



How Switzerland got rich

30 June– 19 July 2019

Course Description

Prof. Dr. Patrick Ziltener

"Swissness ... stands for democracy, fairness, stability, quality, meticulousness, punctuality, thrift, efficiency, openness and all sorts of other desirable things. For the buyer of a Swiss watch, it means clockwork reliability. The rich man will confidently entrust his money to a Swiss bank. The holidaymaker is sure to have a comfortable night, courtesy of Swiss hotel-school training. And Swiss chocolate will be dependably delicious. In those and all kinds of other ways, Switzerland is special. It is the oldest democracy in the world, with a political system that many foreigners envy. It remains fiercely independent, having stayed out of two world wars by being deadly serious about its armed neutrality. For much of the 20th century, its people were richer, on average, than those of any other country, and it remains close to the top of the wealth league."

(*The Economist*, Switzerland: A Special Case, Feb 12th 2004)

Learning Outcomes:

- Understand Switzerland's preconditions and historic experiences in economic development
- Identify Switzerland's singularities and commonalities with other countries
- Discuss strengths and weaknesses of the 'Swiss model' and how its elements fit together
- Use Switzerland-related research tools (without any knowledge German, French or Italian required)
- Draw conclusions for the ongoing debate on the relevant factors for successful economic catching up

Topics of this Summer School:

The overarching question of this Summer School is: When and how did this small landlocked country in the mountains establish its wealth? Obviously, many historical, sociological, and political factors have to be taken into account when explaining Switzerland's economic success. Here are the different topics that will be covered:



1. Switzerland's Humble Beginnings:

- The world of farmers, craftsmen and guilds, haulers and mercenaries (15th-18th c.)
- The associational way of state building – how a confederation stood its ground in a world of powerful monarchies



2. Switzerland as an Early Globalizer: Global Trading in a World of Colonies

- How Switzerland got involved with the emerging world economy
- How Swiss companies secured their interests in a world of colonial empires
- The Swiss silk industry
- Swiss companies in Africa



3. Switzerland as an Early Industrializer:

- The use of hydropower
- Thriving textile industry
- The mechanization of production, the Swiss development of machines and the export of heavy machinery



4. The Swiss Labor Movement: From Class Struggle to Social Partnership & Welfare State

- Intensified class struggle due to industrialization – strikes, luddites, and the formation of the Swiss labor movement
- The emergence of industrial peace, 'social partnership' and a rudimentary welfare state
- Swiss pattern of standard of living as "combination of modest expectations concerning the minimum acceptable standard of living and a high level of actual standard of living" (Suter 2005)



5. Three sectors for which Switzerland is famous:

- More than chocolate: Switzerland's food industry
- Clockwork Switzerland: The story of the watch industry
- How Switzerland became an international financial center



6. Conclusions:

- Switzerland's sources of wealth
- What makes this country's experience unique ("special case"), and what is just a Swiss form of what has happened in many other places in the world
- Understanding how Switzerland got rich – and expensive

The program is coordinated by **Prof. Dr. Patrick Ziltener**, Institute of Sociology UZH, with distinguished guest speakers from other UZH departments (history, economics, anthropology).

Selected references:

- R.J. Breiding, 2013: *Swiss Made. The Untold Story Behind Switzerland's Success*, London: Profile
- C.H. Church, R.C. Head, 2013: *A Concise History of Switzerland*, Cambridge: Cambridge University Press
- H. Kriesi, P. Farago, M. Kohli, M. Zarin-Nejadan, eds, 2005: *Contemporary Switzerland: Revisiting the Special Case*, Basingstoke/New York: Palgrave
- J. Steinberg, 1996: *Why Switzerland?*, Cambridge: Cambridge University Press (Second edition)
- R. Studer, 2008: "When did the Swiss get so rich? Comparing Living Standards in Switzerland and Europe, 1800-1913", *Journal of European Economic History* 37/2, pp. 405-52

s



Places we will visit (subject to change):

- Zurich's financial center and a 19th century labor neighborhood
- Switzerland's capital Bern and its old town (UNESCO World Heritage Site)
- The Nestlé museum at the lake of Geneva, where we can also enjoy the spectacular view of the Lavaux winegrowing region (UNESCO World Heritage Site)
- Lucerne, Altdorf and Schwyz
- La Chaux-de-Fonds and Le Locle (UNESCO World Heritage Site)