

1848-1900

Foreign relations

With its neutrality confirmed, the Confederation avoided entanglement in any European conflicts, despite occasional tensions with some of its neighbours.

Created as a Swiss initiative, the Red Cross began its work with a large-scale programme of assistance to French soldiers fleeing the defeat of France in 1870.

On the international stage, Switzerland became a mediator and a land of refuge.

Neuchâtel, Savoy and Bourbaki

- From 1815 to 1848, Neuchâtel was simultaneously a canton and a principality under the rule of the king of Prussia. In 1848, the Republicans came to power in the canton: Prussia refused to recognise the new government but remained passive. In 1856, royalists attempted a coup d'état. The Federal army intervened and captured the leader of the revolt. Prussia insisted they be freed, but the Federal Council refused. Both countries started preparing for war. Thanks to British and French mediation, conflict was avoided.

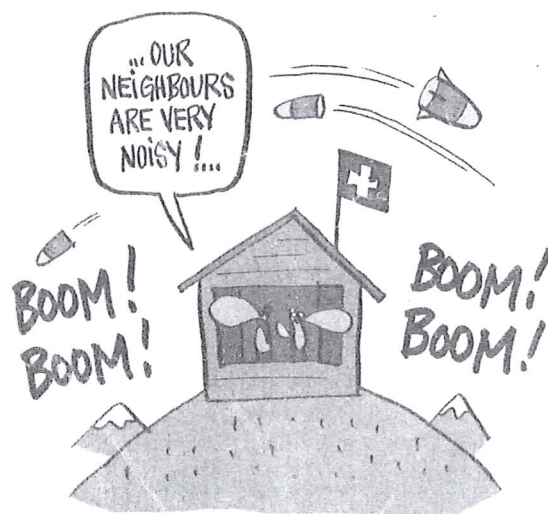
The prisoners were freed and the king of Prussia retained only the symbolic title of "Prince of Neuchâtel."

- In 1860, the Confederation lost a dispute with the French Emperor Napoleon III who was about to annex Savoy. Federal Councillor Jakob Stämpfli pressed a claim by Switzerland to the northern part of the territory (Evian, Annemasse and Annecy), to which it had acquired in 1815 a right to send troops for self-defence. A minority of the local population signed a petition to join Switzerland but a referendum confirmed unification with France.

In compensation, a free-trade area (exemption from import duties) was set up around Geneva.

- In 1870, the Franco-German war ended in the rout of the troops of Napoleon III. The Federal army was mobilised at the Swiss frontiers. 85,000 defeated French soldiers, serving under General Bourbaki entered Switzerland at the town of Les Verrières (NE). After being disarmed they were interned and taken care of in various places all over Switzerland. This was the first major campaign of the Red Cross.

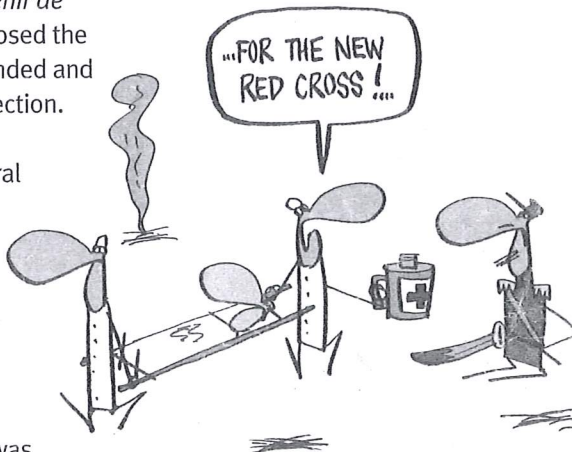
Initially pro-German, the Swiss population was touched by the fate of the hungry and wretched French soldiers.



The creation of the Red Cross

- In the 1850s, **Henri Dunant** of Geneva was managing a wheat-milling company in French Algeria. As a result of problems with the French colonial authorities, the company went bankrupt and Dunant went to seek support from Napoleon III, who was then at war with the Austrians at Solferino in Italy.
- When he arrived there, Dunant was faced with the bloody spectacle of thousands of wounded soldiers left to their own devices. In 1862, on his return to Geneva, he published *Un souvenir de Solferino* ("A memoir of Solferino"), in which he proposed the creation of medical aid corps to care for the war-wounded and establish international rules of conduct for their protection.
- A committee was formed, of which Dunant and General Dufour were members. It began by choosing a graphic symbol that would be a visual means of protecting medical personnel during combat: a red cross on a white background.

This was the Swiss flag in reverse (→ p. 22), although there is no record that this was the idea behind the design.



- The International Committee of the Red Cross (**ICRC**) was set up in 1863. It organised an international conference in Geneva in August 1864, at which a "Convention for the Amelioration of the Condition of the Wounded in Armies in the Field" was adopted. This was the first step in establishing international humanitarian law.

The creation of the Red Cross was the beginning of Switzerland's commitment to international affairs; today many international organisations have their headquarters in the country – especially in Geneva.

A land of refuge

Switzerland allowed many foreign political dissidents to enter the country. Their governments regularly pressed the Confederation to return them, but without success.

- For example:*
- The French citizen **Gambetta**, an opponent of Napoleon III – **Clarens (VD)** has a square and an avenue bearing his name;
 - The French painter **Courbet**, active in the **Paris Commune** (the aborted revolution of 1871), died at **La Tour-de-Peilz (VD)** in 1877;
 - The Russian revolutionary **Lenin** lived intermittently in Switzerland (mainly in **Zurich** and **Geneva**) between 1900 and 1917.



From the end of the 19th century until today, Switzerland has played the role of mediator in international conflicts. In 1900, for example, the President of the Confederation, **Walter Hauser**, arbitrated a long-standing territorial dispute between **Brazil** and **France**. French Guiana has a common frontier with Brazil. Hauser declared in favour of the latter, and France conceded a large area of territory.

1815-1914

Economy and Society

With the development of industry, infrastructure, services and quality of life, Switzerland became wealthier.

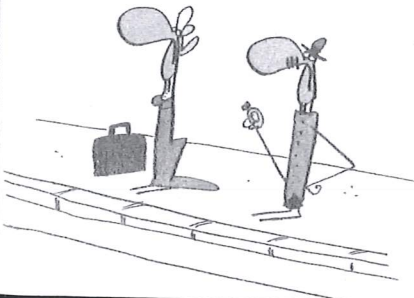
The economy specialised in high value added sectors. The most complex rail network in the world was built. Tourism became a real industry.

However, part of the population remained impoverished and chose emigration to other continents.



In 1856, the planned route of the railway between Geneva and Bern caused disagreement between the government of Vaud and the city of Lausanne. Vaud wanted a line through Yverdon and Morat, which would have been easier to build but would not have passed through Lausanne. The city insisted on a line further east, from Lausanne to Fribourg. The latter was chosen.

... THE TRAIN FOR SWITZERLAND WILL BE DELAYED BY SEVERAL YEARS! ...



An industrialised country

- Switzerland, like other European countries, underwent an **industrial revolution** in the 19th century. Watch-making (in the Jura arc) and textiles (in the north and east of the country) were predominant. From 1848, the centralisation of the government (p. 55) facilitated economic growth.

- With neither raw materials nor access to seaports, the country specialised in high value business: chemicals, food products, mechanical engineering, banking, insurance.

For example:

- around 1860, Henri Nestlé, a German refugee, invented in Vevey a product combining flour and milk for mothers who could not breast-feed their babies; Nestlé became a multinational company;
- around 1880, Julius Maggi, the son of an Italian immigrant, and Fridolin Schuler, a Swiss, marketed powdered soups (Maggi is today part of Nestlé);
- founded between 1860 and 1870, the Winterthur and Thurgau banks, together with the Basel Trade Bank, were the distant ancestors of UBS, today one of the largest banks in the world.

Transport

- From 1815, coach roads were built through the Alps. In 1823, the first steamship crossed the Lac Léman.
- The **railway** was late to arrive in Switzerland. The first line (Zurich-Baden) was inaugurated in 1847. From 1854 to 1864, 1300 kilometres of railroad were built with private capital. At the end of the century, the country had the most highly developed rail network in the world.
- The construction of the **Gotthard tunnel** (1872-1882) made it possible to cross the Alps by rail. It was a remarkable technical achievement at the time. The Simplon tunnel was completed in 1906 and the Lötschberg in 1913.
- In 1902, the Confederation purchased most private rail companies and created a national corporation: the Swiss Federal Railways (CFF in French, SBB in German and FFS in Italian).

Fewer and fewer agricultural workers

- Around 1850, approximately two-thirds of the population depended on agricultural employment. However, this proportion was on the decrease and represented only 25% by 1914.

Today, 3-4% of the population are employed in agriculture.

- Rural communities were frequently very poor. Farming the land was physically demanding, brought little income and competed with cheap grain imports. There was a shift to dairy farming, which was less exhausting and brought a better return.

Emigration

- Many Swiss emigrated during the 19th century, driven by a combination of factors – principally poverty, rapid population growth, shortage of land and economic problems.

There was also much immigration into Switzerland. Many foreigners, especially Italians, came to work on major public works projects, such as the Gotthard tunnel.

- With the support of the authorities (who were able in this way to rid themselves of impoverished inhabitants they were otherwise obliged to support) groups from the same canton left together. Swiss colonies were set up all over the world, especially in the Americas.

For example: Vevey (USA 1803), Nova Friburgo (Brazil 1815), New Glarus (USA 1845), Nueva Helvecia (Uruguay 1861).

Tourism

- After 1850, tourism developed in Switzerland. The railway network made travel easier and wealthy customers (mainly English) were attracted by the landscapes, winter sports and spas.

The area around the Lac Léman (Geneva, Lausanne-Ouchy, Vevey-Montreux), the Alps (Zermatt, St. Moritz) and Ticino (Lugano) were the favourite tourist spots.

- Luxury hotels and boarding schools for the children of wealthy foreigners were established. Alpine railways were built – many were, for the period, remarkable feats of engineering (e.g. in 1912, a cog railway was built up to the Jungfrauoch at 3,400m).

Farmers from mountain areas became guides or opened hotels.



In the 19th century, technical progress radically changed daily life, at least in the towns. Around 1860, **running water** systems (in which the British were pioneers) were installed in houses; rural communities had to wait for these facilities until 1945. Running water made possible the introduction of **flush toilets** (another British invention). In the 1880s, **electricity** was installed in homes, and replaced gas for street lighting. The **telephone**, an American invention, arrived in Switzerland at the end of the 1870s. The first telephone line linked the psychiatric hospital and the public health service in Lausanne.



1914-1918

World War I

Switzerland was surrounded by warring countries and armed itself to protect its neutrality if the need arose.

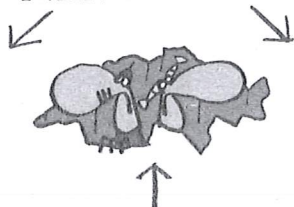
There were tensions between the German-speaking Swiss – more favourable to Germany – and the French-speakers – closer to France. The war created economic problems. In 1918 a general strike was called.

At the end of the conflict, advances were made in social policy.



General Wille, commander of the Swiss army from 1914-1918, was not much liked by French-speakers in Switzerland. A supporter of Prussian military methods (he was married to the daughter of the former German Chancellor, Bismarck), he wrote to the Federal Council on 20 July 1915 suggesting that Switzerland should enter the war on the German side. The correspondence was leaked to the press, creating a scandal in the Suisse Romande.

TRENCH WARFARE



ENTRENCHED PEACE

Neutrality in question

- In the summer of 1914, the assassination at Sarajevo of the heir to the Austro-Hungarian throne ignited a generalised European conflict. An alliance of the “Central Powers” (Germany, Austria-Hungary and Turkey) were opposed by an alliance comprising Russia, France, Great Britain and Italy (the “Allies”).
- For the first time since 1815, Switzerland was surrounded by countries at war. As provided by the Constitution in cases of conflict, on 8 April 1914 the Federal Parliament appointed a General to command the army, in the person of Colonel Ulrich Wille.
- Switzerland confirmed its **neutrality** and General Wille implemented a defensive strategy for the protection of the country. The forces (varying at times between 30,000 and 100,000) were concentrated in the areas closest to the fighting: the Franco-German front at Ajoie (near Porrentruy in today’s Jura canton); and the Austro-Italian front in the lower Engadine valley (Graubünden).
- The country was well prepared for defence, but not for the economic effects of war. The absence of raw materials slowed industrial activity and the population suffered as a result.
Business recovered subsequently and Swiss exports to the opposing sides were very profitable.
- French-speaking Swiss were shocked by the pro-German tendencies of the commander of the Swiss army and a gulf grew between the two main linguistic groups of the country (the words “fossé” in French and “Graben” in German were already used at this time to describe this phenomenon – later described as the **Röstigraben** (.....) pp. 15 and 81).
- A number of scandals excited public opinion in the Suisse Romande

For example:

- at the end of 1915, two Swiss officers received only light sentences for having communicated strategic information on the Allies to the Germans and Austrians;
- in June 1917, Federal Councillor Arthur Hoffmann was persuaded by a socialist member of the Swiss Parliament (Robert Grimm) to mediate in separate peace discussions between Russia and Germany; this would have allowed Germany to divert all forces against France. Hoffmann was forced to resign.

The General Strike of 1918

- The war created economic problems, especially for the urban working class. Mobilised soldiers often lost their jobs and received no compensation. Prices escalated, **unemployment** rose and wages dropped.

- The Socialist Party and the USS/SGB responded vigorously to this **crisis**. From 1916, the number of demonstrations and strikes increased. In February 1918, militants set up an action committee called the “Olten Committee.”

In 1915, Lenin attended an international socialist conference at Zimmerwald (BE). The revolutionary positions put forward there influenced leftist circles in Switzerland.

- With the collapse of Germany in November 1918, the Swiss army – fearing a revolutionary **insurrection** – occupied Zurich. This led to a call for a General Strike. On 11 November (Armistice Day), 250,000 people stopped work. The Federal Council issued an ultimatum and after three days the strikers, under threat from the army, went back to work.

The strike was followed mainly in German-speaking towns. In the Suisse Romande, the victory of France captured popular enthusiasm.

The consequences of the strike

- The strike was put down without much violence, but the Federal Council was concerned about the possibility of a revolution on the Russian model (the Bolsheviks had seized power in 1917). The army was on constant alert. Tensions remained until 1919, when there were widely supported local strikes in Zurich and Basel.
- The workers obtained a partial success: a working week of **48 hours** and wage increases. Other social measures followed.

In 1925, a provision for old-age pensions was inserted in the Constitution. A full system of retirement pensions (AVS in French – AHV in German) had to wait until 1948.



After the war, the Austrian province of Vorarlberg requested admission as the 23rd Swiss canton. This was confirmed by a provincial referendum in which 47,000 voted for and 11,000 against. However, the Federal Council and Parliament rejected the request: French-speaking cantons and Protestants were concerned that it would strengthen the influence of the German-speakers and Catholics. The Principality of Liechtenstein, situated between Switzerland and Vorarlberg, concluded a Customs Union with Switzerland in 1919 and adopted the Swiss currency and postal system.

1918-1939

The inter-war period

After the war, two major economic crises slowed economic development in Switzerland.

A new electoral system changed the political balance in favour of the left. Employers and unions concluded a "labour peace."

Faced with the growth of different forms of fascism, Switzerland prepared for another war.

A new political balance of forces

- After two refusals (in 1900 and 1910) Swiss voters accepted – just before the strikes of 1918 – the introduction of **proportional representation** (in place of majority voting) for elections to the National Council. This favoured the smaller parties.

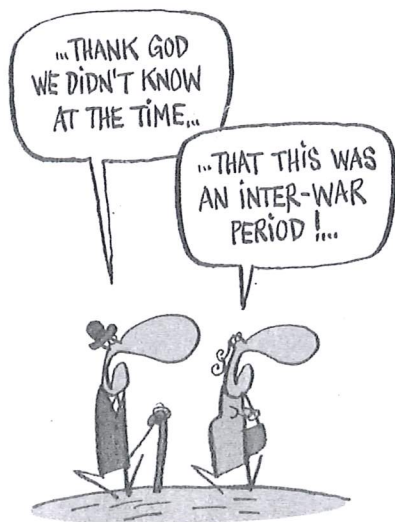
In contrast to the German-speaking cantons, the Suisse Romande was very much in favour of this type of voting. In the period 1891-1921, sixteen cantons adopted the proportional method for elections to the cantonal Parliament ("Grand Conseil"). Majority voting was kept for elections to the Council of States, in which there is still a substantial rightist majority today.

- In the first proportional elections held in 1919, the Radicals lost the absolute majority they had held since 1848. The Conservative-Catholics (the future Christian Democrats PDC) and the Socialists each won about a quarter of the seats. The Peasants, Artisans and Self-employed Party (PAI – future Swiss People's Party UDC/SVP) had a few less. Radicals, Conservatives and the PAI formed an anti-socialist "bourgeois bloc."
- After the introduction of proportional voting, a second representative of the Conservative-Catholics joined the Federal Council in 1920. Radicals held only five seats – and then four, when an Agrarian (PAI) representative was elected in 1929; the right opposed a seat in government for the Socialists.

The League of Nations

- After the First World War, the **Treaty of Versailles** redrew the map of Europe (1919). It reconfirmed Swiss neutrality.
- The victorious allies created the League of Nations (LN – the predecessor of the UN), with headquarters in Geneva. They invited Switzerland to join and there was a lively debate about whether membership was compatible with Swiss neutrality. In 1920, the people and cantons voted with a narrow majority in favour of joining.

Switzerland opted for "differential neutrality" – no armed sanctions against a country, only economic measures.



Crises and labour peace

- Switzerland was hit heavily by two serious **economic crises** during the periods 1920-1925 and 1930-1936.

In 1936 there were 124,000 unemployed, 7% of the active population.

- Textiles, watch-making and banking suffered. The Federal Council devalued the Franc to promote exports and reduce unemployment. A **federal income tax** ("Impôt Fédéral Direct") was introduced alongside cantonal income tax.

Other economic sectors, such as mechanical engineering, suffered less – mainly thanks to investment in the electrification of the railway network in the 1920s. The development of hydro-power (from dams in the Alps) made Switzerland energy-independent.

- Swiss neutrality provided financial stability between 1914 and 1918. From the 1920s, the Swiss financial services business grew substantially, becoming one of the largest in the world – especially as a refuge for foreign capital. **Banking secrecy**, frequently linked to tax evasion, was widely practiced by Swiss banks during several decades before being enshrined in the banking law of 1934.
- In 1937, unions and employers signed a "**labour peace agreement**" that encouraged conciliation and arbitration of labour disputes.



Fascism and neutrality

- From 1922 in Italy (**Benito Mussolini**) and 1933 in Germany (**Adolf Hitler**), fascists came to power (authoritarian and strongly nationalist government). In Switzerland, extreme rightist "fronts" came on the political scene but had little success in elections.

Fascism was feared less than communism (Switzerland had not yet recognised the Soviet Union). In 1937, the University of Lausanne granted an honorary doctorate to Mussolini.

- After 1935, international relations were marked by much tension. Europe (and Switzerland) was preparing for war. The League of Nations had become toothless. In 1938, the Confederation **reverted** to a policy of "absolute" (as opposed to "differential") neutrality.

After the Italian invasion of Abyssinia (Ethiopia), Switzerland refused to apply the economic sanctions imposed by the League against Mussolini.



On the evening of 9 November 1932, a leftist demonstration took place in a big square in Geneva (*Plain-palais*), protesting against a meeting of the *Union Nationale*, a fascist and anti-Semitic movement led by the writer Géo Oltramare. At the request of the Geneva government, a battalion of young recruits was sent from Lausanne to restore order. They fired on the crowd: 13 were killed and more than 60 wounded. In the 1933 elections, the left gained a majority in the Geneva government.

1939-1945

World War II

Surrounded by countries at war, Switzerland organised its defence and daily life.

Mobilised, the army guarded the frontiers. In case of attack, it was to withdraw to a "national redoubt" in the heart of the Alps. The Wahlen plan provided food for all.

Switzerland suffered almost no material or economic consequences from the war.



On 25 July 1940, General Guisan brought all senior Swiss officers together on the Rütli meadow (→ p. 21). He gave a speech of which there is no record. What mattered first and foremost was the symbolism of the place. He called on the troops to "stand fast" and offered a first outline of the strategy of the "national redoubt."

...BET YOUR BOOTS
I WOULD HAVE GIVEN
HITLER A HARD TIME...

...OHHAH...
ME TOO!...



Mobilisation

- On 1 September 1939, Nazi Germany invaded Poland and ignited the Second World War, involving the Axis Powers (Germany, Italy, Japan) and the Allies (France, Great Britain, USA, USSR).

Switzerland was surrounded: Germany to the north and east (Hitler annexed Austria in 1938); Italy in the south (a combatant from 1940, then occupied by Germany from 1943); France in the west (a combatant in 1939, then occupied by Germany from 1940 to 1944).

- On 30 August 1939, with war imminent, the Swiss Parliament delegated full powers to the Federal Council and – as foreseen in time of war – appointed a General: Colonel **Henri Guisan** from Vaud. On 2 September, the army was fully mobilised. In three days, 430,000 men reported for duty. A mobilisation order went out again on 11 May 1940, after the western offensive by the Germans.

In a state of panic after the German offensive in France, part of the population of Basel and areas close to the northern border fled in disorder to central Switzerland and the Suisse Romande.

- The two **full mobilisation** orders lasted only a few weeks. For the rest of the time, 150,000 soldiers remained under arms. 80,000 additional men were mobilised during the allied campaigns in Western Europe in the summer of 1944, to prevent transit by belligerents through Swiss territory.
- The Swiss army was only partially prepared for war. New arms and training methods were introduced during the conflict. Overall, discipline and morale were good. However, seventeen soldiers were condemned to death and executed for treason.

A popular personality, General Guisan embodied the idea of a neutral but armed nation. He had remarkable leadership abilities.

- Swiss airspace was frequently violated. Swiss air defences shot down 23 planes from both camps. In 1944, the Americans bombed Schaffhausen by mistake, causing 40 deaths. Basel, Geneva and the railway station of Renens (VD) were also hit by bombs dropped in error.

The “national redoubt”

- From 1940, the Axis powers surrounded Switzerland, which feared a German invasion.
- According to the “national redoubt” strategy, in case of attack light mobile units would oppose the invaders on the Plateau, while the main force would withdraw to the Alps, protected by three key strongpoints: St. Maurice (VS), Sargans (SG) and the Gotthard. Bridges and tunnels would be destroyed. However, this plan came at a heavy price: withdrawing forces from the plateau meant abandoning three-quarters of the civilian population, the large towns and the main industrial plants. If attacked, the country would still have had a government, but it would have operated from its retreat in the mountains.

A major network of fortifications was built in the Alps to implement the “national redoubt” strategy.

- The Germans prepared plans for the invasion of Switzerland, but never seriously envisaged implementing them: they saw advantages in preserving the industrial capacity and financial services of Switzerland, of which they were major clients (→ p. 73), and in keeping open the transport routes through the Alps.

The Wahlen plan

- From September 1939, consumer goods were subject to rationing. The Wahlen plan (named after a senior civil servant and subsequent Federal Councillor, who prepared it on his own initiative as early as 1935) provided for the extension of agricultural land and improvements in crop yields.
- The plan was promoted by extensive publicity campaigns under the label “battle of the fields.” The aim of Swiss self-sufficiency in basic foodstuffs was never achieved, but the people did not suffer too much from rationing.

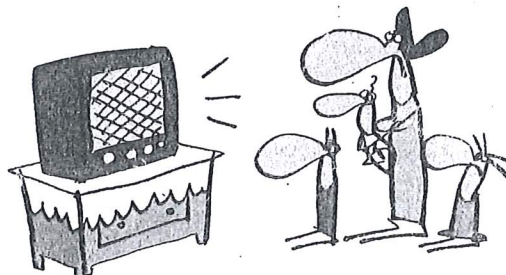
The area of cultivated land doubled: crops were planted on pasture-land, public parks and sportsgrounds.



The war promoted social progress. From end-1939, the Federal Council adopted measures to compensate the effects of the conflict. Mobilised soldiers received an indemnity for loss of income and were protected against loss of their civilian jobs. Rents were frozen and leases could not be cancelled without valid reason. A price control system was introduced and improvements were made in unemployment insurance and family allowances.

... POTATOES
ON MONDAY...
POTATOES ON
TUESDAY...
POTATOES ON
WEDNESDAY
TOO...

... YOU HAVE JUST HEARD
A MESSAGE FROM
MR. WAHLEN...



A good customer

- Switzerland continued to export a large part of its production to Germany. The Confederation exported tools, machines and arms (60% of Swiss arms production in the period 1941-1942 went to Germany) in exchange for raw materials (iron and coal).

- The **Nazis** kept Switzerland under pressure, threatening repeatedly to interrupt trade. The delivery of raw materials was not enough to cover the costs of the goods delivered by Switzerland and the country was forced to accept higher and higher levels of German debt.

Some limited trading links were kept with Great Britain.

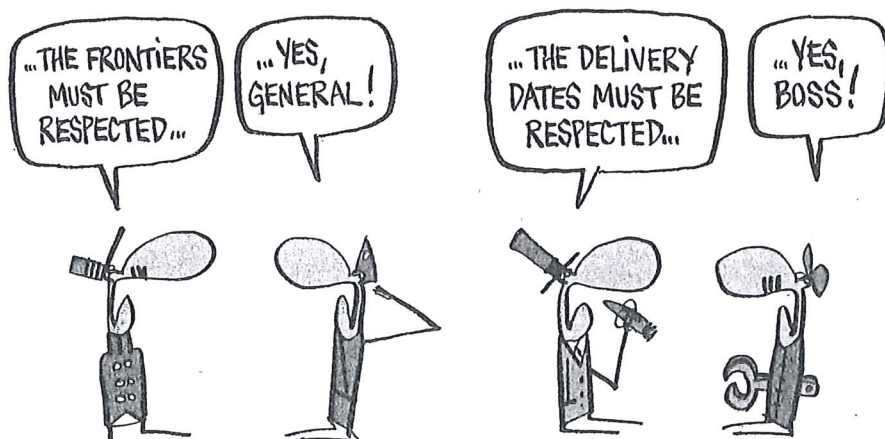
- The Swiss **financial markets** continued to thrive. The Germans traded gold – frequently plundered from occupied territories – for Swiss Francs, which allowed them to purchase raw materials in other countries.

The Allies also used the Swiss financial marketplace.

- The **Allies** accused Switzerland of contributing to the German war effort. From 1943, they put increasing pressure on the Confederation to reduce trade with its neighbour. Switzerland complied, but only in stages. On 8 March 1945, two months before the end of the war, the Allies and Switzerland signed an agreement ending trade with Germany.



On 9 April 1941, the Federal Council decreed the establishment of a Swiss navy. Cut off by hostilities from its traditional supply routes (for example, from Mediterranean ports), the Confederation was forced to purchase ocean-going vessels to fly the Swiss flag and thus operate in relative safety. Today, the Swiss navy has some 25 vessels, based in different European ports (including an oil tanker) and nearly 300 barges for navigation on the Rhine from the port of Basel.



Refugees

- An island of freedom in occupied Europe, Switzerland attracted refugees, including Jews fleeing Nazi persecution. However, the asylum policy of the Confederation was very restrictive. From 1933, asylum seekers had to provide evidence of not only racial but also political persecution.

In 1938, Switzerland proposed to Nazi Germany to stamp the passports of German Jews with the letter "J."

- The extermination of Jews by the Nazis was well known in Switzerland. Yet the authorities made it difficult for them to obtain refugee status. "The boat is full," was the expression used in 1942 by Federal Councillor Eduard von Steiger. Parliament, cantons and armed forces supported government policy. There was not much disagreement by the population. The frontiers were opened only from July 1944.

- According to the "Bergier Report," Switzerland accepted 60,000 civilian refugees between 1939 and 1945, of which scarcely half were Jews. Some historians dispute this figure.

Some 100,000 combatants (mainly French and Polish) were admitted to Switzerland as refugees.

- The number of refugees turned back at the frontier is more difficult to assess: the Bergier Committee reported a total of 20,000 – mainly Jews. This figure is also disputed.

The debate goes on...

- While not claiming to provide full answers to all questions, the Bergier Report drew up a relatively critical assessment of Swiss behaviour during the war.

Some revelations in the Bergier Report:

- thanks to the commercial acumen of the Swiss railways and the support of the Railworkers Union, rail transit across the Alps between Germany and Italy contributed to the Nazi war effort;
- at least 11,000 foreign deportees – civil and military prisoners of war – were forced to work in German branches of Swiss companies (Maggi, Brown Boveri, Nestlé) and were often exploited and given inadequate food and shelter.

- Some people, especially among the war generation, consider that Switzerland owes no one an explanation of its history and that the past can only be judged by reference to the situation prevailing at the time.



Some Swiss stood out by rescuing Jews condemned to certain death. The most famous was Paul Gröniger, commander of the police force of St. Gallen, who defied the law in permitting refugees to enter Switzerland in 1938-1939. Prosecuted and convicted, he was posthumously rehabilitated only in 1995. Carl Lutz is less well-known: thanks to his diligence as Swiss Consul in Budapest, he saved tens of thousands of lives. He was rehabilitated during his lifetime, in 1958.



1945-1975

Thirty golden years – the economic miracle

The immediate post-war period was marked by thirty years of economic prosperity in Switzerland.

Industry was working at full capacity and called on a significant pool of foreign labour. These workers, although essential for the economy, were sometimes discriminated against by the local population.

Despite being firmly in the Western camp, Switzerland traded with the communist bloc while at the same time arming itself against a possible Soviet invasion.



In the 1990s, immigrants from Italy were replaced by workers from the Balkans. The wars in Yugoslavia led to the arrival of many Bosnian, Croat, Kosovan, Serb and other refugees. Refugee policy is now at the centre of the debate on immigration. Today, a fifth of the population – and one in four workers – in Switzerland are foreigners. A third of the population has an immigrant background.

Economic prosperity

Switzerland was one of the only European countries to come out of the war with its industry intact. In contrast to 1918, the much-feared crisis did not occur. On the contrary, the country enjoyed thirty years of prosperity: known as the economic miracle.

During the 1960s, the Swiss economy operated at full capacity; a phenomenon known "overheating." Consumers benefited and wealth increased but the Federal Council had to adopt urgent measures to fight inflation (price rises).

Immigration

- In the space of a century, the population of Switzerland more than doubled, from 3.3 million in 1900 to 7.2 million in 2000. Higher life expectancy partially balanced a fall in the birth rate: couples had fewer children but lived longer.
- The large numbers of immigrants also filled the gap created by the falling Swiss birth rate. Foreign workers – mainly Italian, but also Spanish and Portuguese, came to seek work in Switzerland. The country welcomed them with open arms, since the economy was facing a labour shortage.
- In the 1960s, the overheating of the economy, problems of integration and **xenophobia** in certain circles led the authorities to place limits on immigration.

In 1970, the "Schwarzenbach initiative," named after a leader of the extreme right, which aimed to counteract what it called "an excess of foreigners" (Überfremdung in German) was rejected by the narrow margin of 54%. In 1968 and 1974, two similar initiatives were rejected by larger margins.



Transport and energy

- The **railways** remained well-networked and modern, even if some small secondary lines were threatened or abandoned. Switzerland began to build freeways as of 1959, beginning with the Geneva-Lausanne link. Road tunnels were dug – including the Great St. Bernard, opened in 1964, the first to go through the Alps.

Switzerland continued to burrow beneath the Alps, and the work goes on: the Gotthard road tunnel (1980); and the Lötschberg (2007) and Gotthard (completion expected 2018) rail tunnels.

- Switzerland – the “water-tower of Europe” – makes good use of its hydro-power resources for generating electricity. **Dams** have been built at the foot of valleys – especially in the canton of Valais – creating artificial lakes.

The Grand-Dixence dam – built from 1953-1961 – is the highest dam of its kind in the world: 285m.

Switzerland and the Cold War

- After 1945, the world split into **two opposing blocs**: West v. East (the USA and its allies, on the one hand, and the USSR and its communist satellites on the other). This contest without armed conflict is called the “Cold War.” Officially neutral, although fully within the Western camp, Switzerland attempted to pursue its economic interests while maintaining good relations with both sides.

In 1917 the Confederation refused to grant official recognition to the USSR but did so in 1946.

- The Swiss population was quite strongly anti-communist. Public opinion was negatively influenced by two unsuccessful uprisings against communist power: in Hungary (1956) and Czechoslovakia (1968). Switzerland opened its borders to 12,000 refugees from these clashes.

- Fear of a communist invasion of Western Europe also influenced Swiss military strategy: national defence (network of fortifications, modernisation of armaments) was reinforced.

Freeway construction also served military needs. Some sections were designed to be used for take-off and landing by fighter planes.



After 1945, the Federal Council favoured acquisition by Switzerland of an atomic option as part of its defence strategy. In the mid-1950s, the Confederation purchased, in absolute secrecy, 10 tons of uranium from Great Britain; half was made available to the army. In 1959, Switzerland asked France – still in secret – to help it “with atomic arms.” However, from the mid 1960s, the Federal Council finally opted to concentrate on conventional armaments. Nuclear power-stations were nevertheless developed for electricity generation.

SYMBOL OF POST-WAR AFFLUENCE



SYMBOL OF THE COLD WAR

1945 to the present

Political developments

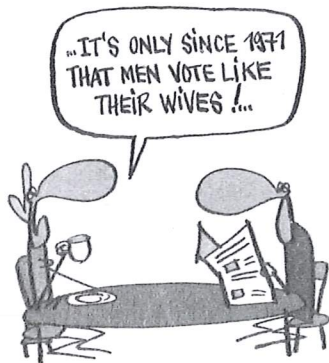
After the war Switzerland enjoyed a long period of stability.

The granting of the vote to women in 1971 and the creation of a new canton (the 23rd) in the Jura in 1979 stimulated public interest in politics.

From 1959, the country was governed by a coalition comprising the main parties of left and right, acting on the principle of compromise.



Until 1961, the Swiss national anthem was entitled "Rufst du mein Vaterland" ("When You call, my Country"), a text written in 1911 by Johann Wyss of Bern, and sung to the tune of "God Save the Queen." In 1981, the Federal Council changed the anthem to "Cantique suisse" ("Swiss hymn") composed in 1841 by Alberyk Zwyssig of Uri, with a text by Leonhard Widmer of Zurich.



The reign of compromise

- From 1954 to 1958 the Socialists were no longer represented on the Federal Council: Max Weber of Zurich resigned in 1953 after his financial programme was rejected by voters. Now in opposition, they claimed two seats. In 1958, Parliament elected two representatives each from the Conservative-Christian-Social People's Party (future Christian Democratic People's Party - CVP in German and PDC in French), the Radicals (Free Democratic Party - FDP/PLR) and the Socialists (Social Democratic Party - SP/PS), together with one "Agrarian" representative (future Swiss People's Party - SVP/UDC). This so-called "magic formula" for government – characterised by the search for compromise and the minimisation of political confrontation, but also by a more time-consuming decision-making process – survived until 2003.

In 1970, the Conservative-Christian-Social People's Party (formerly the Catholic-Conservative Party) changed its name to Christian Democratic People's Party (CVP/PDC). In 1971, the "Agrarian" Party of Farmers, Traders and Independents (BGB/PAI) became the Swiss People's Party (SVP/UDC).

- During the 1990s, left-right divergences led to a hardening of political positions. The SVP/UDC adopted a more nationalistic stance and took a hard line on issues such as law and order. Within a few years it had doubled its number of votes – mainly at the expense of the Radicals and Christian Democrats. In 2003, it obtained a second seat on the Federal Council, ousting one of the Christian Democrat representatives.

Smaller parties struggled to survive: extreme right, Communists, Independents, Ecologists. The latter, formed in the 1970s under the banner of the "Green Party," are today relatively strong.

Votes for women

Switzerland was late to implement some social measures, such as the vote for women. In 1959, a first attempt to impose it at Federal level failed. In the same year, however, Vaud and Neuchâtel introduced it at their cantonal level. Geneva followed in 1960. Gradually, the other cantons followed suit. It was implemented for Federal voting in 1971.

In Appenzell, it was only in 1989-90 that women obtained the vote at cantonal level: in the half-canton Aargau, the Landsgemeinde (Popular Assembly) approved it in 1989; in Innerroden it was forced on the half-canton by a decision of the Federal Supreme Court in 1990.

A new canton – Jura

- As of 1815, the former bishopric of Basel (present districts of Jura, Bernese Jura and the Laufen valley) became part of the canton of Bern. From 1945, there was growing popular agitation for secession from Bern and the creation of a 23rd Swiss canton. The arguments became heated and the separatists took action that was not far from terrorism.
- After a first refusal in 1959, the population of the region accepted in 1970 the principle of autonomy. In 1974, they voted narrowly for secession. However, Bern insisted on voting at district and communal level, to ascertain which of these were genuinely in favour.
- The Catholic north decided for a new canton, while the Protestant south opted to remain with Bern. In 1978, a vote at Federal level formalised the creation of the canton of Jura, with effect from 1 January 1979.

The Laufen valley, German-speaking and Catholic, remained with Bern for a time but chose in 1994 to become part of the half-canton of Basel Country.

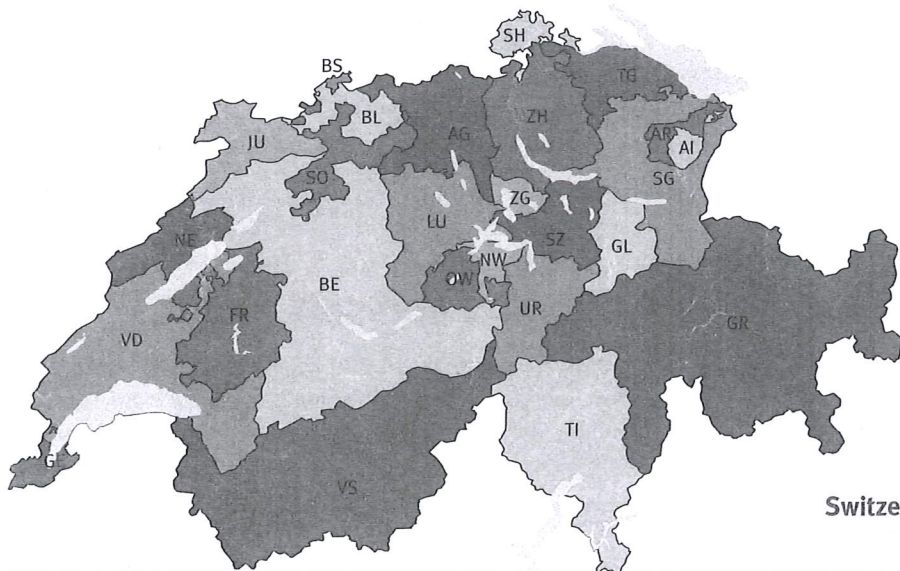
- The debate on the future of the Bernese Jura continues: should it join the young canton?

Since 1994, a joint Jura Assembly has been attempting to strengthen relations and maintain a dialogue between the two regions.

N.B. Jura is a full canton, not a half-canton; moreover, secession from Bern did not alter the status of Bern as a full canton. (→ p. 90)



NO WAY THEY CAN BRING THE BERNESE BEAR BACK TO THE JURA CANTON !...



Switzerland today

1945 to the present

Switzerland and the world

The fall of communism forced a change in the foreign policy of the Confederation.

Already very active on the international scene through its services as a mediator and "honest broker," Switzerland joined the United Nations in 2002. However, the country did not join the European Union.

Since the 1990s, Switzerland has had to find responses to the challenges of globalisation.



The national airline company, *Swissair* (founded in 1931), had long served as a showcase for Swiss perfectionism. On 2 October 2001 the unthinkable happened: its planes were grounded. A victim of weak economic conditions but also of the company's catastrophic acquisition strategy that cost billions of Francs, *Swissair* was suddenly bankrupt. A new company, *Swiss*, was set up.



International organisations

- In 1945, the victorious Allies set up the United Nations (UN), successor to the League of Nations, with a mandate to maintain world peace and security. Switzerland did not join but offered Geneva as the European headquarters of the UN.

Geneva became the headquarters of dozens of international organisations active in many different fields (political, economic, technical, humanitarian).

- The Federal Council revised its position on UN membership but, in 1986, encountered a resounding refusal from the electorate. A new vote took place in 2002, resulting in a narrow victory (54% of the popular vote and 12 cantons in favour, 11 against) and Switzerland joined the UN.

From 1945, Switzerland joined many international organisations, including several UN specialised agencies.

- On occasion, the Confederation was able either to act as a mediator in international conflicts or to represent the interests of States which have suspended diplomatic relations (USA-Cuba, USA-Iran): Switzerland acted as an "honest broker."

A new face

After 1989, with the fall of communism, Switzerland had to adapt to the new international order. International activity increased but was focussed more on mandates from the UN.

*Since 1999, a contingent from the Swiss armed forces (known as *Swisscoy*) has participated in international peace-keeping operations in Kosovo (in former Yugoslavia). Following a 2001 referendum on the issue, Swiss soldiers now carry arms for self-defence in such operations.*

Globalisation and self-doubt

From the 1990s, Switzerland suffered from the ups and downs of globalisation. Job losses, unemployment (especially in the French-speaking cantons), bankruptcies, mergers and outsourcing created a feeling of insecurity. The Swiss model of perfection, believed by many to be steady as a rock, was put to the test.

Switzerland in Europe

- From the end of the Second World War, the countries of Western Europe sought ways of joining forces. This process of "European integration" led to the creation of the European Economic Community (EEC) in 1957, which became the **European Union (EU)** in 1992.
- Switzerland was unwilling to jeopardise its independence and **neutrality** by joining supranational organisations and did not participate in setting up the EEC. In 1959, Switzerland was one of the founders of the European Free Trade Association (EFTA), which imposed less constraints on its members.

In 1947, Switzerland joined the Organisation for Economic Cooperation and Development (OECD – at that time called the OEEC) and, in 1963, the Council of Europe, which had been set up in 1949.

- In 1992, Switzerland changed direction: the Federal Council put in an application to join the EU. On 6 December, however, membership in a European Economic Area (EEA, grouping EEC and EFTA and – from a Swiss viewpoint – offering a kind of intermediate solution) was rejected by voters (50.3%) and by the cantons (16 to 7). The issue led to a lively debate and revived sentiments related to the "**Röstigraben**" (→ pp. 15 and 66) separating, on the one hand, French-speakers (in general pro-European) and, on the other, German-speakers (mostly opposed).

There was also a divergence of opinion between urban and rural areas.

- Isolated, Switzerland was forced to negotiate **bilateral agreements** with the EU (free movement of persons, liberalisation of heavy road traffic, mutual recognition of diplomas, etc.). This was the only way of obtaining some of the advantages of membership without actually joining the EU. The agreements came into force in 2002.

The 1992 application for membership of the EU is now "on ice."



If the Internet was born in the USA in the 1960s, the "World Wide Web - WWW" was actually invented in 1990 at the European Centre (now Organisation) for Nuclear Research (CERN), headquartered near Geneva. Two researchers, Tim Berners-Lee and Robert Cailliau, set up the system known as "hypertext" – a documentary search system ("navigation") that established links to specific documents on different computers. The prefix "www" in Internet addresses is still used for navigation on the Web.