



LIECHTENSTEIN-INSTITUT

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Switzerland and the EU: A complicated relationship

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Switzerland and its relations to the EU



RELATIONSHIP STATUS

- Single
- In a Relationship
- Engaged
- Married
- It's Complicated**
- In an Open Relationship



Content

- Baseline
 - Swiss Economy
 - Core principles and direct democracy
 - Political configuration
- Timeline
- Votes on integration issues
- Public Opinion
- Current issues: InstA
- Reasons for Switzerland's skepticism towards EU





Baseline I: Swiss Economy

- Current state of integration:
 - Through some 120 bilateral agreements, Switzerland is a member of the border-free Schengen Area, is closely integrated with the EU in areas such as transport, research, and the Erasmus student-exchange program, and enjoys full access to the single market in sectors from finance to pharmaceuticals.
- Economic Relations:
 - The EU is Switzerland's largest trading partner by far.
 - The EU accounts for around 42 % of Switzerland's exports in goods and for 60 % of its imports.
 - Switzerland accounts for more than 7 % of the EU's exports and 6 % of its imports.





Baseline II: Political core principles and people's rights

- Direct Democracy:
 - Mandatory vote in case of a constitutional revision.
 - «Sacred cow»: Restricting direct democratic rights is almost impossible.
- Neutrality/Sovereignty:
 - No involvement in armed or political conflicts between other states.
 - The great powers of Europe officially recognized Swiss neutrality for the first time in the Treaty of Paris on November 20, 1815.
 - One of the main principles of Switzerland's foreign policy.
 - Self-imposed and designed to ensure external security and promote peace.
 - Deeply rooted in public opinion, part of collective identity.
 - Not mentioned in the Swiss constitution as a national objective, but in the duties of the parliament.
 - Heated debate about what neutrality means.

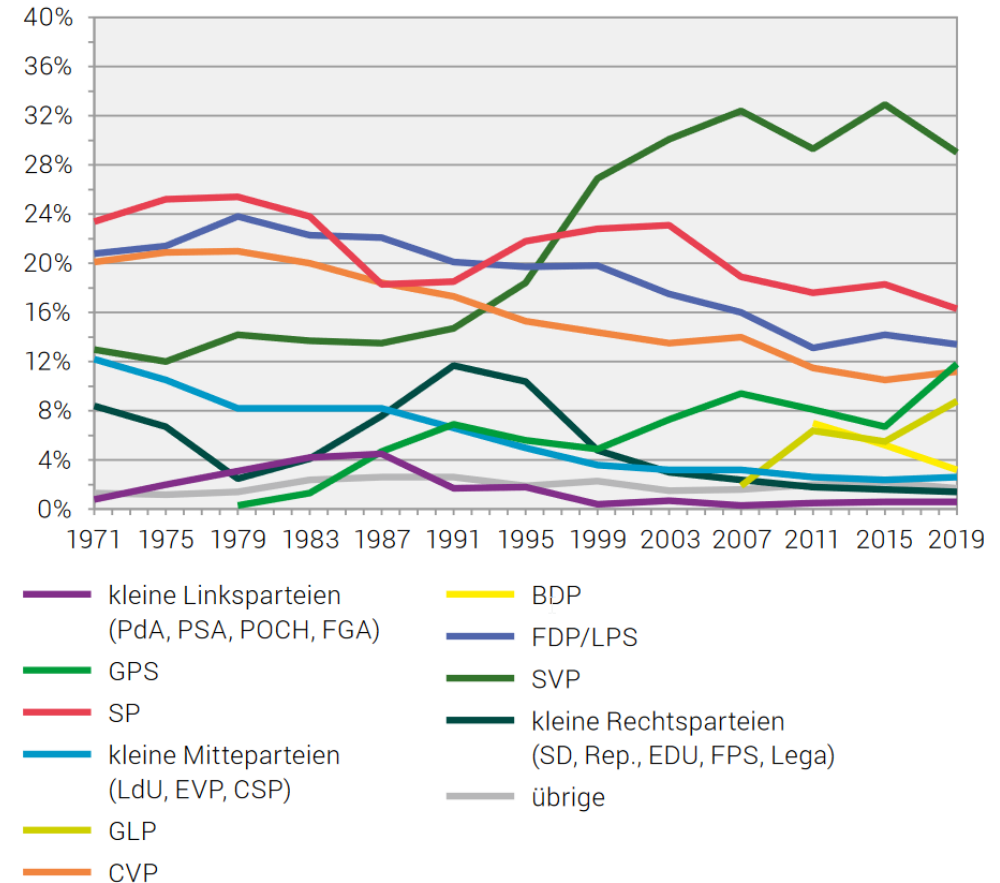




Baseline III: Political configuration

- Political left used (and in large part still is) mainly in favor of integration. But: accompanying measures.
- Centre parties strongly in favor of economic integration, not so much of political integration (ip electorates).
- The right-wing Swiss People's Party (SVP) is staunchly against political integration (ip free movement of persons). Electoral success is strongly connected with their stance towards EU-integration.

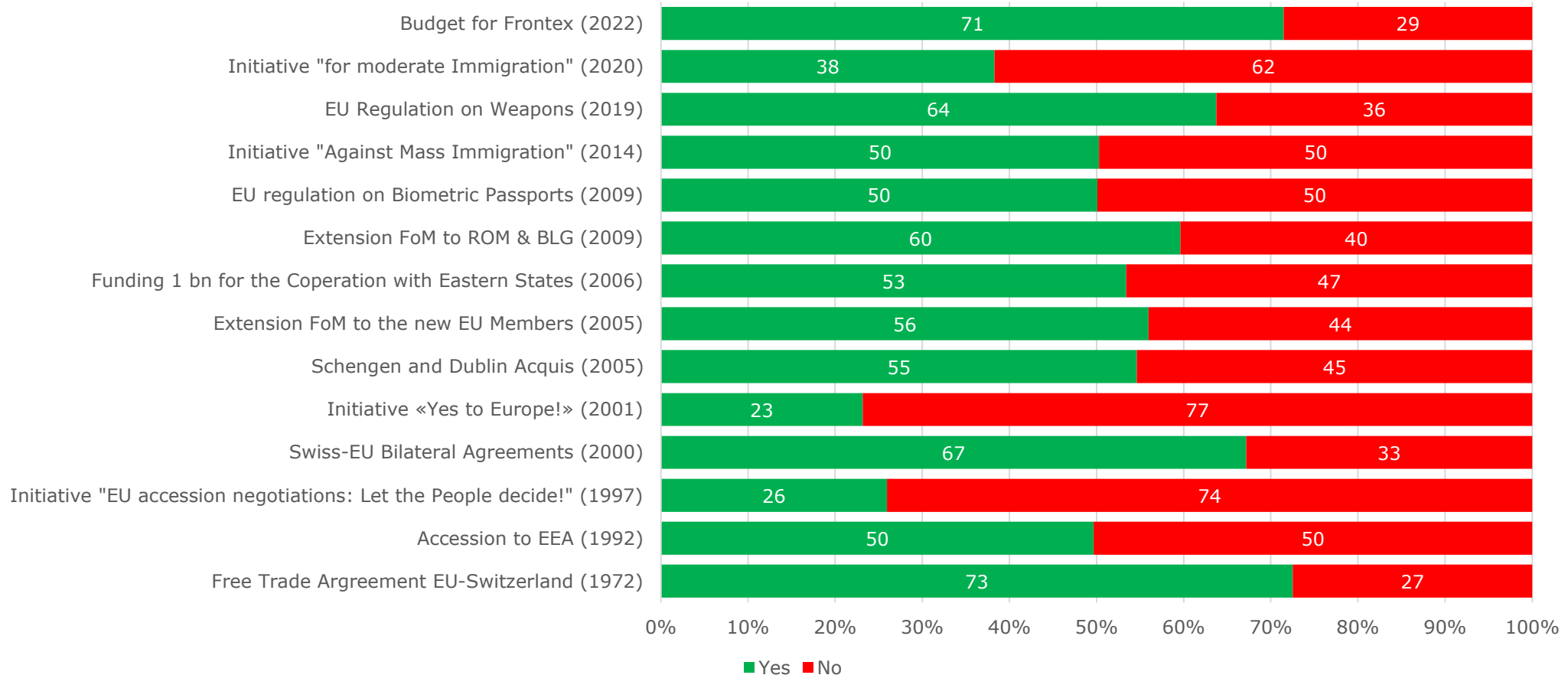
Figure: Party Strength (German-speaking Switzerland) 1971-2019



Source: Bundesamt für Statistik

Votes on EU: Swiss Citizens Voting About EU Matters

More Than in EU



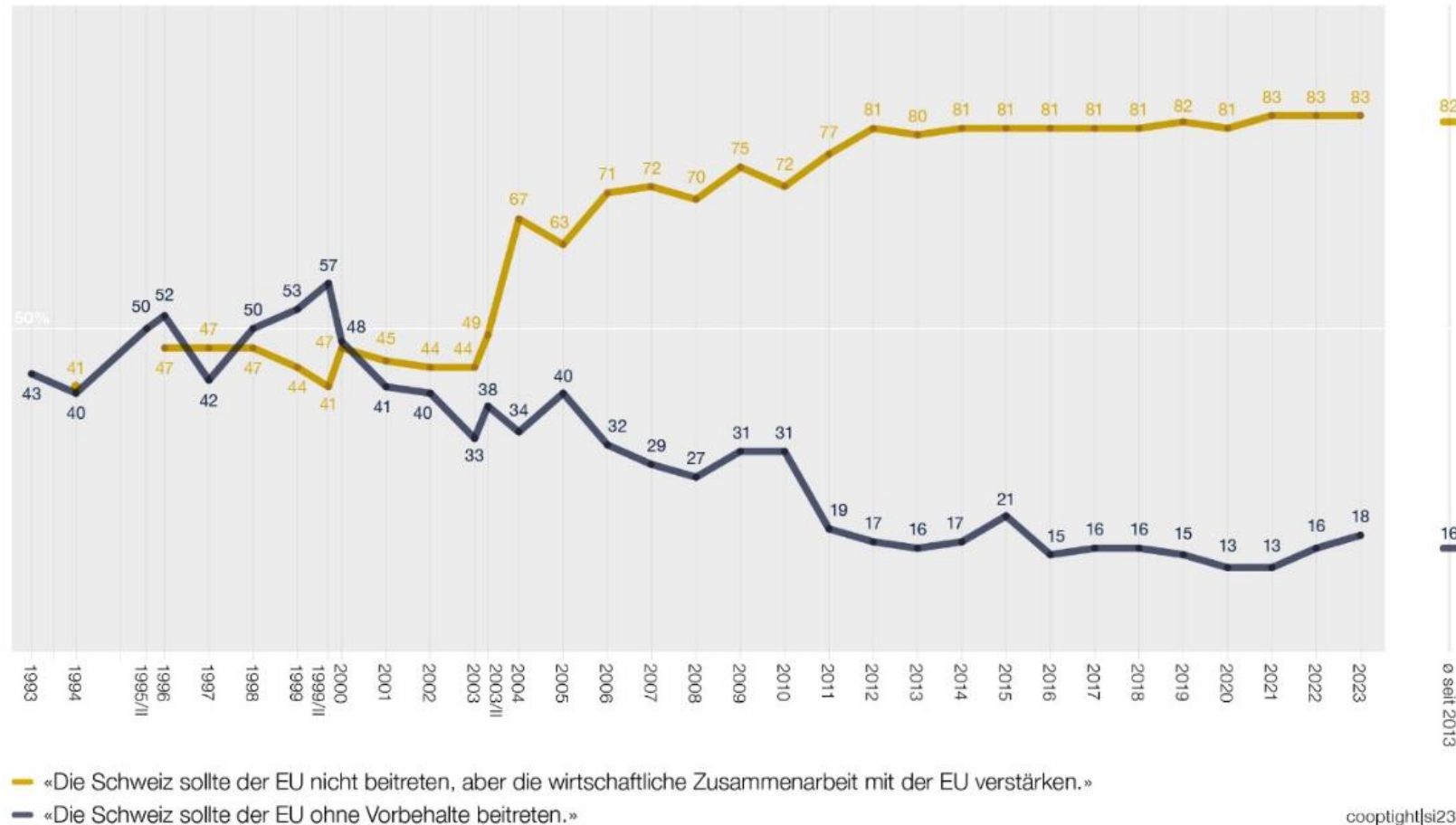
Source: Bundesamt für Statistik

Public opinion towards European Union



«Im Folgenden habe ich einige Aussagen zur Schweizer Aussenpolitik.
Welchen der folgenden Aussagen würden Sie zustimmen?»

sehr einverstanden / eher einverstanden in Prozent, gerundet



Source: Szvircsev Tresch et al. (2023). Studie „Sicherheit 2023“. CSS ETH Zürich.



Reasons for Swiss public's scepticism

- Economic:
 - Switzerland would become net contributors.
 - Wage Dumping: Swiss wages considerably higher than in the EU.
 - Potential immigration into its welfare system.
 - Since eastward expansion, joining least attractive (see: DEN or SWE).
- Status quo: So far, Switzerland's special status has worked out well.
- Stability/security:
 - Security aspect missing: No exposure e.g. to Russia.
 - In contrast to e.g. Spain or Greece, no desire to join from the point of view of political stability.
- Direct democracy: EU membership could curtail direct democracy.
- Tradition of neutrality and collective identity (Sovereignty): "Foreign judges" has become a political slogan.



Anhang



Timeline

- 1972: Signing of the Switzerland–EU Free Trade Agreement
- 1992: Rejection of EEA membership by the Swiss electorate
- 1999: Signing of Bilaterals I (free movement of persons, technical barriers to trade, public procurement, agriculture, overland transport, civil aviation, research)
- 2004: Signing of Bilaterals II (Schengen/Dublin, taxation of savings income, combating fraud, processed agricultural products, environment, statistics, MEDIA programme, pensions)
- 2004: Signing of the Agreement with Europol
- 2005: Extension of the free movement of persons to the EU10
- 2006: Adoption by the Swiss electorate of the Federal Act on Cooperation with the Countries of Eastern Europe
- 2009: Continuation of the free movement of persons and extension to Romania and Bulgaria
- 2013: Adoption by the Federal Council of a mandate to negotiate an agreement on institutional matters
- 2014: Adoption of the federal popular initiative «Stop Mass Immigration» (however, without consequences)
- 2014: Signing of the EASO participation Agreement (European Asylum Support Office)
- 2015: Signing of the Agreement on the Automatic Exchange of Information in Tax Matters
- 2016: Signing of Protocol III extending the free movement of persons to Croatia
- 2017: Full association of Switzerland in «Horizon 2020»
- 2017: Signing of the Agreement between Switzerland and the EU on the linking of their emissions trading systems.
- 2018: IFA agreement, but never ratified
- **2021: Termination of negotiations on an institutional agreement**
- 2022: Start of exploratory talks with the EU on the Federal Council's proposal for a new negotiation package.



Current Issues: Institutional Framework Agreement (InstA)

- Baseline: Since these agreements were concluded, the law in both the EU and Switzerland has evolved and the rules have diverged to some extent.
- Thus, the EU felt the need for an institutional framework with dynamic, automatic adoption of the law by Switzerland.
- The EU has stated on several occasions that it is unwilling to conclude any new market access agreements without an institutional agreement.





Current Issues: Institutional Framework Agreement (InstA)

- Disagreement on 3 aspects:
 - Citizens' Rights Directive (CRD) into the Agreement on the Free Movement of Persons: Switzerland wants to restrict FMP to workers and their family members.
 - Accompanying Measures: Switzerland wants to preserve the current accompanying measures.
 - State Aids (“Staatliche Beihilfen”): Switzerland is against advance horizontal effects.
- Disputed in Switzerland: Establishing a dispute settlement mechanism enabling both parties to refer disputes to an arbitration panel. The Court of Justice of the European Union would be involved in all matters pertaining to the interpretation of EU law.





Reasons for Swiss public's skepticism

- Economic reasons are still important, but less than previously.
- A significant part of the Swiss voters is willing to risk the relationship to the EU.
- “Cultural” reasons gain in importance.

Tabelle 4.5: Masseneinwanderung – Motive der Stimmenden (Mehrfachantworten möglich)*

Spontan geäusserte Gründe für den Entscheid	Erstnennungen		Alle Nennungen ^a	
	%	n	%	n
JA-Stimmende				
Es gibt zu viele Ausländer/Asylbewerber/Grenzgänger, gegen Ausländer	34	181	45	242
Einwanderung muss begrenzt/kontrolliert/gesteuert werden	17	91	30	161
Wirtschaftliche Gründe (Sozialdumping, Angst vor Arbeitslosigkeit)	11	59	30	163
Weitere negative Folgen der Zuwanderung (Wohnungen, Kriminalität, Verkehrswesen, Umwelt, Profiteure)	10	52	38	206
Protestvotum/Zeichen setzen	11	58	19	101
Angst um die Identität der Schweiz	3	13	7	36
Allgemeine Gründe für das Ja	12	62	22	118
Andere Gründe für das Ja	1	4	2	9
Weiss nicht/keine Antwort	4	20	50	272
Total (JA-Stimmende)	100	541	242	1308
NEIN-Stimmende				
Wirtschaftliche Gründe (Wirtschaft profitiert von der Einwanderung, die Schweiz braucht ausländische Arbeitskräfte, die Initiative schadet der Wirtschaft)	29	150	52	273
Die Initiative ist unsachgemäss/zu extrem/sinnlos, sie löst die Probleme nicht	20	102	30	158
Europapolitik (Gefährdung der Bilateralen, die Schweiz darf sich nicht von Europa abkapseln)	16	83	37	194
Gegen Kontingente	8	41	15	79
Ausländer sind eine Bereicherung, Votum gegen Ausländerfeindlichkeit	8	39	17	91
Gegen die SVP	7	34	15	81
Allgemeine Gründe für das Nein	7	36	12	61
Andere Gründe für das Nein	4	21	9	47
Weiss nicht/keine Antwort	2	9	45	239
Total (NEIN-Stimmende)	100	515	218	1223

* Die Angaben wurden nach dem Abstimmungsergebnis gewichtet.

^a Total mehr als 100% wegen Mehrfachantworten.

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