7.1 Foreign Policy

Laurent Goetschel,
Swisspeace, Bern, and University of Basle

Table of Contents

1 Scope of the problem 572
2 Developments in foreign policy and the national political identity 573
3 Goals 576
4 Legal bases 577
5 Actors 580
6 Coordination 582
7 Implementation and effectiveness 584
8 Perspectives 587
1 Scope of the problem

Foreign policy is a governance sector with great public visibility. It is discussed with pleasure and even passion. It involves varying degrees of expectation as well as the relationship of this policy to the national political identity of the peoples affected. But interest in foreign policy also applies to its ties to international relations, to other peoples and cultures, indeed to their general image of it as a window for viewing the world. However, viewed historically, foreign policy is anything but a policy field shaped by romanticism. It is defined as the means through which a society in a sovereign nation-State pursues and enforces its interests (Seidelmann 1993: 42). Foreign policy and security policy used to combine in shaping so-called “high politics”. They stood above other policy areas in significance, because they must discern the vital interests of the entire country within an international setting of actors, not all of them friendly. In an extreme case, the survival of the country could be at stake. Therefore, foreign policy should remain outside the usual partisan squabbles and other domestic policy disputes. Hence, the “supremacy of foreign policy” has prevailed. Diplomacy assumed the basic task of implementing this policy.

Switzerland, as a neutral and small federal nation, pursued a less ambitious foreign policy. At its core stood promotion of business interests and passive offers of humanitarian services. Change in the international setting and the emergence of new foreign policy topics that had been of a purely domestic policy nature have changed the framework conditions for conducting foreign policy. This poses challenges to the core elements of national political identity. Given the increase in topics, the goals of foreign policy have also become more numerous, and this has raised the issue of coherence and coordination as well as that of domestic policy legitimacy. In this connection, voters’ participation in direct democracy is less challenged than the role of cantons and parliament. This finds expression most intensively in integration policy. It has become a primary task of foreign policy to coordinate the various interests in the country’s foreign relations and to set priorities (Hill 2003: 5). At the same time, foreign policy should strive to embody those values that can gain a consensus in the society affected and project them abroad. In other words, a country’s foreign policy – like other policy fields – is a project of its society. It is the product of internal discussion on the line to be pursued and the goals to be achieved. These are implemented in part through diplomacy, in part by other actors inside and outside the country.
2 Developments in foreign policy and the national political identity

The executive branch in Switzerland has never influenced decision-making processes affecting foreign policy as much as in other countries. In contrast to most other countries, foreign policy here was accorded no particularly important policy sphere either. Symbolic is the fact that the President of the Federal Council not only ran his own department until nearly the end of the 19th Century but at the same time also assumed the role of Foreign Minister – to a certain extent as a secondary office. This was due to Switzerland’s role as a small State, its neutrality, direct democracy, and federalism. Simultaneously, these factors were elements of the “special case” policy concept.

Small States can be defined as countries that wield a deficit of power in comparison to most States in the international community. Power can be divided into positive and negative power. In other words, call it influence and autonomy. If States had the choice, they would like to increase both their influence and their autonomy. However, the tendency is to rule this out to the extent that increased influence is accompanied by a loss of autonomy, especially in case of assuming contractual obligations, e.g., by entry into an international organization. In case of small States the corresponding tradeoff is particularly notable. Hegemonies, on the other hand, have the option of leaving their own stamp on an international association (Goetschel 1998). Thus, small States tend to have relatively little influence and little autonomy within their spheres. At the same time, this raises the especially acute issue of whether influence or autonomy should be given priority. Switzerland is viewed historically to be a small State to the extent that it developed in a setting in which its direct neighbours were geographically and demographically much larger. They were also prepared to use these attributes in achieving their objectives by force.

Switzerland’s neutrality tradition developed out of this situation. This neutrality was a right to “refrain from war” or not to involve itself in the military affairs of third parties (Frei, 1969). In this sense, neutrality was actually a strategy for survival. The obligations of neutrality codified into international law are based on the so-called Hague Conventions of 1907. Basically, these contain the obligation of a neutral country to stay out of hostile disputes between third-party countries. Neutrality policy includes the totality of all measures that a neutral country takes to ensure the credibility of its neutrality. In contrast to neutrality law, there are no obligations for this under international law. Neutrality policy depends on free discretion of the country affected. Neutrality is a tool of Swiss foreign policy and not an end in itself. It serves to implement foreign policy interests and goals. At the same time, neutrality belongs without a doubt among the core elements of Switzerland’s political identity. This is verified by
surveys conducted regularly, according to which a large portion of Swiss citizens themselves wish to preserve the neutrality of the country, even if all the functions attributed to it are no longer valid (Haltiner et al. 2005: 89).

After the Cold War ended, Switzerland continuously scaled down the obligations it deduced from its neutrality policy. Since 1990, the country has regularly taken part in UN economic sanctions. Even if such sanctions occur in a military intervention setting, as in the case of the first Gulf War, it remains reconcilable with the country’s neutral status in the Federal Council’s eyes. The reason for this is that the Security Council does not impose such sanctions in conventional wars but as international police measures against lawbreakers. Moreover, it is worth recalling that there were still no collective security organizations when neutrality law was codified at the outset of the last century. Therefore, neutrality policy grants substantial leeway in regard to such organizations. The Kosovo war in 1999 presented a special challenge to Switzerland’s neutrality policy through a combination of differing economic sanctions only supported in part by the UN, with a collective military intervention led by NATO that was not supported by a UN resolution. Gabriel (2000) criticized what he considered Switzerland’s contradictory position. However, aside from its core legal obligations, the application of neutrality remained a discretionary duty largely left up to politics. After a successful national plebiscite in 2002, Switzerland entered the United Nations. Neutrality experienced its greatest renaissance since the end of the Cold War when the military invasion of Iraq occurred without a UN resolution: Switzerland declared itself formally neutral (Couchepin 2003). Subsequently, the Swiss Foreign Minister reaffirmed neutrality to be a core element in Swiss foreign policy (Calmy-Rey 2004). She saw the concept as testimony to Switzerland’s solidarity with international law that formed the basis of the country’s success in activities promoting international peace.

Above all in connection with direct democracy, neutrality supplied its own bastion against more intense Swiss international involvement during the Cold War and even into the 1990s. Political opponents repeatedly defeated plebiscite proposals aimed at opening the country’s foreign policy and reprimanded their drafters for presumably endangering neutrality. Direct democracy served historically as a natural barrier to the supremacy of foreign policy over domestic policy. For this reason, in comparison with other countries, a reversal could be seen in Switzerland even earlier favouring the supremacy of domestic policy. However, in practice, foreign policy issues are less subject to public opinion, parliamentary and direct-democratic control than domestic policy topics (Klöti et al. 2005).

Federalism too has tended in the past to favour a passive and neutral policy: opposition partisanship in specific regions of the country toward neighbouring States should be avoided. This aspect has become irrelevant these days to the
extent that no more wars occur in the immediate setting of Switzerland. On the other hand, the altered content of foreign policy has led to the cantons becoming ever more affected by the content of foreign policy. In order to avoid being degraded to mere implementation authorities on topics of international negotiations that they see as lying within their own sphere of competence, the cantons have clearly developed a stronger interest in foreign policy’s decision-making process. This applies particularly to Switzerland’s integration policy. For the same reasons, direct-democratic joint decision-making has gained importance within the foreign policy framework: in contrast to the Cold War era, neutrality issues no longer take centre stage. Instead, the national debate focuses on the same factual issues for policymaking.

As a consequence, the unique traits of Switzerland’s political system in reference to foreign policy have not lost their importance so much as they have shifted in their relevance: Switzerland since World War II was never seen as a small State. Nonetheless, the perception of its relative lack of importance remains firmly anchored. This becomes evident given the widespread scepticism now as in the past toward institutional ties for gaining influence in foreign policy. Hence, there is a danger of systematic understatement in regard to the importance of one’s own actions. It is only a small step here toward perceptible irrelevance and thus at best toward lack of responsibility as well. The way in which Swiss officialdom in the mid-1990s reacted to the international debate on dormant bank accounts provides an enlightening illustration of this (Maißen 2005). The related later efforts of the administration to discuss Switzerland’s contact with potentate funds in a preventive sense provided indications that lessons were learnt from the experiences. The reputation of a country does not depend on size, especially if this country oversees a major share of private fortunes globally.

Neutrality no longer supplies Switzerland a strategy for survival these days. However, it remains firmly anchored in the citizenry. As such, it may also provide the basis for an active Swiss policy promoting peace. Federalism and direct democracy – originally more of a brake pedal on progress to an active foreign policy – today form valuable containers for binding Swiss foreign policy commitments to domestic politics and serve to legitimize them within the political system. The cantons could in time conclude that they can only preserve their constitutional authority if they seek ways to involve themselves in international decision-making procedures inside and outside the country.

To this extent, the factors of the foreign policy “special case” remain significant. However, in the future they must be less a factor to slow down an active foreign policy than to support domestically a further sustainable opening of Switzerland towards the outside world.
Neutrality is a perennial issue in political discussions if it concerns relations between Switzerland and the EU. If Switzerland entered the EU, it could continue to remain neutral. This is because the EU is not a military union (i.e., there is no military assistance clause that applies among its members). Secondly, the EU expressly recognizes the separate obligations of its Member States on security and defence policy. It follows from this that both have profited – EU States that are NATO members and those that have a tradition of neutrality or independence from pacts (e.g., Sweden, Austria, and Finland). If Switzerland were a Member State, and if military or defence policy decisions could not be reconciled with its neutrality, then Switzerland could cast its veto and thus hinder related negotiations. Alternatively, it could abstain. This would not prevent the EU from becoming active anyway. However, this would not affect Switzerland. Nor would it be obligated financially on solidarity grounds. Hence Switzerland could not be forced into any actions that it would find irreconcilable with its neutrality. Potential political pressure could be removed by means of abstention. If the EU decided to impose sanctions, including a trade embargo against a country in connection with the Common Foreign and Security Policy (CFSP), Switzerland would also have to implement these sanctions. However, the decision to impose such sanctions must be unanimous. It mostly involves sanctions that the UN has already imposed and are therefore supported by Switzerland anyway.

3 Goals

The “Purpose” Article of the earlier Swiss Federal Constitution (FC) still remained from the federal treaty of 1815 took over the “assertion of the Fatherland’s independence against the outside, handling of domestic peace and order” formulation. In the new Federal Constitution that took effect on 1 January 2000, the Article stating purpose says: “The Swiss Confederation shall protect the liberty and the rights of the people, and shall ensure the independence and security of the country” (Article 2(1) FC). The Federal Constitution specifically assigned the foreign policy of Switzerland to pursue the following goals:

- To strengthen liberty and democracy, independence and peace in solidarity and openness towards the world, conscious of our common achievements and our responsibility towards future generations (FC, Preamble);
- To protect the liberty and rights of the people, and to ensure the independence and security of the country (Article 2(1) FC);
- To promote the common welfare, the sustainable development, the inner cohesion, and the cultural diversity of the country (Article 2(2) FC);
To secure the long-term preservation of natural resources, and to promote a just and peaceful international order (Article 2(4) FC). These statements are transformed in the Powers Title of the Federal Constitution into the following goals: “The Confederation shall strive to preserve the independence of Switzerland and its welfare; it shall, in particular, contribute to alleviate need and poverty in the world, and to promote respect for human rights, democracy, the peaceful coexistence of nations, and the preservation of natural resources” (Article 54(2) FC). Foreign trade policy receives special treatment: it is expressly declared that the federal Government safeguards the interests of the Swiss economy abroad (Article 101 FC). Hence, the five essential goals set in the foreign policy report of 1993 (Bundesrat 1993: 20–42) were upheld. New elements include special mention of business interests and a supplement to the “supreme goal” of preserving the independence and welfare of Switzerland. Both these updates also appear in the following foreign policy report (Bundesrat 2000: 294).

In case of entry into the EU, Switzerland need not undertake any essential changes in conducting its foreign policy. The EU and Switzerland pursue the same basic foreign policy goals. A comparison of the 2003 EU foreign policy and security strategy with relevant Swiss foreign policy reports finds substantial agreement. This applies in regard to both specific fields of policy (e.g., those of promoting human rights and peace) and geographic priorities.

4 Legal bases

According to the Federal Constitution, foreign policy belongs within the federal Government’s sphere of authority (Article 54(1) FC). At the same time, however, it must consider the responsibilities of the cantons. It should protect their interests (Article 54(3) FC). In particular, the cantons can participate in preparing foreign policy decisions that affect their powers or essential interests (Article 55(1) FC). The federal Government must inform the cantons in a timely way and consult them fully about this. It must also seek their opinions (Article 55(2) FC). The corresponding constitutional law and especially the three elements of information, hearings, and joint decision-making are further specified in the federal law on joint participation of the cantons in federal foreign policy of 22 December 1999 (SR 138.1). The clause in the Constitution integrating joint decision-making is primarily intended to defuse those constellations in which federal authority in foreign policy opposes domestic policies of cantonal authorities. This should counteract a creeping centralization of federalist structures circumventing foreign policy. Constitutional articles and laws took form at the outset of the 1990s in connection with negotiations on the European Economic
Area (EEA). At the time, the cantons felt themselves insufficiently informed on Switzerland’s negotiations in fields that lay within their domestic authority. They subsequently insisted on institutionalizing a cooperative procedural flow in foreign policy as well. The Conference of Cantonal Governments (CCG), founded in 1993, also served this purpose. It aimed to assure formation of co-ordinated objectives between the cantons and their joint participation in the federal Government’s decision-making processes (Münger 1994). According to the new federal law, the federal Government must justify its decisions if it chooses to act contrary to the cantons’ opinion.

Parliament is also a participant in shaping foreign policy, and supervises the executive branch in this area (Article 166 FC). The Federal Constitution establishes competing and overlapping responsibilities in the foreign policy sector, and thus requires the executive and legislative branches to cooperate and coordinate at all times (Wildhaber 1992: 132). Since 1992, the law governing conduct of business between the National Council and the Council of States has contained detailed regulations on joint participation in both chambers within the foreign policy sector. It follows that a major portion of parliamentary joint participation occurs in the foreign policy committees. Indeed, although these committees cannot issue binding instructions to the Federal Council, they are consulted on related negotiating mandates already in the forefront of important negotiations. As a rule, the full membership of Parliament only debates a treaty if it qualifies as a document awaiting ratification. However, many treaties never even come to Parliament’s attention (Klöti et al. 2005).

The electorate is also involved in foreign policy decision making through the right to participate by direct democracy. Constitutional guidelines on the popular initiative do not differentiate between domestic and foreign policy content. Therefore, the same rules and limitations apply as in domestic politics (i.e., 100,000 signatures within 18 months). In general, an initiative may not violate mandatory international law (Article 139(3) FC). Otherwise, the federal assembly can declare it entirely or partially invalid. The best-known example of such a foreign policy initiative was the successful 2002 plebiscite on UN admission. But the primarily domestic 1990 policy initiative to protect the Alps was linked to far-reaching and much-discussed foreign policy consequences after its unexpected acceptance in 1994 (Germann 1995). Normal law proposals may also have foreign policy implications. An example: the 2001 revision of the military law that should enable Switzerland’s participation in military peacekeeping operations, against which a referendum was launched (without success).

In contrast to the initiative, special regulations for foreign policy govern the referendum. The criterion here is not the content but the form of enactment: draft laws that assume the form of an international treaty are subject to referen-
dums (optional or compulsory). A compulsory referendum is required if a bill seeks admission to an organization for collective security or to a supranational community (Article 140(1)(b) FC). Supranational communities are defined as organizations possessing bodies comprised of independent people, in which decisions occur by the majority principle and are immediately binding on individuals (Rhinow 2000: 380). To be accepted, such a provision requires approval by the majority of votes and cantons, i.e., a “double majority”. The only application of this in the past occurred in 1986 at the first (unsuccessful) plebiscite on entering the UN. The optional referendum on an international treaty only requires acceptance by a simple majority of votes. This is the counterpart to referendums on laws concerning domestic policy, and the same formal rules for triggering a referendum apply (i.e., 50,000 signatures within 100 days). International treaties are subject to the optional referendum if they: a) are permanent and irrevocable; b) foresee entry into an international organisation; or c) lead to a multilateral standardization of law (Article 141(1)(d) FC). Since its introduction, the optional referendum affecting treaties has only been employed on rare occasions. In additions to the laws covering compulsory and optional referendums on treaties, the Federal Assembly can subject other international agreements to an optional referendum according to its own discretion (Article 141(2) FC). In the past, deviating from the constitutional requirements valid at the time, the Federal Assembly also subjected treaties to a compulsory referendum if they failed to fulfill the corresponding assumptions. This occurred in regard to Switzerland’s entry into the League of Nations in 1920 as well as its adherence to the Free Trade Agreement with the EC in 1972. Both were accepted. Viewed objectively, the 1992 plebiscite on the EEA was also such a step, although the involvement of partial constitutional revision in the overall proposal dodged the discussion.

Therefore, viewed in its entirety, a broad range of direct-democratic options are available to the electorate for involvement in shaping foreign policy. Additional interlinkages with the content of foreign and domestic policy increase the electorate’s opportunities to share in decision making. This occurs less with referendum tools on treaties than it does with the “ordinary” tools, i.e., the initiative and, in particular, the referendum.

As to the impact that potential EU admission would have on the various Swiss policy actors’ opportunities to share in decision making, numerous studies have already addressed the issue at both the scholarly and administrative levels (Bundesrat 1990, 1999). In summary, Thüer (2005: 33) finds that Switzerland’s entry into the EU would indeed result in limitations on Swiss constitutional law’s scope of application. Yet, at the same time, it would also create potential for sharing in shaping European policy. It is undeniable that such a
step would lead to an exchange of national autonomy in favour of an increased role in decision making and influence at the European level: it would be a deal with shares of sovereignty (Keohane and Nye 1977: 177). On the other hand, it is debatable whether and to what degree prophylactic constitutional laws would need to be modified to avoid tensions between direct democracy and the need to implement European legal standards. While some lawyers tend to remove all obstacles from the path as early as possible and thus to consider sweeping limitations on direct democracy (Schweizer 1998; Schindler 1990), other lawyers and political scientists favour a more pragmatic outlook that does not view the potential tensions as a catastrophe per se (Linder 1998; Mahon and Müller 1998). From their vantage point, national law and European law may even slip into a tense relationship – particularly if a plebiscite favours national law. In this case, reference is made to many EU Member States that have often lagged far behind deadlines to implement EU law. From this point of view, referendums and initiatives in case of EU admission would not be subject to any new validity criteria. On the other hand, Parliament and the executive branch must be prepared, if necessary, to accept temporary tensions between national and European law (Goetschel et al. 2002: 80–82).

The fact is that more opportunities for joint democratic decision making would tend to be expected in case of Swiss membership in the EU than would occur under the current bilateral approach. In comparison to EU membership, bilateralism is undemocratic: The electorate is neither asked to choose negotiating topics nor to conduct negotiations. This is so because European policy now, as in the past, is viewed as part of “normal” foreign policy in which the administration and, above all, the Federal Council, have the final say. Furthermore, within the framework of handling bilateral relationships, Parliament has relative little authority, because necessary adaptations must occur in connection with committees specific to the treaty. At the same time, EU relations intervene intensively in everyday life and – in comparison with domestic policy options for shared decision making – would require much broader democratic participation.

5 Actors

The “supreme goal” of foreign policy in the new Federal Constitution and in the 2000 foreign policy report, i.e., preservation of independence, is deceptive: it can’t change anything – particularly not the many mutual dependencies governed by everyday foreign policy. Horizontal networks of actors (national, international, and private) as well as several levels of actors (international, national, regional) drive policy. At the same time, foreign policy has been
subdivided into numerous fields of policy, e.g., development, integration, and peace-building policy. Assignment and use of resources are regulated for certain foreign policy fields in federal laws and decrees. Examples are international development cooperation and humanitarian aid, cooperation with countries in Eastern Europe, and measures for civil peace building and strengthening human rights. Messages are essential for ongoing framework grants based on those laws that enable the Federal Council to engage in development of these policies of continuing multi-year financial obligations in Switzerland and abroad. These sub-spheres of foreign policy are reflected in administration units inside the Federal Department of Foreign Affairs (DFA) and outside it.

Foreign trade policy is accorded utmost importance. It was and remains a core component of Swiss foreign relations. It expresses itself institutionally by the fact that a State Secretariat for Economic Affairs (seco) has been dedicated to it within the Federal Department for Economic Affairs (DEA). The Federal Council reinforced the central importance of foreign trade relations again in its latest “state of foreign policy” position paper (DFA 2005). Development cooperation through the Swiss Agency for Development and Cooperation (SDC) also has its own directorate within the DFA and accounts for more than two-thirds of the department’s total budget. The seco and the SDC must coordinate closely, since the shared budget for development cooperation provides about four-fifths to the SDC and a fifth to the seco.

Since its founding in 1961, the Integration Office responsible for European policy has been housed beneath the double umbrella of the DEA and DFA. There has already been much speculation about copying this original design in the security policy area, but nothing has come of it to date. Within the DFA there is the Centre for International Security Police (CISP), which falls directly under the State Secretariat. And in the Federal Department of Defence, Civil Protection and Sports DDPS there is the Directorate for Security Policy (DSP). Both departments follow almost all matters, though from differing perspectives.

Having no directorate of its own (but “only” a division within the Political Directorate), Political Division IV or DP-IV (“Human Security”) focuses on promoting peace. On the other hand, the challenge for it consists in coordinating its activities with the SDC’s “Conflict Prevention and Transformation” section (COPRET) in the same topical sector. Consultations are also necessary between the Political Directorate (divisions I and II), organized by geographic responsibility; the SDC and DP-IV, set up topically but also directly active by technical speciality in the field.

Finally, the Directorate for International Law (DIL) in the EDA plays an essential role regarding central specialized issues of foreign policy. Neutrality is clearly the best known example. To the extent that, in this case, neutrality in-
Involves a concept supported by international law, the DIL largely enjoys “air sovereignty” in its interpretation and exogenesis. Yet application of neutrality is essentially subjected to weighed policy factors. To this degree, a weighed need emerges for coordination within the DFA, yet particularly with other departments and ultimately within the Federal Council too. The early declaration by the Federal Council that the war in Iraq had ended in the spring of 2003 cleared the way, through a “lucky accident”, for concluding an arms deal with the USA. This may serve as an illustration (Associated Press 2003).

The “five-sided goal” from the two Federal Council reports cited on Swiss foreign policy is therefore not only an expression of a complex concept. It is also a projection of what in practice has long since become a component of foreign policy – a reality by emergence of various policy fields. It involves a greatly simplified “conceptual implementation” of foreign policy reality.

6 Coordination

Foreign policy indicates a dual need for coordination; its nature covers both content and organization. A few content aspects have already been touched on. Another should be noted for illustration and briefly explained due to its current significance. It concerns the linkage between security and development (Fust 2006). Combating poverty ranks as the supreme goal of development cooperation (DC). It is also the first goal of the UN’s Millennium Development Goals (MDG), which call for halving extreme poverty worldwide by 2015. The core of the DC problem is therefore an economic one. But economics does not exist in a political vacuum. While disputes about conditions of economic progress in poor regions of the world continue, concepts have further evolved on framework conditions for successful development: the environment (“sustainable development”), the role of national institutions (“good governance”), and involvement of local social actors. These supplemented the economically justified core as development premises. Specific tools to combat poverty were also developed at the local and individual levels. In this context, security is also seen as both a premise and a product of development. Where physical force is threatened or institutional property rights are lacking, neither economically nor politically meaningful mechanisms can emerge. Internal power struggles represent the greatest obstacle to development in ever more developing countries. They threaten the investments of development agencies and therefore the sustainability of DC. It is often the lack of any future prospects that drives entire segments of a people into the arms of warring parties. To the extent that the DC helps to indicate such prospects, it also contributes to conflict prevention and international security. Thus, Swiss policy towards such countries faces the challenge
of bringing coherence into various policy fields including development, economics, good governance and, to some extent, also security.

Issues of coordination and coherence of Swiss foreign relations also have found expression in related organizational laws. These recognize that the DFA is neither solely responsible for cultivating foreign relations nor possesses a general lead role. The Federal Council issued instructions (Weisungen 2000) aimed at guaranteeing effective balancing of interests in international relations by creating foreign policy coherence. These instructions grant the DFA responsibility for conducting foreign policy. The DFA must aim to ensure cohesion in foreign policy, and it must be responsible for the general overview of Switzerland’s bi- and multilateral relations. Yet the same article of the Federal Council’s instructions assigns responsibility for foreign trade and specialized aspects to the appropriate departments, groups, and offices (Article 2). However, these administrative units outside the DFA should cultivate no international contacts without previously informing the foreign ministry, and they may even have to consult with it. Conversely, the DFA should consult the other departments involved before it takes foreign policy steps that affect them (Article 3). However, the departments, groups, and offices usually deal directly on specialized issues with responsible authorities abroad (Article 4). The DFA organizational decree (Organisationsverordnung 2000) released by the Federal Council on the same day awards responsibility for coordinating foreign policy activities of departments and offices (Article 2 OV-DFA). The task of developing foreign policy strategies and concepts is allocated to the State Secretariat (Article 6 OV-DFA). Other coordinating tasks are explicitly assigned to the State Secretariat and the political directorate such as coordinating business contact between the administration and Swiss representatives abroad.

These formal bases bear in mind that circumstances now make it more difficult to delimit foreign policy from other administrative and governance activities. Moreover, the many regulations allow quite some flexibility in interpreting and implementing policy. Who should coordinate and consult with whom, when, and about what remains inevitably up to practice and entrenchment. It is also worth mentioning that it is not only a matter of optimizing the flow of administrative work. Weighing various interests and varying priorities ultimately implies the need for increased coordination and coherence. The growing number of foreign policy goals and topics makes this inevitable.

The Federal Council held a foreign policy retreat in May 2005. DFA (2005) made its results public to the news media in the form of a position paper. According to this document, the terrorist attacks of 11 September 2001 in New York, the strengthened superpower role of the USA and the emergence of new powers in the international community made an interim assessment of the 2000
foreign policy report necessary. The document is of interest when observing coordination efforts and geographic priorities: it is expected that the coordinated bilateral approach tested in contacts with the EU will also be used in relations with other countries. This means primarily the Balkan states, Russia, Turkey, India, China, Japan, Brazil, and other South American countries as well as South Africa (DFA 2005: 4). Setting these geographic priorities underscores the importance of foreign trade interests. The new coordinated approach aims to place relations with these countries "systematically in the service of protecting Swiss interests" (DFA 2005: 3). The corresponding test run occurred with a strategy paper on assuming negotiations for a free trade agreement with the USA. While relations with the EU continue to rank as a top priority, the advantages of not being a EU Member State should also be exploited. How this should be done is not noted explicitly. However, it remains possible to conduct autonomous negotiations within the foreign trade sector. The advantages of Swiss neutrality in preserving interests effectively are underscored, as are the country’s honest broker role in conducting peace negotiations and the importance of coordinating foreign policy (DFA 2005: 9).

7 Implementation and effectiveness

The purpose here is not to judge the success of this partial reorientation of foreign policy. On the other hand, given the background of the previous discussion, the approach can speak for itself: the intention of serving Switzerland’s interests by improving coordination in foreign relations agrees with the Federal Council’s cited goals from 2000. Based on experiences in negotiating bilateral treaties with the EU, it can be expected that party and interest group concerns from within and outside the administration will be assigned for negotiations. Aside from heavy discussion on business aspects (e.g., agriculture, gene manipulation in organisms), the coordination envisaged also take up purely political issues within the negotiating basket. This could lead to human rights issues being treated alongside those of scholarly or business exchanges. Precisely in view of potential negotiating parties mentioned, such as India, China, or Turkey, this vista presents interesting foreign policy perspectives. However, the DC does not view this as a regression to the old conditionality debate (Goetschel et al. 2002: 200–202) but rather as a coherent rally of broad political support for Switzerland’s range of interests.

Besides the potential for involving cantons, Parliament, and the electorate, as governed by constitutional law, there are other actors who voice increased interest in jointly shaping foreign policy – some of them already implementing it in part: here it is worth mentioning business and the NGOs.
Viewed historically, business interests have assumed an important role since the beginnings of Swiss foreign policy. As mentioned earlier, the new Constitution underscores foreign policy’s business goals once more. However, the mutual roles of politics and business have changed to the extent that overlapping and reciprocal effects of respective action have increased. This is related to both world business and political developments. Aside from the foreign trade policy mentioned, there are two areas above all in which the interlinking of business and politics in the foreign policy sphere has intensified during the course of recent decades: these are, on one hand, integration policy, and on the other, international development cooperation. These areas pose challenges in interest formulation as well as policy implementation (Goetschel and Lalive d’Epinay 2006). Business has gained a virtual veto through positions taken on Swiss integration policy related to direct-democratic institutions (economiesuisse 2002). Yet it may also express very strong interest in selected negotiating files. In connection with plebiscites in 2005 regarding Swiss policy vis-à-vis the EU, input from business concerned the extension of the freedom of movement rules from the Bilateral I treaty to the new EU Member States, as well as those files from the Bilateral II treaty affecting banking secrecy. For its part, long-term support for the DC’s programmes in developing countries depends increasingly on new forms of cooperation with business actors. These actors tend to view such forms of cooperation as a means of opening new business territories. The magic phrase here is “public private partnerships” (PPPs).22

Relief agencies and peace policy organizations have also been more actively engaged in implementation of DC and civil peace building. Implementation of these central spheres of Swiss foreign policy would be unthinkable inside and outside this country these days without these civil society actors. Reasons for this include specialized and local expertise but also positive results of development and peace processes on site (Heiniger 2000). Cooperation of national and non-governmental actors in these political areas assumes coordination and exchange. While related forums have operated within the DC for years, they are relatively new in the peace-building sphere. In 2001, for instance, the DFA division responsible for peace building, DP IV, and the Swiss Peace Foundation (swisspeace) co-founded a Centre for Peacebuilding (KOFF) that now numbers 40 Swiss relief agencies and peace policy organizations among its members.23 Among its goals are development of common peace-building strategies and strengthening coherence.

Another topic that binds peace building with business is the rapid emergence of so-called private security companies. These enterprises, which offer various services in the military deployment field (Kümmel 2005), also present new challenges for Swiss foreign policy. Worthy of mention is the traditional
commitment to international humanitarian law, a cause for which such firms had not been active in the past. But it also raised the question of the extent to which privatization of force (Münkler 2002) would impact the preparedness of OECD countries – and already has to a degree – to resort to force in implementing foreign policy goals. Is it conceivable that Switzerland will fall back on such services in the future? Viewed economically, Switzerland is anything but a small country. If military services are mainly purchased in the future, Switzerland could make its presence felt in this policy field too. In that case, it would no longer be a small State, even in the military sense. Despite their speculative character, these topics may pose great challenges to future foreign policy in numerous countries including Switzerland.

The involvement of new actors in foreign policy – and especially those from the business world – increasingly raises questions about the effectiveness and efficiency of conducting foreign policy. The main concern here is not the micro level of specific projects, i.e., questioning the extent to which the project goals involved have been met. It is rather the macro level, which is concerned with studying the extent to which specific actions were suitable in achieving foreign policy goals as a contribution to interest preservation. This includes impacts on processes and flows in countries or organizations examined. Such studies are not only much more complex at the content level than purely project-related assessment studies; they must also extend over clearly longer timeframes. Among the few examples of such studies in Switzerland are the balance of a 12-year cooperative venture involving Central and Eastern European countries after the end of the Cold War as well as a study of Switzerland’s role in the Bretton Woods Institutions at the 10-year anniversary of Switzerland’s membership in the World Bank and International Monetary Fund (IMF). The studies mentioned all draw largely positive conclusions about such foreign policy activities. However, Switzerland’s role in the World Bank and IMF illustrates the difficulty of making quantitative assessments on the use of such a policy. The recommendations drawn up concentrate on procedural sectors in which cooperation and distribution of labour within the administration and the Government guidelines on clear strategic goals are proposed (Report 2003: 3, 16–17). This again underscores the central importance that coordination and coherence play in conducting foreign policy.
8 Perspectives

Switzerland’s historically influenced dilemma of deciding between national autonomy and international influence is one of the crucial points in understanding the direction of its foreign policy. In order to preserve its neutrality as well as protect federalism and direct democracy, Switzerland has almost always given priority in the past to preserving autonomy rather than strengthening its influence. Swiss business actors were not unhappy about this, because it enabled them to deal under the shadow of neutrality (Kreis 2005). However, this apolitical phase in foreign policy is past. Since the end of the Cold War, Switzerland itself has gained leeway, even if it does continue to maintain its neutrality. Development and foreign trade policies are managed bearing in mind the political dimension of actions taken in their pursuit, and hardly a domestic policy sector in Switzerland still operates completely independent of foreign policy linkage.

This raises the twofold issue of whether autonomy is still worth the struggle, and indeed whether it is achievable at all. There is a danger that the autonomy banner will be waved out of purely parochial motives, although this represents only the second-best option, or even a purely fictitious one. Integration policy provides the most specific example in this regard: if Switzerland’s autonomy is addressed here, the numerous cases of “autonomous” implementation will deliberately be overlooked. The silent adaptations and further developments of bilateral treaties concerning the EU’s continuously developing acquis are also concealed. Moreover, the Europeanizing effect of Swiss policy occurs largely independently of required integration options.

In comparison to the possibilities of shared participation in decision making in case of EU membership, bilateral treaties do not form an integration policy option that is friendly to democracy. The options are also limited for the cantons: although they would enjoy shared EU participation via their formal and informal presence in Brussels resulting from numerous chances to influence and shape policy, their options to act in case of bilateral treaties are limited to joint decision making at the end of the negotiating process. Not only in the sense of preserving interests in general but particularly in preserving national policy uniqueness, the thesis weighed here suggests that entry into the EU affords the better option.

Where various foreign policy sectors and actors meet with their own goals and interests, conflicting goals are almost unavoidable. The Constitution is of little help in this regard, since it indeed defines the common goals of preserving liberty and prosperity as a sort of “supreme goal”. It identifies five special goals: peace building, combating poverty, protecting human rights, preserving democracy, maintaining the environment, and preserving the interests of Swiss busi-
ness. But it establishes no hierarchy. As a consequence, dealing with cases of conflict must be left to the political process. At the same time, one has to keep in mind that conflicting goals do not result primarily from incomplete administrative procedures but are the expression of real, tangible opposing interests.

Effectiveness and credibility are foreign policy’s main criteria for coherence. However, coherence cannot emerge one-sidedly at the cost of material or idealistic values and interests. In this sense, coherence does not mean one-sided dominance but balance and avoidance of contradictions. To be legitimized within domestic policy, foreign policy must reflect, more than ever, the prevailing social consensus on the topics affected. This includes a healthy range of opinions as well as use of various tools for approaches that promise success in the sense of a limited rivalry between actors involved in development (Goetschel et al. 2002: 194–198). The coherence postulate can be considered fulfilled for foreign policy if activities of governmental and NGO actors do not undermine the policy-specific goals or rob the means earmarked for achieving them in the same or other policy sectors.

Achieving domestic policy legitimacy ranks among the great challenges of foreign policy – but also the most interesting ones in the immediate future. In contrast to the issue of Switzerland’s entry into the UN, where basic world images were mobilized in the past, objective questions have been raised increasingly in both foreign and domestic policy discussions these days: e.g., the question of liberalizing the electricity market, or of what level of resources ought to be invested in development cooperation or peace building. At the same time, the further one peers into the future, the less it will suffice to refer simply to the generally upheld international responsibilities of Switzerland. It would be more important to refer to Switzerland’s benefits versus its interests. One example of this is the report (2005: 2) on measures relating to conflict transformation and promotion of human rights. In addition to the Swiss contribution to fulfilling the UN Millennium Declaration, there is also specific reference to issues of security, migration, and promoting investment – but also the increasing influence achieved by Switzerland through its international commitment.

In contrast to other policy sectors, evaluating foreign policy is a complex task: treaties can be acknowledged, and individual DC projects or peace building can be studied in regard to achievement of their goals. Yet the entire impact of foreign policy must remain an object of speculation. Consequently, political discussions on foreign relations may tend to increase. More actors will also be involved in the future. This won’t simplify conduct of foreign policy. On the other hand, we can expect a more vivid presence of foreign relations in policy discussions to be a lasting contribution to its anchorage and legitimization in domestic policy.
Notes

* I wish to thank Annina Bürgin and Peter Knoepfel for valuable suggestions on the content and structure of this article and Lyn Shepard for the English translation.

1 See also the chapter 7.2 Security Policy in this volume.
2 For details on this as well as other basic terminology in foreign policy (e.g., sovereignty, interests, power), see Goetschel et al. 2002: 26–30.
3 See also the chapter 1.3 Switzerland in a global context in this volume.
5 See also the chapter 2.2 Direct Democracy in this volume.
6 See also the chapter 2.1 Federalism and 3.1 The Cantons in this volume.
7 This section is based on explanations in Goetschel et al. 2002: 60–82.
8 These were: 1) preservation and promotion of security and peace; 2) promotion of human rights, democracy, and the rule of law; 3) promotion of public welfare; 4) reduction of social antagonisms; and 5) protection of natural resources.
9 See also the chapter 2.2 Direct Democracy in this volume.
10 The second (successful) UN plebiscite of 2002 was already subject to the requirement of a double majority as a popular initiative.
11 Controversy surrounded the issue of whether the EEA Agreement constituted a supranational treaty and thus had to be subjected to a compulsory referendum on treaties. The Federal Council integrated a partial revision of the Federal Constitution on the rights of cantons in foreign policy matters in the proposal. Hence, it had to be subjected to the double majority of the electorate and the cantons.
12 Discussion focuses on policy networks (Börzel 1998) and multilevel policy (Putnam 1988).
13 Federal law on international development cooperation and humanitarian aid of 19 March 1976, SR 974.
16 506 jobs; annual budget: CHF 757.7 million (2006).
17 550 jobs; annual budget: CHF 1.3 billion (2005).
18 29 jobs; no budget of its own, allocated administratively to seco for which it administers three specialized grants (information, training, EFTA participation).
19 40 jobs; annual budget: CHF 5.7 million, without job costs (2006).
20 There is also talk of fragile States in this regard. See also Zartman (1995) or Clapham (1998).
21 At the moment, this assessment exists only in the form of the cited press background material.
22 See Brinkerhoff (2002) on the general term partnership, as well as Zollinger (2005) for specific reference to public private partnerships.
24 See, in particular, numerous evaluations carried out by the SDC.
26 The report (2003) was conducted on behalf of the Council of States’ committee on business auditing by Parliament’s administrative monitoring agency (Parliamentary Services, 2003).
27 See also the chapter 6.4 Internationalization of Swiss Decision-Making Processes in this volume.
Bibliography


