.

The main competences for public policies are with the cantons. The implementation of federal policies in Switzerland is strongly shaped by the institutional setting. According to Vatter, “While the Federation holds the legislative power in many areas, responsibility for implementing federal policies resides to a large extent with the cantons.” Therefore, in a great number of policy domains, the federal level is dependent on the cantons for the implementation of federal legislation. Due to the high degree of legislative autonomy of the Swiss cantons, the delegation applies not only to the actual implementation of federal laws (i.e., the right to act) but also to the adaptation of these provisions to the local situation (i.e., the right to decide). The cantons are not only implementing, but also programming authorities. According to Sager et al., the complexities of modern infrastructure, economic intervention and social programs have stimulated mechanisms of intensive cooperation between the three levels of the federal system.

Sager et al. (2019) show how the cantons use their discretionary power to complement federal policies in order to achieve their stated objectives.

Citation:

Sager, F., Ingold, K., & Balthasar, A. (2017). *Policy-Analyse in der Schweiz: Besonderheiten, Theorien, Beispiele. Politik und Gesellschaft in der Schweiz*. Zürich: NZZ.

Sager, Fritz, Christian Rüeﬂi and Eva Thomann (2019). « Fixing Federal Faults. Complementary Member State Policies in Swiss Health Care Policy », *International Review of Public Policy* [Online], 1:2 | 2019, Online since 20 November 2019, connection on 04 December 2019. URL : <http://journals.openedition.org/irpp/426>

Vatter, A. (2007) ‘Federalism,’ in U. Klöti et al. (eds), *Handbook of Swiss Politics*, 2nd edn, Zurich: Neue Zürcher Zeitung, 77-99.

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 not only in terms of organization but also in terms of policy. 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 must 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.

Multilateral agreements between some or all cantons (“Konkordate”) for common standards of public services can be seen as a functional equivalent to national policy standards.

As member-state implementation in all policy sectors leads to marked differences in both conformance and performance compliance, the federal government increasingly employs non-binding policy programs instead of legal acts to steer the cantons and secure distributive justice in service delivery. These programs often take the form of financial incentives or funding schemes for the achievement of given policy goals. They rest upon deliberative action rather than hierarchical coercion.

Citation:

Ritz, M., Neumann, O. and Sager, F. (2019), Senkt New Public Management die Verwaltungsausgaben in den Schweizer Kantonen? Eine empirische Analyse über zwei Dekaden. *Swiss Polit Sci Rev.* 25(3): 226–252 doi:10.1111/spsr.12381

Effective  
Regulatory  
Enforcement  
Score: 6

In Switzerland, there is a very limited likelihood that regulations contradict the interests of powerful groups, considering the numerous opportunities to articulate private interests in policy development. A case in point is agricultural policy: farmers are very effective in impeding regulations given their political power in parliament. For example, in 2018 farmers frustrated the government by rejecting free-trade and competition policies which were against their interests.

In addition, implementation – even of federal regulations – is almost exclusively done by cantonal and local administrations. Frequently, they apply federal law in a very pragmatic way, tailored to the needs of local and cantonal interests. Hence, if federal rules are in direct conflict with powerful vested interests, they are likely to be implemented in a way that minimizes the disadvantages for the powerful vested interests on the cantonal or local level.

Moreover, vested economic interests are very powerful in the implementation process of public policy. Obvious examples are federal rules which were agreed upon in popular votes but violated major economic interests. In 2017,

the government and parliament avoided implementing a constitutional rule constraining the inflow of foreign workers. The government and parliament feared that the rule would entail massive economic disadvantages and were supported in their view by economic interest organizations – ranging from trade unions to employers’ associations – and individual firms. Likewise, the strict implementation of a constitutional rule limiting the construction of vacation homes was considerably modified due to powerful cantonal and local economic interests.

Discretion is a necessary condition for implementation, be it by interest groups or cantons. The main goal of federal legislation is the formulation of policy proposals that are accepted in a referendum. This is only possible by granting discretion in the implementation of policies: allowing implementing agents to adjust federal policy. As the federal government depends on implementing agents for basically all policies, there are strong reservations against strict enforcement of compliance. This is a deliberate consequence of the Swiss institutionalized emphasis on policy acceptance rather than outcomes.

### Adaptability

Domestic  
Adaptability  
Score: 6

Switzerland directly implements international treaties which today account for about half of the federal legislation. 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.

With regard to the European Union, however, the adaptation is idiosyncratic. On the one hand, the government cannot develop institutional mechanisms with Brussels, as most Swiss do not want to join the EU and have expressed in several referendums their skepticism toward the EU. On the other hand, adaptations to EU law reach beyond these treaties and comprise also large parts of (domestic) economic law. The strategy of bilateral treaties has been placed in jeopardy following the passage of the popular initiative capping mass immigration. The parliament solved the problem by paying lip-service to the constitutional amendment while drafting an implementation law that does not correspond to the wording and the spirit of the popular decision (“implementation light”). Moreover, there are serious concerns as to whether the “strategy of bilaterals” is sufficient or sustainable. Conflicts between the EU and Switzerland have escalated since 2008, with the EU demanding that institutional solutions be developed to address the bilateral system’s weaknesses. Specifically, the EU 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. There is strong domestic opposition against any such institutional framework agreement, while the EU is not willing to continue the previous case-by-case updating of bilateral agreements nor the unanimous adjudication of conflicts by a joint committee of the EU and Switzerland. Switzerland has tried to wait out the decision, but the EU has threatened and then executed sanctions if no solution is in place by the end of 2018. Given the long list of unresolved issues touching the interests of diverse groups such as trade unions and right-wing populist politicians, the Swiss political system has been unable to adapt to these external challenges. Instead, the executive and most political parties procrastinated and muddled their way through. Decisions on these issues can be made by early summer 2020 at the earliest and only after the popular referendum on the free movement of EU citizens into Switzerland has been held. At the time of writing, there are two major oppositions against the draft of an institutional agreement: The left, and in particular the trade unions, fear becoming victims of the liberalizing negative integration which is spurred by the rulings of the European Court of Justice. The right-wing populist party takes an oppositional approach as a matter of principle. It seems unlikely that a popular vote will produce a stable for the institutional agreement as long as the train union movement is not on board with the issue.

International  
Coordination  
Score: 5

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.

The policy of neutrality and the objective of safeguarding national autonomy set clear limits to the country's international engagement in the past, however, and direct democracy further reduced the scope of action in international affairs. During the growing polarization witnessed in Swiss politics over the past 20 years, together with the associated decline in consociational patterns of behavior, right-wing politicians have emphasized 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 European integration has mounted over the course of the last years.

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 numerous 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). The major actor in self-monitoring is the Parliamentary Control of the Administration (PCA), an evaluation service of the Federal Assembly which, on behalf of the Control Committees (“Geschäftsprüfungskommissionen”), conducts studies on the legality, expediency and effectiveness of federal authorities’ activities. When commissioned to do so, the PCA can also scrutinize the effectiveness of federal government measures on behalf of other parliamentary committees. In addition, the various federal offices conduct internal evaluations that they trigger themselves. The nature of these self-evaluations vary and depends on the activity of the respective evaluation unit. In general, according to Sager et al., evaluation activity in Switzerland is high and evaluations form an important part of political life in Switzerland.

Citation:

Sager, Fritz, Thomas Widmer und Andreas Balthasar (Hg.) (2017). Evaluation im politischen System der Schweiz – Entwicklung, Bedeutung und Wechselwirkungen. Zürich: NZZ Verlag, Reihe „Politik und Gesellschaft in der Schweiz“.

<https://www.parlament.ch/en/organe/committees/parliamentary-control-administration-pca>

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.

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. While the Federal Council is not prone to

institutional reforms, the administrative body undertakes reforms quite frequently, not least as a substitute for a lack of government reforms.

The subnational units are more open to reform and display great variation in their administrative and institutional forms.

Citation:

Ritz, M., Neumann, O. and Sager, F. (2019), Senkt New Public Management die Verwaltungsausgaben in den Schweizer Kantonen? Eine empirische Analyse über zwei Dekaden. *Swiss Polit Sci Rev.* 25(3): 226–252 doi:10.1111/spsr.12381

## II. Executive Accountability

### Citizens' Participatory Competence

Political  
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 concluded that roughly equal shares of the citizenry lack civic competences, have medium competence and have a high level of competence. In cases where the public feels insufficiently informed, it votes against change. The power of a “no” heuristics was demonstrated by the 2017 vote on tax reform in which three-quarters of respondents said they had difficulties understanding the proposal (which was of eminent importance to the economy) and a third of those who voted “no” cited their lack of knowledge as a reason for voting against the proposal. The intensity of a campaign is another key factor in the extent to which the public is informed of a bill's content and in explaining their voting behavior on the relevant issue.

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 European Union member states. A survey in 2017 showed that 35% of all respondents were able to choose the correct answer about the goal-setting institution of the EU from a list of four possible answers.

In a 2007 comparative study titled “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 ranked in sixth place (behind Denmark, the Netherlands, Sweden, Norway and Germany) among the 21 European countries examined in the European Social Survey. An analysis by Kriesi in 2005 showed that citizens are relatively well informed and rational when making decisions in direct-democratic votes. Either they consider arguments and counterarguments or rely on reasonable heuristics. One of these heuristics is the “no” heuristic (i.e., when the public are in doubt they tend to vote against the respective proposal). Stucki et al. (2018) show that voters are willing and able to actively seek information in making their decision. Thus, in general it seems fair to say that Swiss citizens are as well informed about policies as citizens in other mature and wealthy democracies.

There are, however, limitations to this cue-taking as an effective means of political decision-making. For example, since 2014 a large share of citizens believes claims by right-wing populist politicians that the EU is so invested in Switzerland, that it must renegotiate the bilateral agreements to allow for the constitutional amendment limiting immigration. Based on this argument, a majority of citizens supported the new constitutional amendment. From the very beginning, however, the EU made clear that it would not enter negotiations over the free movement of labor. Notwithstanding these clear messages, in 2017 56% of Swiss citizens thought that the Swiss government could have gotten a better deal in negotiations with the EU. Hence, limited political knowledge on the part of citizens (common to all democracies) and ideological contentions by political elites (trusted as reliable cues by knowledge-poor citizens) may lead to political dead ends in a direct democracy.

With regard to subjective knowledge, about 28% of Swiss citizens claim to be very or quite interested in politics, as well as being at least quite able to take an active political role in a political party and to be at least quite confident in their own ability to participate in politics. This percentage is similar to that found in neighboring Germany (31%) and Austria (27%), but clearly more than that seen in France (16%) or Italy (16%) (European Social Survey 2018).

Citation:

Hanspeter Kriesi, 2005a: Argument-Based Strategies in Direct-Democratic Votes: The Swiss Experience, *Acta Politica* 40: 299-316.

Hanspeter Kriesi, 2005b: *Direct-Democratic Choice. The Swiss Experience*. Lanham: Rowmann & Littlefield.

VOTO 2017: VOTO-Studie zur eidgenössischen Volksabstimmung vom 12. Februar 2017, Lausanne, Aarau, Luzern: FORS et al.



Klaus Armingeon and Philipp Lutz 2018: Voting against all odds, Bern: University of Bern, unpublished paper based on MOSAiCH survey 2017.

European Social Survey 2018, 9th wave, published November 2019

Stucki, I., Pleger, L., & Sager, F. (2018). "The making of the informed voter: A split-ballot survey on the use of scientific evidence in direct-democratic campaigns," *Swiss Political Science Review*: 24(2): 115–139. doi: <https://doi.org/10.1111/spsr.12290>

Open  
Government  
Score: 9

The government and its institutions – in particular the Federal Statistical Office – pursue a highly user-friendly policy of internet-based access to information. Any citizen interested in public policy and having access to the internet will find a large body of qualitative and quantitative data. The transparency act (Bundesgesetz über das Öffentlichkeitsprinzip der Verwaltung, BGÖ) ensures full access to public documents apart from classified information.

The official information bulletin is the most important source of information for citizens to make decisions in direct-democratic votes. Overall, government information policy can be considered comprehensive and enables citizens to fully inform themselves about most aspects of the political system and its policymaking.

However, as the case in 2019 of the Supreme Court overturning the outcome of a popular vote makes clear, this information policy is not flawless and is subject to close scrutiny in a direct democracy. The mistakes made by the Federal Council in delivering erroneous information regarding a vote on the taxation of couples compelled the Court to annul the referendum.

### 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, from a comparative perspective, member of parliament resources are very limited.

Citation:

Bütikofer, Sarah. 2014. *Das Schweizer Parlament. Eine Institution auf dem Pfad der Moderne*, Baden-Baden: Nomos

Vatter, Adrian (Hrsg.) 2018: *Das Parlament in der Schweiz. Macht und Ohnmacht der Volksvertretung*, Zürich: NZZ Libro

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 (e.g., the Finance Committee, which supervises the confederation's financial management). Four other committees have additional tasks (e.g., 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 suggest that the committees are not able to monitor the ministries. As the mismatch between ministerial committees and ministries is a function of how the federal government is organized, it does not impair parliament's oversight function. The congruence between the task areas of parliamentary committees and ministries therefore is largely suited to the monitoring of ministries.

## Media

Media Reporting Score: 9	Radio and television programs are of high quality in Switzerland. With very few exceptions, radio reports are reliable, and analyses are conducted by independent and professional journalists. Some television programs, however, are trending toward infotainment and the personalization of politics.
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On 4 March 2018, voters rejected a popular initiative (“Ja zur Abschaffung der Radio – und Fernsehgebühren”) aiming to eliminate per capita fees for the Swiss public broadcaster (SRF). A strong majority of 71.6% and all cantons voted against the initiative, signaling a strong commitment to public media. In spite of this strong showing, the SRF responded to the aggressive campaign with a downsizing project that aimed to dismantle the radio station in the Swiss capital, Bern. This, in turn, led to public protest faulting the SRF for violating its mission to cover the federalist cultural diversity of Switzerland. In

November 2019, a decision was reached to keep the editorial desk for foreign and domestic politics in Bern.

Citation:

<https://www.admin.ch/gov/de/start/dokumentation/abstimmungen/20180304/volksinitiative-ja-zur-abschaffung-der-radio-und-fernsehgebueh.html>

### Parties and Interest Associations

Intra-party  
Decision-Making  
Score: 6

Party decisions and party lists are formally produced at conventions of party members or delegates. A 1999 analysis of local party organizations 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  
(Employers &  
Unions)  
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, such as environmental groups, undertake cooperative efforts with academic bodies, offer reasonable proposals and feature considerable capacity for political mobilization.

### Independent Supervisory Bodies

Audit Office  
Score: 9

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 must be confirmed by the Federal Assembly. In administrative terms, the Audit Office falls under the authority of the Department of Finance.

The Audit Office acquired a very independent and self-confident role in the recent case of the politically controversial export of arms to war-prone regions. It has harshly criticized the Federal Administration as being insufficiently critical and working too closely with representatives from the arms industry.

Citation:

NZZ 4. Sept. 2018

[https://www.efk.admin.ch/images/stories/efk\\_dokumente/publikationen/\\_wirtschaft\\_und\\_verwaltung/wirtschaft\\_und\\_landwirtschaft/17159/17159BE\\_WiK\\_d.pdf](https://www.efk.admin.ch/images/stories/efk_dokumente/publikationen/_wirtschaft_und_verwaltung/wirtschaft_und_landwirtschaft/17159/17159BE_WiK_d.pdf)

[https://www.efk.admin.ch/images/stories/efk\\_dokumente/publikationen/\\_wirtschaft\\_und\\_verwaltung/wirtschaft\\_und\\_landwirtschaft/17159/17159BE\\_Endg%C3%BCltige\\_Fassung\\_V04.pdf](https://www.efk.admin.ch/images/stories/efk_dokumente/publikationen/_wirtschaft_und_verwaltung/wirtschaft_und_landwirtschaft/17159/17159BE_Endg%C3%BCltige_Fassung_V04.pdf)

Ombuds Office  
Score: 2

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

Data Protection  
Authority  
Score: 10

Article 13 of the constitution establishes that every citizen must be protected against the abuse of data. Data protection legislation has been in force since 1993. There is a Federal Officer for Data Protection (Eidgenössischer Datenschutzdelegierter, EDÖB) whose office employed 24 people in 2018/19 (EDÖB 2019: 72). A 2011 evaluation of the Federal Data Protection Law attests to the effectiveness, independence and transparency of the EDÖB.

Citation:

<https://www.edoeb.admin.ch/edoeb/de/home/datenschutz/ueberblick/datenschutz.html>

Christian Bolliger, Marius Féraud, Astrid Epiney, Julia Hänni (2011). Evaluation des Bundesgesetzes über den Datenschutz. Schlussbericht im Auftrag des Bundesamts für Justiz. Bern/Freiburg: Büro Vatter/Institut für Europarecht, Universität Freiburg.

EDÖB, 2019: 26. Tätigkeitsbericht 2018/19. available at <https://www.edoeb.admin.ch/edoeb/de/home/dokumentation/taetigkeitsberichte/26-taetigkeitsbericht-2018-20190/epaper-tb-26.html>

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