

SWITZERLAND - FACTS AND FIGURES

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Nestled between the Alps and the Jura mountains, Switzerland is a communications and transport center between northern and southern Europe – a place where European cultures and languages meet. No other country offers such great variety in so small an area. The Swiss economy's high degree of development exists thanks to a liberal economic system, political stability, and close integration with the economies of other countries. The state creates the necessary framework and only intervenes when this serves the interests of society at large. The high-quality education system and outstanding infrastructure form the basis for the competitiveness of the Swiss economy.

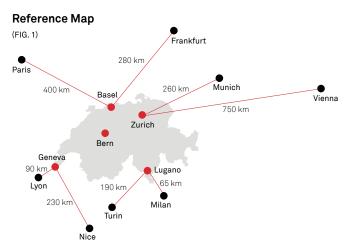
1.1 GEOGRAPHY

The total area of Switzerland is 41,285 square kilometers. Characterized by its mountain ranges and hills, rivers, and lakes, Switzerland offers a wide variety of landscapes in a small area: just 220 kilometers from North to South, and 348 from West to East. The Swiss Alps, the hilly Mittelland region that stretches from Lake Constance to Lake Geneva, and the Swiss Jura, a long range of fold mountains, form the three main geographical areas of the country. Due to its central location, Switzerland is a place where different cultures intersect and, at the same time, a communication and transportation hub between northern and southern Europe.

Six percent of Europe's fresh water is stored in the Swiss Alps, which is why Switzerland is also known as the "reservoir of Europe." Switzerland has numerous rivers and around 1,500 lakes, the two largest of which it shares with its neighbors: Lake Geneva (Lac Léman) is shared with France in the southwest and Lake Constance is shared with Germany and Austria in the northeast.

www.swissworld.org

Switzerland – Facts and Figures Languages: German, English, French, Italian, Spanish, Russian, Chinese, Japanese



Source: compiled by the author

1.2 CLIMATE

Switzerland's climate is strongly influenced by the nearby Atlantic Ocean. The prevailing westerly winds bring moist, mild sea air. Cooling in the summer and warming in the winter, they also bring regular precipitation all year round in most areas. The Alps act as a clear climatic divider between northern and southern Switzerland. As its weather comes primarily from the direction of the Mediterranean, the South enjoys much milder winters than the North. Temperatures in Switzerland depend primarily on the height above sea level. In the northern lowlands, the average temperature in January is around $1\,^{\circ}\mathrm{C}$, and in July around $1\,^{\circ}\mathrm{C}$, whereas on the southern plateau the corresponding average temperatures are $2\,^{\circ}-3\,^{\circ}\mathrm{C}$ higher.

www.meteoschweiz.ch

Weather and Climate Languages: German, English, French, Italian

1.3 POLITICAL SYSTEM

1.3.1 Federal Structure

Switzerland is a nation created of its own will and formed from several ethnic groups with different languages and religions. The modern Swiss state was founded in 1848. Before this time, Switzerland consisted of a loose association of independent cantons. The abbreviation CH for Switzerland, as found in Internet addresses, for example, dates back to the official Latin name "Confoederatio Helvetica".

The state has a federal structure and is divided into three political levels: municipal, cantonal, and federal. The federal government is responsible for everything assigned to it under the constitution, such as foreign and security policy, customs and excise, the monetary system, national legislation, and defense. By global comparison, the 26 cantons have a high degree of control. Healthcare, education, and culture are among the political areas in which they have a great deal of influence. As small and flexible political entities, the cantons also compete with each other in various areas. The proximity of politics to the business community and citizens is achieved through the federal structure, in which many public functions are executed at cantonal or municipal level. These in turn have a certain amount of autonomy and can thus implement solutions which are designed to meet local requirements.

www.ch.ch

Online information from the federal, cantonal, and municipal administrations Languages: German, English, French, Italian

1.3.2 Separation of Powers at Federal Level

In accordance with the federal constitution, the Swiss people are the "sovereign" of the country – in other words, the highest political body, responsible for electing parliament. Every citizen with voting rights also has the right to participate in shaping the constitution and the law by means of referendum or initiative.

The legislative body at the federal level is the parliament, which consists of two chambers: the National Council, representing the people with 200 members, and the Council of States, representing the 26 cantons with a total of 46 members. The National Council is elected directly by the people every four years; each canton forms one constituency. Cantonal representation is based on population, although each canton is entitled to at least one representative.

The federal government is known as the Federal Council, and it operates as a collegial body. Each of its seven members, who are elected by the Federal Assembly comprising the members of both chambers, heads one of the seven departments (ministries). The presidency of the government rotates between the Federal Councilors on an annual basis.

The highest jurisdiction in Switzerland is enforced by the Federal Supreme Court in Lausanne. There is also the Federal Insurance Court in Lucerne, the Federal Criminal Court in Bellinzona, and the Federal Administrative Court in St. Gallen.

www.bger.ch

Federal Supreme Court/Insurance Court Languages: German, French, Italian

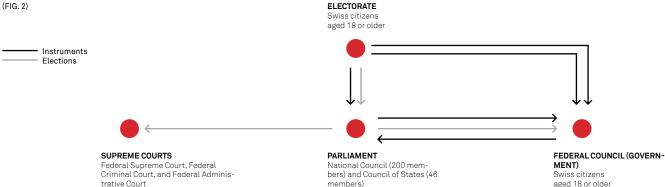
www.bstger.ch

Federal Criminal Court Languages: German, English, French, Italian

www.bvger.ch

Languages: German, English, French, Italian

The Swiss Political System



1.3.3 Direct Democracy and the Concordance System

There is hardly any other country where the electorate has such wide-ranging rights as it does in Switzerland. Citizens can request that a change or addition be made to the constitution by means of a popular initiative, or they may decide on parliamentary resolutions after the event by means of a referendum. Switzerland's long tradition of democracy, its relatively small size and population, high level of literacy, and a wide variety of media are all factors which are key to the functioning of this special form of government. As a rule, the electorate is called upon to vote on federal bills four times a year.

A unique feature of Swiss politics is the concordance system. For decades, the most important political parties have put forward the seven Federal Councilors in a kind of coalition. Equally, not only those who win the elections have a seat in parliament; all parties are represented proportionally by number of votes. Resolutions are reached with varying majorities, depending on respective interests. Thus, as many groups as possible have the opportunity to express their opinions on a topic and contribute to achieving a broad-based compromise. This striving for consensus on the basis of the principles of collegiality and concordance contributes significantly to Switzerland's political stability.

1.3.4 Political Stability and Social Harmony

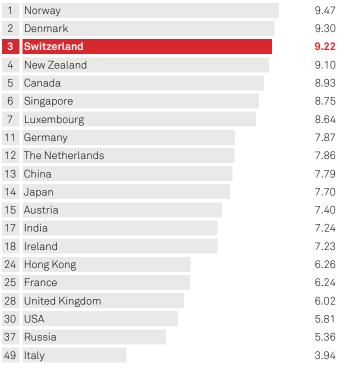
Studies on personal security and prosperity, social coherence, and political stability have shown that Switzerland regularly leads all international comparisons in this regard (Fig. 3). The Swiss attach great importance to their independence. Despite the close proximity of different cultures and language groups, domestic stability is considerable. There is a high degree of tolerance and personal freedom. The relationship between employers and employees or their representatives is generally cooperative. Both sides are committed to resolving issues by negotiation. Thanks to this social harmony, the general level of prosperity in Switzerland has been rising for decades.

www.admin.ch

Swiss Federal Authorities Languages: German, English, French, Italian "In Switzerland there is a high degree of tolerance and personal freedom."

Political Stability, 2017

Political direction: stable = 10, unstable = 0 (FIG. 3)



Source: IMD World Competitiveness Center 2017

1.4 PUBLIC FINANCE

Switzerland lives up to its reputation as a stable country. The rate of inflation lies well below that in the EU and the most important industrialized nations. This is also true for unemployment, which is regularly below 4%. Interest rates in Switzerland are also traditionally low, while the savings rate is high (national saving as a percentage of GDP in 2015: 23.2%).

The public spending ratio measures expenditure by public administrations as a percentage of the gross domestic product (GDP). It includes spending by public authorities and the mandatory social insurances. In Switzerland, this ratio is at 33.8% (2016). Most European countries have a ratio of well above 50%.

The country is in a healthy financial situation. This applies to the financial budget of the central state, the federal government, and the cantons and municipalities. The surplus ratio was 0.6% of the nominal gross domestic product at the end of 2015.

"Switzerland's national debt is far below that of most countries in Europe." National debt is also below that of most countries in Europe. Total public sector debt amounts to 33.3% of GDP (2016). Compared to the average national debt ratio of EU countries (92.4%), Switzerland's ratio is extremely low. Most European countries have much higher levels (2016: Italy: 132.8%; France: 96.9%; Germany: 67.7%).

www.efv.admin.ch

Federal Finance Administration (EFV) Languages: German, English, French, Italian

1.5 **NEUTRALITY**

In terms of foreign policy, Switzerland acts in accordance with the principle of neutrality. However, this does not in any way mean that it is an outsider on the world stage: Switzerland has been a member of the UN since 2002 and also plays an important role in the UN's specialized agencies. Furthermore, Switzerland has always played and still plays an active part in important economic organizations, such as the European Free Trade Association (EFTA).

Switzerland has been neutral since 1515, which was also acknowledged by the great European powers after the Napoleonic Wars in 1815. No other country in Europe can look back on such a long tradition of neutrality. Since the end of the Cold War, Switzerland has relaxed its definition of neutrality. As the role of NATO changed and it started to perform more peacekeeping missions, Switzerland signed up to the NATO Partnership for Peace in 1996. Thanks to its neutrality, Switzerland often acts as a mediator. In some cases, Swiss diplomats also represent the interests of countries which have no official contact with each other. Switzerland offers its neutral territory as a location for meetings and conferences of particular political delicacy.

www.eda.admin.ch

Federal Department of Foreign Affairs (EDA) Languages: German, English, French, Italian

1.6 POPULATION

The permanent resident population of Switzerland is around 8.4 million. The proportion of those aged between 20 and 39 is 26.7%, with 18.1% aged 65 and over, and 20.1% aged under 20. Life expectancy is one of the highest in the world: 81.5 years for men and 85.3 years for women. The settlement structure is relatively decentralized and therefore not overly crowded: more than two thirds of the population lives in the five largest cities (Zurich, Geneva, Basel, Bern, and Lausanne) and their greater metropolitan areas.

There are four official national languages: German, French, Italian, and Romansh. In northern, eastern, and central Switzerland, the prevailing language is German, with the Swiss German dialect being used in everyday conversation. French is spoken in the western part of the country, as well as some parts of the Mittelland; Italian is spoken in the south (Ticino), and Romansh in certain parts of the canton of Grisons.

25% of the population is of foreign nationality (as of 2016). Although in the past most people who migrated to Switzerland were more socially disadvantaged, today the country increasingly attracts better educated foreign nationals, particularly highly skilled workers from Germany.

www.statistik.admin.ch

Swiss Federal Statistical Office (FSO) Languages: German, English, French, Italian

1.7 COSMOPOLITANISM AND INTERNATIONAL OUT-LOOK

1.7.1 Languages and Origins

Most Swiss nationals speak at least one foreign language, which they learn in elementary school. English is also increasingly included in the curriculum at an early stage. Due to the country's openness – including in terms of immigration – the range of languages actually spoken and used for communication is wide. In international business, English is very much in evidence alongside the national languages, and is used by many managers.

The co-existence of various language groups and different religions, and the large proportion of foreign residents result in a high degree of openness and tolerance. The KOF Globalization Index of ETH Zurich places Switzerland as the second most cosmopolitan economy (see Fig. 4). This makes it easier for foreign companies to conduct business from Switzerland. Although Europe is Switzerland's most important business partner, it also has very close relationships with other markets, particularly the U.S. and Asia. The financial centers of Zurich and Geneva in particular are melting pots of diverse cultures. In terms of culture, too, Switzerland has a tradition of tolerance and openness. Its neutrality means it has access to all countries, and it also welcomes reciprocal contact. This diversity has made it easy for both global companies and numerous international organizations to settle in Switzerland.

1.7.2 International Organizations

Because of its political independence and conscious commitment, also to international understanding, Switzerland serves as a platform for many international organizations including the UN with its headquarters in Geneva. Around 250 NGOs in consultative status with the UN also have their headquarters in Switzerland.

Most Cosmopolitan Economies, 2015

(FIG. 4

Overall Rank		Economic	Social	Political
1	The Netherlands	3	19	5
2	Switzerland	9	3	8
3	Sweden	15	13	6
4	Austria	14	8	9
5	Belgium	4	10	7
6	Denmark	12	4	17
7	France	24	17	2
8	Germany	26	15	3
9	Finland	19	11	18
10	Norway	29	1	26
14	Ireland	6	5	67
15	Canada	43	9	14
19	Italy	44	39	1
23	USA	63	29	10
26	Luxembourg	7	2	82
32	Singapore	1	28	104
36	Japan	62	42	24
55	Russia	108	93	27
88	China	148	137	13
95	Brazil	152	114	52

Source: KOF Globalization Index 2018

International Organizations and Major Non-Governmental Organizations Based in Switzerland

(FIG. 5)

AITIC	Aganay For International Trade Information and Connection	Geneva	wayay oitio ora
BIS	Agency For International Trade, Information, and Cooperation Bank for International Settlements		www.aitic.org
		Basel	www.biz.org
EFTA	European Free Trade Association	Geneva	www.efta.int
WEF	World Economic Forum	Geneva	www.weforum.org
NTO AM	World Trade Organization	Geneva	www.wto.org
-AW	Ali o management		
ACWL	Advisory Centre on WTO Law	Geneva	www.acwl.ch
Court OSCE	OSCE Court of Conciliation and Arbitration	Geneva	www.osce.org/cca
S0	International Organization for Standardization	Geneva	www.iso.org
WIPO	World Intellectual Property Organization	Geneva	www.wipo.int
EDUCATION AND			
CERN	European Organization for Nuclear Research	Geneva	www.cern.ch
SSI	International Space Science Institute	Bern	www.issibern.ch
MMO	World Meteorological Organization	Geneva	www.wmo.int
SOCIETY AND CU	LTURE		
BE/UNESCO	International Bureau of Education/United Nations Educational, Scientific, and Cultural Organization	Geneva	www.ibe.unesco.org
EBU	European Broadcasting Union	Geneva	www.ebu.ch
GFATM	The Global Fund To Fight AIDS, Tuberculosis, and Malaria	Geneva	www.theglobalfund.org
FRC	International Federation of Red Cross and Red Crescent Societies	Geneva	www.ifrc.org
CRC	International Committee of the Red Cross	Geneva	www.icrc.org
LO	International Labour Organization	Geneva	www.ilo.org
ОМ	International Organization for Migration	Geneva	www.iom.int
IPU	Inter-Parliamentary Union	Geneva	www.ipu.org
IRU	International Road Transport Union	Geneva	www.iru.org
TU	International Telecommunication Union	Geneva	www.itu.int
OTIF	Intergovernmental Organisation for International Carriage by Rail	Bern	www.otif.org
JNHCR	Office of the United Nations High Commissioner for Refugees	Geneva	www.unhcr.org
UNOG	The United Nations Office at Geneva	Geneva	www.unog.ch
UPOV	International Union for the Protection of New Varieties of Plants	Geneva	www.upov.int
JPU	Universal Postal Union	Bern	www.upu.int
WHO	World Health Organization	Geneva	www.who.int
WWF	World Wide Fund for Nature	Gland	www.wwf.org
SPORTS			
FIFA	International Federation of Football Association	Zurich	www.fifa.com
FIS	International Ski Federation	Thun	www.fis-ski.com
IHF	International Ice Hockey Federation	Zurich	www.iihf.com
ос	International Olympic Committee	Lausanne	www.olympic.org
UCI	Union Cycliste Internationale	Aigle	www.uci.ch
FIBA	International Basketball Federation	Mies	www.fiba.com
UEFA	Union of European Football Associations	Nyon	www.uefa.com
WADA	World Anti-Doping Agency	Lausanne	www.wada-ama.org

Source: Federal Department of Foreign Affairs (EDA), own research

1.8 SWITZERLAND IN FIGURES

Switzerland in Figures, 2017

(FIG. 6)

GENERAL	
Currency	Swiss franc
Time zone	CET = UTC + 1
International country code	+41
National Day	August 1st
ECONOMY	
Gross domestic product (nominal) in billions of CHF $$	650.1
Per-capita national income (in CHF)	59,708
GDP growth (real)	1.3%
Inflation rate	0.5%
Unemployment rate	3.4%
Imports (goods and services, in billion CHF)	173.2
Exports (goods and services, in billion CHF)	210.7
Deficit/surplus rate (in % of GDP)	0.6
National debt ratio (in % of GDP)	33.3
Fiscal quota (in % of GDP)	27.8
Direct investments (millions CHF)	
Direct investment abroad	1,120,843
Direct investment in Switzerland	833,193
Capital exports to other countries	100,100
Capital imports into Switzerland	67,750
POPULATION	
Permanent population (in thousands)	8,419.6
Population density (per km²)	204
Age groups (in %)	
0 - 19 years old	20.1
20 - 39 years old	26.7
40 - 64 years old	35.1
65 – 79 years old	13.0
80 and older	5.1
Proportion of foreign nationals	25.0
Average number of children per woman	1.5

Life expectancy at birth	(years)	
Men		81.5
Women		85.3
Religion		
Roman Catholic		37.3%
Protestant		24.9%
Other		13.9%
Languages		
German		64.1%
French		22.7%
Italian		8.4%
Romansh		0.6%
GEOGRAPHY		
Surface area in km²		41,285
Border (km)		1,881
Number of lakes		1,484
Highest mountain (m): Dufourspitze, Valais		4,634
Largest glacier: Aletsch, Wallis		117 km²/24 km
Largest lake (in km²): Lake Geneva		582
Second largest lake (in km²): Lake Constance		539
Capital		Bern
Largest metropolitan ar	eas (inhabitants in tho	usands)
Zurich		1,334.3
Geneva		579.2
Basel		541.0
Bern		410.9
Lausanne		409.3
POLITICS		
Form of government	Parliamentary fede	ral state since 1848, direct democracy
Cantons	(20 full cant	26 ons, 6 half-cantons)
Municipalities		2,222

 $Sources: Swiss\ Federal\ Statistical\ Office\ (FSO); Swiss\ National\ Bank\ (SNB); Federal\ Finance\ Administration\ (EFV); State\ Secretariat\ for\ Economic\ Affairs\ (SECO)$