

## Beware the lure of Switzerland

By Paolo Dardanelli\*

The British have long been attracted to Switzerland. In the 19<sup>th</sup> century mountaineers found the majestic beauty of the Swiss Alps hard to resist. So powerful was the attraction that they often underestimated the dangers involved in climbing 14,000 ft peaks. Four of the members of Edward Whymper's party who first climbed the Matterhorn in 1865 fell to their death on the descent.

Switzerland arouses a different sort of fascination these days but the tendency to underestimate risks is still present. Swiss relations with the EU are seen by a growing number of people in this country as a model that the UK should adopt instead of membership. The Mayor of London, Boris Johnson, is the latest prominent figure to join the chorus of advocates.

As it happens, it is a good time to reflect on the pros and cons of such a 'model' for it turns 20 today. On 6 December 1992, the Swiss people and the cantons narrowly rejected membership of the European Economic Area (EEA) in a referendum with a record-high turnout. The Swiss government had to fall back on a plan B and a bilateral relation was the only possible option. The Swiss 'model' was born.

The 'model' looks appealing but it is so in a deceptive kind of way and most advocates do not bother to look deep enough into it to see what lies beneath its appealing surface. If they did, they would discover a reality significantly different from the perceptions circulating in Eurosceptic quarters in the UK.

Switzerland and the EU are linked by a set of bilateral treaties and technical agreements, some dating from before 1992, which cover many policy areas, ranging from free trade in manufactured goods to scientific research, and including free circulation of people. Through these bilateral treaties, Switzerland gains access to the single market, the Schengen area, and the European research area, in particular, on equal terms with the EU member states. The quid pro quo of such access, however, is the obligation to implement EU law in all the areas covered by the treaties. Thus, Switzerland, as a non-member, has no say in shaping EU law but is still bound by it. Recent research has shown that over 50 per cent of the legislative output of the Swiss parliament consists of transposition of international law and EU law represents the lion's share of it. Even this striking figure underestimates the true impact of the EU, for Switzerland has also adopted a policy of voluntary adaptation whereby regulation of economic activity shadows EU law even in those areas not covered by the bilateral treaties. Switzerland also contributes financially to the EU cohesion and research policies.

Contrary to the prevailing perception in the UK, the Swiss 'model' of relations with the EU is thus one of considerable de facto integration and of a deep and pervasive 'Europeanisation' effect. So much so is this the case that the Eurosceptic leader Christoph Blocher stigmatises it as 'creeping membership'. It is fair to say that through the bilateral approach Switzerland has gained substantial benefits, notably in the economic sphere, but has had to pay a significant price. If the approach preserves the formal trappings of sovereignty, the real extent of Switzerland's room for manoeuvre vis-à-vis the EU is apparent to all familiar with it. After 20 years it is also increasingly clear that what has worked in the past may not necessarily continue to do so. Based as it is on a set of disparate

treaties and agreements that in some cases took years to negotiate and ratify, the machinery of Swiss-EU relations is clunky and slow-moving. It finds it particularly difficult to keep up with the continuous evolution of EU law and this is increasingly becoming a bone of contention between the partners. The EU is pressing for the adoption of a comprehensive agreement with an element of automaticity regarding the adoption of new EU law, something that to the Swiss looks worryingly similar to the EEA they rejected 20 years ago. When it comes to the EEA itself, Norway's experience shows that it is a smoother *modus vivendi* with the EU but at an even higher price in terms of genuine policy autonomy.

Both 'models' advocated by Mr Johnson and those who share his views are thus deeply problematic even for their respective countries, let alone for others to emulate. A crucial difference that is often overlooked is that both Switzerland and Norway have come to their present situations through progressive rapprochement to the EU whereas the UK would have to adopt it after having left the Union. The latter is a fundamentally different political dynamic and in all likelihood it would generate a very different negotiating stance on the part of the EU. Try negotiating with France equal access to the single market without the burden of regulation and 'bureaucracy'. Good luck.

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