A NATION TO EMULATE

Zurich, Switzerland — When you think of Switzerland what comes to mind?

Beautiful lakes surrounded by the Alps; a rich country with happy people; the home of milk chocolate, expensive watches and discrete bankers; a peaceful country that has not been at war in more than two centuries?

All that is true, and even more. Switzerland is at or near the top of almost every measure of a successful country, including the just released Human Freedom Index compiled by the Cato and Fraser Institutes, and others.

Yet, the prosperous and peaceful country of Switzerland is, in fact, rather recent in origin. A hundred-and fifty-years ago, despite being the first European country after England to industrialize, Switzerland had many poor people who were emigrating to the United States and elsewhere.

The high level of prosperity has only really existed since the end of World War II. The current constitution that created the existing federal state was adopted in 1848, revised in 1874, and modernized and cleaned up in 1999.

The 1848 constitution was modeled after the U.S. Constitution, which was adopted 60 years earlier. The Swiss, much more so than the Americans, have stuck with the federal model of strong local and state (cantons) government with a small and rather weak central government.

In many ways, it is much truer to the type of government envisioned by Jefferson and Madison and many of the other American Founders — which is responsible for much of Switzerland's success.

I first started visiting and writing about Switzerland on a regular basis more than 30 years ago. Having been an adviser to leaders in a number of countries, I found it more productive to argue that they should follow successful role models rather than a particular economic and governance theory.

Of course, the highly successful role models, like Switzerland, all have the rule of law, protection of private property, and a high degree of economic freedom.

The Swiss trace their origin as a nation back to 1291 when three cantons in central Switzerland united for common defense. During the next 500 years, other contiguous pieces of the old Holy Roman Empire joined in a loose confederation. In was only in 1648 with the Treaty of Westphalia that the other European nations recognized Switzerland as an independent country.

Over the centuries, the Swiss engaged in many internal battles, in part, because they are not a homogeneous people, having four official languages, with several additional strong regional

dialects. A major part of the reformation was played out in Switzerland with John Calvin (1509-1564) in Geneva and Huldrych Zwingli (1484-1531) in Zurich.

It was not just conflicts between Catholics and Protestants, but also between different groups of Catholics and several major different stripes of Protestants. There were also armed conflicts between the rural people, who tended to be more democratic than the city folks. It was not until the constitution of 1874 that the state authorities, rather than church authorities, issued marriage, birth and death certificates.

The last foreign invasion of Switzerland was in 1798 by Napoleon, and the last civil war in Switzerland was in 1847. This civil war only resulted in somewhere between 85 and 130 people being killed — and from that time all other disputes have been settled peacefully.

During World War II, Switzerland was totally surrounded by the Axis powers. Hitler had plans to invade, but the Swiss were heavily armed and prepared for a long guerrilla war — which caused the Germans to delay because they had more pressing battles. Women only got the right to vote in 1971, and Switzerland only joined the United Nations in 2002.

Being surrounded by countries that are jealous of its success (i.e., many of the current members of the European Union), without much in the way of natural resources and without access to the sea has caused the Swiss to be much more practical and serious when it comes to public policy.

They have a national referendum system and direct democracy, where major issues must be agreed upon by a majority of the people and a majority of the cantons, which is slow and cumbersome but tends to mitigate against reckless policies that are often the product of momentary passions.

The U.S. presidential election process has turned into a circus that few would argue leads to the best qualified and sane candidate elected president. Few know who the Swiss president is because it is not terribly important. (It is currently a woman by the name of Simonetta Sommaruga.)

We would have a prosperous and safe world if all countries traded with and invested in each other’s economies; if basic human liberties, property rights, free markets and sound currencies prevailed; if countries ceased to meddle in the internal affairs of others; and if much of the population was armed for the common defense in order to make it too costly for others to invade.

In other words if they all acted like Switzerland.

It took the Swiss more than 700 years of struggle to create — not a perfect role model — but in total the best on the planet, which others can emulate only to their benefit.

Richard W. Rahn is a senior fellow at the Cato Institute and chairman of the Institute for Global

Economic Growth.