## Switzerland's neutrality – a prerequisite for supply security

by Hans Bieri



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(Ed.) Hans Bieri, Managing Director of the "Swiss Association Industry + Agriculture SVIL", expertly describes the importance of neutrality for our country's security of supply. As an export nation without its own raw materials, Switzerland's

very existence depends on open markets. Its neutral position offers advantages to its trading partners. If the country gives up its neutrality, it risks becoming a pawn in the hands of hegemonic powers and losing its independence.

In recent months, the Federal Council has gambled away a great deal of trust abroad with its reckless foreign policy. It is now important to rebuild this trust in the small neutral state of Switzerland as quickly as possible.

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By weakening or abandoning its neutrality, import-dependent Switzerland risks jeopardising the very existence of its security of supply. This also affects agricultural and industrial products. Neutrality is therefore also an issue for the SVIL. Neutrality is of the utmost importance for Switzerland's security of supply.

In Switzerland, a strong SME economy has developed based on free global trade relations despite a meagre base of raw materials. Thus export-orientation is the lifeline of the Swiss economy. It is therefore vital for Switzerland to keep these trade relations stable. Trade, as practised by Switzerland as a neutral country without the possibility of territorial power, is based solely on mutual benefit. Either the benefit is mutual, or trade does not materialise at all. This characterises the Swiss export business culture.

Switzerland's status of neutrality, which was achieved early on in history, is closely linked to the development of free trade and Switzerland's industrial development. At the end of the 19<sup>th</sup> century, Switzerland was the most liberal and the most democratic country in Europe. It is not unimportant for trading partners that Switzerland remains internationally neutral, and conversely that neutrality also protects Switzerland from foreign attempts to interfere. This is because trading partners can be sure that Switzerland will not burden their economic relations with trade wars and violations of property rights.

The stability associated with neutrality is valued globally. This is why Switzerland is asked to provide *good offices*. This demonstrates the emancipatory and thus peace-building power of neutrality: the ability to abstract from individual interests and thus to recognise conflicts in their context and from their origins. This neutral position above the conflict helps the parties to the conflict to find ways to defuse it, as demonstrated most recently by Switzerland's contribution to the *Minsk Agreement*.

Opponents of neutrality now accuse neutral states of being misused for circumventing deals and thus rendering the sanctions decided by one party to the conflict ineffective in favour of the sanctioned party. In this way, the neutral state inevitably takes sides with the sanctioned party. However, this accusation is unfounded.

Neutrality consists precisely in preventing such circumvention deals for all by ensuring that all parties to the conflict are treated equally by the country committed to neutrality. This is done transparently by ensuring that trade transactions remain aligned with the long-term average (the so-called "courant normal").

In the context of the Ukraine conflict, there have been calls for Switzerland to abandon its neutral position and no longer be able to avoid taking a stand against the aggressor.

However, this would mean that Switzerland would be violating its perpetual neutrality. In this European conflict, Switzerland would no longer be able to offer its *good offices* that Europe needs. For war begins with the breaking of treaties and agreements purely for the sake of power.

Today, the achievements of the European Enlightenment are once again coming under pressure, and with them the essence of Switzerland's neutrality, which, as some people are now saying pejoratively and "deconstructively", was "only imposed" on Switzerland in 1815 – right down to Switzerland's assumed role as arbitrator, which must now finally give way to clear partisanship in wars.

However, this would mean that the achievement of not taking sides in foreign conflicts would be disposed of. This criticism of neutrality confuses taking sides with the resolution of the conflict and thus restricts a clear view of the causes of the conflict. Cui bono?

The first recognition of Switzerland as a state at the Congress of Vienna in 1815 was linked to the condition of neutrality. The aim was for the Great Powers to commit themselves not to occupy Swiss territory in the event of conflict. This was hardly because of Switzerland itself, but so that the territorial pivot between the German Confederation, France, Northern Italy and the equally interested Great Britain would remain neutral in the event of future conflicts.

In return, neutrality obliges Switzerland not to join any warring party. This means that Switzerland cannot be drawn into wars and become a belligerent, as this would give one of the belligerent's accesses to Swiss territory. Conversely, this means that Switzerland may not be occupied by any of the major powers in a military conflict. This is an achievement of the European Enlightenment: the recognition of free statehood, which in return commits itself to neutrality – and therefore may not be violated by foreign powers. It was an achievement of *Hegel's* practical philosophy, which was the subject of intense debate in high politics at the time.

"In the fact that the states recognise each other as such, even in war, the state of lawlessness, violence and randomness, a bond remains in which they are mutually valid in and of themselves, so that in war itself war is determined as a passing thing. It thus contains the determination of international law that in it the possibility of peace is preserved [...]."

## G.F.W. Hegel, § 338, Fundamentals of the Philosophy of Right. 1821.

A century later, on 14 December 1914, *Carl Spitteler* gave a speech entitled "Our Swiss standpoint" to the *Neue Helvetische Gesellschaft*, Zurich group, which was also aimed at the politics and media of our time. In view of the demonstrations of sympathy for individual warring parties that could be observed in Switzerland at the beginning of the First World War, Spitteler demanded that politicians "impress the principles of neutrality on our people".

"Without a doubt, the only right thing for us neutrals would be to keep the same distance on all sides. That is also the opinion of every Swiss. But that is easier said than done. We involuntarily move closer to our neighbours in one direction and further away from them in another than our neutrality allows."

The dissolution of the nation state follows the trend towards larger blocs of the "willing". "Whoever is not in our favour is against us" was the motto of the US contingent for the Iraq war. Switzerland's neutrality is also criticised as obsolete, as it is also at odds with the progressive bloc formation that the EU and NATO are continuously driving forward in this former "Eastern bloc", following the dissolution of the USSR and the Warsaw Pact.

"Cultural studies have recognised that Switzerland can only exist if it adopts an opposing stance to Western extremism." Prof *Martin Usteri* recalls this statement in "The relationship of state and law to the economy in the Swiss Confederation" (p. 13) with reference to Prof *Karl Schmid* in "An attempt at Swiss nationality" (p. 88f.).

Carl Spitteler:

"We must be aware that basically no member of a war-waging nation considers a neutral conviction justified. They can make an effort and try to apprehend it, but they cannot understand it in their hearts. We seem to them like an indifferent person [...] However, we are not at all indifferent. [...] However, since we do not move, we seem indifferent. Therefore, our bare existence is a scandal. Initially it seems unpleasantly strange, gradually provoking impatience; finally, it appears disgusting, infringing and insulting. Even more so a word of non-approval! An independent judgment! The patriotically involved is deeply convinced of his good cause and also of the rogue character of his enemies [...] And now there is someone, who calls himself neutral and takes sides for the rogues! This is because a fair judgment is seen as partisanship with the enemy."

Today, the media and some politicians have fallen into this trap. Because, according to Spitteler, "partisanship reaps inordinate rewards, impartiality faces devastating penalties."

The neutral standpoint rejects every act of war – whether hard or soft skill – in equal measure. All the appeals and hasty judgements that argue that Switzerland is disregarding its neutrality and impartiality under pressure from warring parties are now entangled in the shoals of partisan double standards from which it is almost impossible to escape. The damage has been done. Who bears responsibility for this needs to be clarified.

According to Spitteler, what is needed is "concord, [...] the preservation of justice and

neutrality" internally and, from this, a peace initiative externally to exert a moderating influence on the conflict processes with an organising force.

Source: SVIL, Schweizerische Vereinigung Industrie + Landwirtschaft. Auszug aus dem Geschäftsbericht 2021, Nr. 159, June 2022

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