

Swiss and Europeans in the 21st Century

Switzerland, Europe, European Union: which Switzerland, in which Europe, and in which kind of relations with the European Union? This is the question we are asking ourselves in these troubled and uncertain beginnings of the new millennium. A united Europe is no longer the dream cherished by the founding fathers after the nightmare of the Second World War. In several European countries a rejectional attitude towards an united Europe is widespread, as it is increasingly identified with the overweening power of the bureaucracy in Brussels. At the end of the '90s many European citizens had welcomed the single currency as an important step forward towards a stronger Europe (and a Europe freed from the dollar's supremacy). Today, the euro is identified as the main cause of the troubles of the Old Continent's economies and the European Central Bank is depicted as a juggernaut that stifles economies in distress by prescribing quite unpalatable remedies.

Switzerland has consistently distrusted first the EEC and, later, the European Union, despite its early membership of both the European Free Trade Association and the Council of Europe. Today, the Confederation no longer considers becoming member of the EU a viable prospect. Actually, it is even considering a possible re-negotiation of the bi-lateral agreements that have been defining its relationship with the EU since June 2002, ten years after the swiss referendum that rejected participation in the European Economic Area. The pressures on

Switzerland by the EU on the issue of bank secrecy, as well as on the occasion of the referendum held in February 2014 on measures "against mass immigration" and on the institutional relations with the Union have increasingly strengthened the anti-EU sentiment of the vast majority of the Swiss population. We are sliding from diffidence to bitterness and resentment. In the brief span of a few years, the skies above the Old Continent have become stormy: ominous dark clouds are gathering, and no silver lining is in sight.

Nevertheless, the citizens of our country and their neighbours do not have much choice: they need to cohabit in what is properly characterised as the European home. They must live, work, communicate, exchange goods and services, travel for work and leisure, with the greatest freedom and in mutual respect. If they really do share liberty as a founding value of their model of society, they can raise neither barriers nor walls, either physical or virtual, after the wall that divided Europe crumbled in 1989.

Is it still possible, after everything that happened in the world since 2008, to imagine and realize this vision, a Europe that protects liberty, respects diversity, acknowledges the primacy of civil society, limits bureaucracy as much as possible, and encourages free enterprise and competition in all fields? There is much skepticism over this, and several observers feel that dealing with these issues within the current institutional structures – those created by the Maastricht and Lisbon Treaties – is impossible. Quite a few classical liberal voices share this point of view. The widespread belief is that a European renaissance is only possible after the dismantlement of the EU as we know it. On this point, many classical liberals are in agreement with those who are usually characterised as Eurosceptics, but who should simply be called anti-EU.

These groups have gathered significant support in the European election in May 2014. They are parties of the radical right and of the radical left that on the one hand seek protectionist policies, border controls and the complete restoration of national sovereignty, and on the other advocate strong restrictions on economic liberty, occasionally straying into explicitly anti-capitalist proposals (despite their vagueness in outlining the alternative model of society and state they wish

to establish). The policies of both sides share a strong statist character. Election returns clearly show that euro-sceptic and statist forces of the right and of the left are significantly stronger than the few euro-sceptic liberal parties. This gap needs to be taken into consideration when discussing alternatives to the unitary structures founded by the EEC and EU Treaties. By disregarding or underestimating this disparity we might encourage – instead of a liberal renaissance of the Old Continent – a drift towards a constellation of nationalistic movements that promise nothing good and could undermine the EU's (and EEC's) greatest historical achievement: a seventy-year-peace in Europe.

This turns out to be a controversial achievement, even among liberals: the counter-argument holds that the long period of peace in the Old Continent has been due less to the unitary European structures than to NATO. How sound is this argument? NATO's benefits are indisputable. Yet, they rather seem to lie elsewhere. This should suggest a degree of caution, as an incorrect appraisal of the situation might lead to misguided decisions, wrong choices and serious consequences. The prospect of war in our continent appears today utterly unlikely and nobody is willing to seriously take it into consideration. All the same, we should ask ourselves: would a Europe without the EU be safe from a regression to nationalism-driven wars, but for the sole existence of NATO? The history of post-World War II Europe teaches at least four different lessons:

- The first step towards our long-lasting peace was not the Atlantic Pact, which was only concluded in 1949; it was the Western European Union, that saw a number of European countries unite with the specific aim of preventing a new war. This was sanctioned by the Brussels Treaty of 1948;
- NATO should be credited less with guaranteeing peace among the European countries that fought each other in World War II than securing the prevention of a war between the free and democratic Western countries and the Soviet-dominated bloc of Eastern European states. More exactly: NATO's merit was to defend Europe from the expansionistic aims of the USSR and the Warsaw

pact ("peace impossible, war improbable," as famously formulated by Raymond Aron). This situation reached its most critical point in the early '80s, when the Soviet Union deployed the nuclear-tipped, intermediate-range ballistic missiles SS-20, targeting NATO countries. (NATO answered the threat with the counter-deployment in Europe of ground-launched Cruise missiles and Pershing-2 ballistic missiles);

- While the European Union (and the EEC before it) managed to secure peace within its borders among the warring parties of World War II (in particular Germany, France, Italy, and the United Kingdom), NATO could not guarantee peace in non-EU countries after the Berlin Wall crumbled and the Warsaw Pact collapsed, as evidenced by the wars in former Yugoslavia in the '90s). In other words: on the Old Continent, within the EU, peace was guaranteed; outside the EU, war could not be prevented despite the existence of NATO. NATO is a defence, a shield against external threats, not an antidote to any internal nationalism-inspired conflicts;
- Although the attitude of the EU countries towards Russia has become harsher in the recent past (mainly due to the Ukrainian crisis and the annexation of Crimea), Russia is no longer seen as an acute threat to the security and the freedom of the rest of Europe, not even by most former-Warsaw Pact countries (Poland, Hungary, Czech Republic, Slovakia). The absence of an external threat makes internal conflicts less unlikely, should movements or countries be willing to embark on nationalistic adventures.

This leads us to a point we have to bear in mind in the debate on the present state and the future of the European unitary structure and for the countries that have specific agreements with the EU. Those who advocate major reforms – or even the dismantlement – of the EU must necessarily face the issue of how to keep guaranteeing peace among the European countries, not only of how to safeguard the whole of Europe from external military threats. The second function is guaranteed by NATO, the first by the EU. It is doubtful that the

first could be fulfilled by NATO. In fact, it is **legitimate to ask** whether NATO could survive a hypothetical **break up of the EU** in consequence of strong nationalistic movements within its borders.

This issue also interests Switzerland, its position in Europe, and its relations with the European Union. Managing our armed neutrality is a relatively simple task against the current, post-Cold War setting in Europe (despite the heightened tensions with Russia having the potential of becoming problematic). In a different setting – such as, for instance, the break up of the EU – this mission would become definitely more challenging and might well lead to domestic tensions in our country. It is always appropriate to recall this point – peace in the European continent – before debating the relations between Swiss and (other) Europeans in the 21st century.

The Swiss are Europeans, geographically, historically, culturally and linguistically. They are a sovereign and independent piece of Europe, that however is not part of the unitary European Union structure. We shouldn't make the mistake of identifying Europe with the EU. Europe is a geographic, historical, cultural and institutional reality that goes far beyond the EU. Our country is an integral part of this reality, with its peculiarities and its multifaceted identity. Switzerland participates from the outside in the European integration process by means of bi-lateral agreements. This path was chosen after voters rejected Switzerland's entry into the European Economic Area. This choice was called into question by the referendum held on February 9th, 2014: the majority of the voters and of the cantons introduced the principle of quotas and limits to immigration, seemingly incompatible with the principle of the free movement of persons, which is a cornerstone of the European Union. Bern and Brussels are currently attempting to sort out this predicament, but it is a challenging task. If a EU citizen – as a consequence of immigration quotas – was to be prevented from moving to Switzerland to work, the bi-lateral way would be seriously questioned. This would bring about a new scenario: a scenario with few certainties and many unknowns.

Switzerland faces the same question as the one posed to the rest of Europe by eurosceptic movements: would a Switzerland without bi-lateral agreements – that is, a country entirely

disengaged from the EU – be more or less liberal? Would it be more open to trade, private enterprise, and competition? Would it have less regulations and bureaucracy? Would its civil society be more free and empowered, or would the detachment from the EU lead to an increased role of the state and of the public administration?

Nobody can tell the future. However, some insight can be gained from the observation of two facts: a) as in many EU countries, the Swiss political and social forces that most harshly criticize or oppose the bi-lateral agreements (either from the start, or after their implementation in June 2002) do not have a liberal character; b) among the remedies that are proposed to face the issues allegedly caused by the bi-lateral agreements are, on the one hand, constraints to the freedom of enterprise, protectionist measures on the labour market and on competition, as well as the protection of particular categories (such as, but not limited to, craftsmen and artisans) and, on the other hand, stricter regulations on employers which would entail an increased role of the government in the contractual relations between social agents. Actually, the so-called “accompanying measures” to the bi-lateral agreements, that left-wing parties and trade unions believe to be inadequate, already go in this direction.

In Switzerland, as elsewhere, the alternative vision to the one that could be called – unprecisely, but vividly – “(too-) much-Europe” is not inspired by a liberal understanding of society and government. In a paradoxical way, “less Europe” might well mean, for Swiss and European citizens, “more government and less freedom.” After all, many liberal reforms enacted in the last 20 to 25 years – at least until the regression caused by the sovereign debt crisis – were undoubtedly devised and designed in view of the European single market and, in Switzerland, were in no small measure due to the influence and the pressures (how horrible to say) of the European Union. We could mention the measures implemented in the markets for transportation, telecommunications, and energy, as well as the ban on subsidies to enterprises to help them against foreign competition, and the abolition of border controls, not to mention the Maastricht-rules – however feebly observed when not grossly disregarded – on a proper and responsible man-

agement of public finances. That the liberalistic philosophy underlying these reforms was tainted and distorted in their implementation by the bureaucracy in Brussels is a well-documented fact. But this flaw is to be ascribed less to the EU than to the nature of bureaucracy itself. As evidence, we might observe that the performance of the public administration in several European states is no better than the EU's. And there is no proof that, without the EU, the national bureaucracies would have been better – that is: less invasive of the freedom of action of their citizens and companies. The statism that reigned supreme in many European countries before the establishment of the European single market would, if anything, lead us to the opposite conclusion. The evolution in Switzerland, after all, seems to confirm that the trend towards increasing regulation and overregulation is inherent to bureaucracy and depends on its nature, not on the nature of Europe as such.

As Swiss and Europeans, we should ask ourselves whether preserving the European integration process, with its (relatively few) achievements and (many) flaws would not be in the interests of both the Swiss Confederation and the European Union. Of course, with the proper safeguards. The process should be more thought of, refined and above all more open to the internal diversities and multiple identities. It might as well advance on different tracks. It is not necessary, and probably not even advantageous that all European countries become part of the EU. On the contrary, the EU might profit from dialogue and respectful discussion with non-EU countries and from bi-lateral relations with them. In other terms, the EU is set to benefit from her relations with “third parties/countries” without aiming at engulfing them or imposing uniformity of rules beyond what is needed for a peaceful coexistence and good-neighbourly contacts. Realizing and accepting the diversity and the competition from countries that have a different relationship with their own citizens would have an undoubtedly salutary effect. After all, we should not take for granted that uniformity is more effective and fairer than variety and competition. Take, for instance, the issue that is currently hindering the dialogue and the further development of the relationship between Bern and Brussels, namely the checks to immigration and to the free movement of persons. Switzerland

hosts a percentage of foreign-born individuals much higher than the EU average: why should the EU not agree to a ceiling – however high – in an outside state without dogmatically breaking off the bi-lateral way? Undoubtedly, the founding fathers of the united Europe would show more realism, sensitivity, flexibility and open-mindedness.

The challenges and the current crisis of the building process of a unified European structure and, for Switzerland, the difficulties with the bi-lateral way for its relationship with the EU create a quandary for the individuals and the political and social forces that have a liberal understanding of society. Should they work within the Union – despite being well aware of its flaws – and follow the bi-lateral way, in the attempt to steer its course towards a more liberal heading? Or should they abandon ship and let it drift away, to find a new basis for the reconstruction of a Europe that finally recognises the primacy of individuals and civil society, instead of leaving free rein to the state and its bureaucracy or, more exactly, the states, the unions of states and their overbearing bureaucracies?

The first option requires an outstanding political and cultural commitment. The second demands the ability to gather a political and social consensus that today appears to be well beyond the reach of the liberal forces in Europe and Switzerland. In principle, the second option is preferable for a true liberal; the first fails to arouse our enthusiasm. However, the current European circumstances and the spirit of the age seem to argue against leaping in the dark. The Old Continent is filled with fears, haunted by doubts, lack of confidence, and widespread instances of nationalist retrenchment that populist movements of the left and of the right are exploiting to their political advantage. Among the ruins of the European Union and of the bi-lateral way, the Swiss and the Europeans of this early 21st century are unlikely to find the blooms of liberty, instead just a few shrivelled or poisoned fruits. It is perhaps advisable to tend to the trees which have grown in the last few decades, pruning their dead branches and nurturing their more promising blooms, so as to revive the orchard and bring it to yield more healthy and tasty fruits than the ones it has given in the past. Which, anyway, do not belong in the dustbin of history.