newDEMOCRACY

Research and Development Note

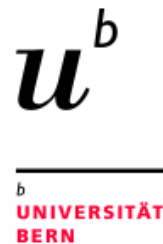# The Swiss Model: What might be learned from this system of governance?

12 June, 2018

Lyn Carson

Research Director, The newDemocracy Foundation
lyn.carson@newdemocracy.com.au

Jürg Steiner

*Professor Emeritus of Political Science
at the University of North Carolina and
at the University of Bern*
jsteiner@email.unc.edu

u^b

b
**UNIVERSITÄT
BERN**

This paper draws lessons from newDemocracy's experiences operating various citizens' juries in Australia and Professor Steiner's experience in Switzerland.

Follow these and additional works at http://www.newdemocracy.com.au

The Swiss Model: What might be learned from this system of governance?

What is the question?

Representative government is newly-born, only a couple of centuries old, yet some Western countries, including Australia, consider they have established the best form of 'democracy'. Are there other models, that have endured that provide valuable lessons?

What is the usual answer?

Scholars look toward Ancient Greece as the cradle of democracy and lament the passing of its democratic practices. Much has been written about its attributes and how they might be applied in a modern context (Carson & Martin, 1999; Manin, 1997). What is overlooked are other examples that exist today that can teach us a great deal about how to 'do' democracy.

What can we learn from the Swiss model?

When we think about Swiss democracy, we usually think about Switzerland's frequent use of referenda. This is an important feature to learn from, but it is part of a larger pattern of *power sharing*. In Switzerland, this power sharing is known as the "magic formula", mechanisms that prevent a majority from dominating the minorities, and is seen by most of the political actors and the general population as a factor of stability and prosperity. This R&D note describes three features of Swiss government that make power sharing possible.

First, the Swiss government is highly decentralised

Switzerland's federalism has triple layers: the federal, the cantonal, and the communal. Other Western countries also have a local level of governance, but Switzerland accords the local level much more decision-making power. Switzerland's federalism gives "utmost autonomy to the cantons and their different cultures" while "providing national unity" (Linder, 2010, p.41). This has been designed to prevent "any uncontrolled growth in the power of the federation" (Linder, 2010, p.47). This is not just rhetoric, cantons can levy and collect their own taxes.

Each canton has responsibilities that resemble those that are most often associated with the federal level of, say, Australia. Important matters are decided at the cantonal and even communal level. For example, school matters are the responsibility of the cantons and the communes, although the Federation has responsibility for two technical universities. For health care and welfare, responsibilities are shared among the federal, the cantonal and the communal levels with the federal level setting general guidelines that are then specified at the cantonal and in even more detail at the communal level. This means that engagement of citizens is easier at the cantonal and communal level.

Linder notes that at the local level, communes "are a corner stone of the three-level federal system" and that "the federal constitution guarantees political autonomy to the communes" (2010, p. 55). This point is worth emphasising in the Australian context where imposed council (local government) amalgamations are becoming the norm; and outrage accompanies this imposition by state governments. By contrast, in Switzerland "[a constitutional] right to exist, including the freedom to merge with other communes or to remain independent… cannot be withdrawn by the cantons." (Linder, 2010, p.59)

1

This means that the reform of local government 'from above', as was seen in Germany in the 1960s when the *Laender* forced small communes to merge, would be impossible in Switzerland.

Second, its frequent, unusually-effective system of direct democracy

Switzerland has both referenda and popular initiatives—both examples of *direct democracy*. Voter turnout varies from 30% to 70% depending on the saliency of, and the emotion generated by, the issues to be decided. Switzerland is a diverse nation with many languages, religions, cultures and ethnicities. Regional groups would be in danger of being over-looked by a centralised government; therefore, referenda enable input from all sides (Linder, 2010, p. 19).

Some referenda are compulsory, others optional, depending on their significance (constitutional change, international treaties would qualify as significant).

They would be optional if requested by 50,000 citizens or eight Cantons within 100 days following a decision of, say, the Parliament.

With a popular initiative, groups of citizens, non-government organisations, unions, etc. can collect 100,000 signatures within 18 months in order create a 'votation' (for voting) upon which the Federal Assembly takes a position and can make a counter-proposal. Then the voters can accept or reject the initiative and/or the proposal.   Referendum costs are usually quite high, and it is not made public who the big spenders are. This is a problem with the Swiss rederendum, and Switzerland is often criticised by international observers and organisations for this lack of openness.

In order to pass a mandatory referendum, a double majority is needed, of Swiss voters and of the Cantons. With an optional referendum, the majority of the voters is enough. The regularity of referenda in this way means that direct democracy is part of the Swiss culture.

Two small Swiss Cantons also enact assemblies in the public square that are reminiscent of Ancient Athens' *Ekklesia.* This physical popular assembly occurs once a year when citizens gather to speak and to vote on laws via a show of hands. Citizens are determining their own destinies at a time when other countries are increasingly agitated about their growing democratic deficit.

This citizens' involvement also occurs indirectly at the federal level because the threat of an initiative or referendum encourages elected representative to consult with their constituents before passing laws. At the federal level, this is known as the "pre-parliamentary phase" when a parliamentary commission invites interest groups into a pre-legislation hearing.

Third, sharing leadership via a multi-person executive

Who comes to mind when we think of the Swiss prime minister or president or chancellor? There is no such office, which is a clue that Switzerland has found a way to avoid the corrupting centralisation of power that is currently experienced in many Western countries. In fact, Switzerland has seven ministers (Federal Councillors) who have all the same rank, with each of them heading a department such as foreign affairs or interior. Someone, however, has to chair the meetings of the Federal Council. This role is taken up for one year by each Councillor according to seniority. During their year, the respective Councillor has the symbolic title of

Federal President. However, this role does not bestow any special power except to chair the meetings of the Council and to the meetings of the Council and to give occasional speeches, for example, at the beginning of a year

The benefits – diffused power and civic engagement

Combine together, decentralisation, referenda, and the multi-person executive deliver: (1) diffused power and (2) a culture of civic engagement. Regarding the diffusion of power, Wolf Linder (2010, p.41) states that:

> Swiss democracy developed differently from the majoritarian model of the Anglo-Saxon world. Instead of competition between government and opposition, where the winner takes all, we find a grand coalition of government, and instead of majority politics, decision-making in Swiss politics is characterised by negotiation and compromise… political power-sharing has facilitated peaceful conflict-resolution among culturally different groups. Affiliation to an ethnic group, to a language or a religion bears proscriptive characteristics and fixed attitudes or interests that cannot change their majority or minority positions in a competitive democracy. Power-sharing, as an alternative model, avoided the alienation arising from perpetual winner or loser positions and thus contributed to the peaceful solution of political conflict.

Diffusion of power is also helped by strong federalism as Linder (2010, p.45) summarises:

> Each of them has a certain degree of autonomy, legal powers and responsibilities, the right to levy their own taxes, and the cantons have their own constitutions. Under the terms of the federal constitution, communes, cantons and the federation cooperate with each other and they are all bound to guarantee democratic election of their authorities and decision-taking. Further- more they must respect the principle of separation of legislative, executive and judicial power.

Citizens of Western countries no doubt yearn for negotiation and compromise among warring political parties and politicians whose preoccupation with re-election is breeding growing distrust.

Regarding the second Swiss principle, "a culture of civic engagement", Linder (2010, p.59) makes the following remarks:

> The Swiss are citizens of their commune, their canton and the federation. They elect authorities and vote on all three levels, exercise their rights and fulfil duties based on federal, cantonal and communal law… All adult Swiss citizens living in the commune have the right to participate at the assembly.

There are weaknesses, too

Switzerland lives well with its strong federalism and strong referenda. These two institutions have strong support among its citizens. One should also, consider, however, the weakness that political decision processes are very slow in Switzerland, which leads to a certain conservative tendency. An often-publicised case of the slowness of the Swiss political system is the very late introduction of female suffrage in 1971. Although parliament had accepted equal political rights for women, it took much longer to convince a majority of men to accept this principle in a referendum. Once this decision was made, however, Swiss women quickly

advanced politically. At one time, four of the seven Federal Councillors were women (currently there are two women in the Federal Council).

Another recent example of the slowness of the Swiss decision-making process is a revision of old age pensions. It took years to prepare a bill and to pass it in the two chambers of parliament, only to have it defeated in a national referendum. In such cases, politicians have to go back to the drawing board to write a new bill with a better chance for acceptance by the people. In this context, it is remarkable that after a negative referendum outcome none of the Federal Councillors would resign, in contrast to (UK Prime Minister) David Cameron, who resigned after the people voted for Brexit. Thus, the referendum does not lead to unnecessary instability, only to slowness in the decision process. Federalism, too, tends to slow down innovations, especially if cantons try to coordinate their policies, for example at what age a second Swiss language should be taught in school. Lack of such coordination makes it difficult for families with children to move from one canton to another, which is not good for a flexible labour market.

Relevance to other countries

To what extent is the Swiss model applicable to other countries? First of all, one should note that federalism and referenda have deep roots in Swiss history, so they are commonly accepted by the populace. Second, given the obstacle to fast innovations caused by strong federalism and strong referenda, the Swiss model is difficult to apply to countries in crisis with urgent problems. Switzerland has also the advantage of being neutral in foreign policy, reducing the load on the political system.

Australia has its own history of (compulsory) referenda: 44 since 1901 (the year of federation), with only eight carried. Australia has limited the use of referenda to constitutional change. In 2017, the government organised a (non-compulsory) postal survey to help it decide on a contentious issue: marriage equality for same-sex couples. Australian citizens displayed a willingness to complete and return this survey (the result was 61.6% in support of marriage equality—with nearly 80% making the effort to respond). Might this indicate Australian support for popular initiatives?

At the Australian Citizens' Parliament (Carson et al, 2013) there was considerable discussion among participants about the three tiers of government and puzzlement about the absence of local government from the Constitution; local government remains a creature of the states. It is possible, with political will, to devolve power in the way it is devolved in Switzerland.

What's actionable?

Australia could embark on a decentralisation experiment: a feasible democratic trial would be to allow a population of ~250,000 to form a Special Democratic Zone for a 10-year trial period with fully devolved powers following the Swiss model, meaning that decision on taxation, health, welfare and education would be made locally.

Or another wild idea: to rethink centralised leadership along Swiss lines: instead of a Prime Minister, have a Council of Ministers made up of the inner cabinet. The Prime Minister of the day could make the decision to trial a rotation system. This would avoid the current jockeying for that top position that preoccupies aspiring members of political parties. We could even randomly-select the leader to eliminate the distracting leadership game.

References

Carson, L, Gastil, J, Hartz-Karp, J, & Lubensky, R (Eds) (2013). *The Australian Citizens' Parliament and the future of deliberative democracy.* University Park, PA: Pennsylvania State University Press

Carson, L., & Martin, B. (1999), *Random selection in politics*, Westport, CT.: Praeger Publishers.
Linder, Wolf (2010) *Swiss Democracy. Possible solutions to conflicts in multicultural societies,* 3rd edition, Palgrave Macmillan

Manin, B. (1997) *The Principles of Representative Government*, Cambridge University Press