

Sustainable Switzerland: Reorienting government, economy and society on the new Federal Constitution¹

From the perspective of Switzerland, sustainable development is both a necessity and an opportunity, and our country is uniquely placed to play a catalytic role in the global transition to sustainability. There is a compelling motivation for a small country like Switzerland – which has high environmental, social and labor standards; a natural environment sensitive to global environmental change (e.g., climate change) and scarce in natural resources; and an open, largely knowledge-based and globalized economy – to push for sustainable development worldwide, as our own future well-being is intimately coupled with international developments.

More importantly, however, sustainable development offers a unifying paradigm for positive societal transformation that can give rise to extraordinary outcomes. At a time of increasing political polarization, widespread human insecurity, waning social solidarity, armed conflict and violence, and fear of the future, even among the younger generations, Swiss leaders face the challenge of reorienting politics from the destructive (e.g., defensive mindset of trade-offs, negative feedbacks) to the positive (e.g., proactive mindset of synergy, virtuous processes). As a regulative idea, the sustainability paradigm is ideally suited to this purpose and can assist leaders in fostering a positive culture of community, excellence, vitality, and resilience that can energize our society and economy.

The Swiss system of federal, direct democracy and consensual decision-making, coupled with deep-seated cultural values and norms (e.g., equity, tolerance, solidarity, liberalism), its remaining social capital and an economy that can take advantage of an educated and highly qualified workforce to create innovative sustainability solutions, provide fertile ground to nurture the seeds of sustainable development. Sustainability is basically about systems thinking in a long-term context. As a small social market economy, we are used to balancing competing economic, social and environmental interests for the common good. Not surprisingly, therefore, Swiss civil society was quick to comprehend the sustainability paradigm and – with its acceptance of a fully revised Federal Constitution in 1999 – has embraced sustainable development as an overarching aim of the Swiss Confederation.

What is missing is strong, unambiguous and sustained leadership to craft a common vision of a sustainable Switzerland towards which we can all steer and to marshal all

¹ This policy paper is based on Arquit Niederberger, Anne, and Stefan Schwager (2004): Swiss environmental foreign policy and sustainable development, *Swiss Political Science Review* **10**(4), 93-123.

of our tangible and intangible resources to catalyze the societal transformation towards sustainability. With the MONET program², a comprehensive set of sustainable development indicators has been developed, but neither an overarching vision at the level of the Federal Council nor indicator-based objectives have been formulated. To date, the Government has taken the approach of integrating sustainability considerations into existing sectoral policies. This approach can lead to incremental gains, but will fail to catalyze the necessary societal transformation.

The Federal Council must place sustainability at the center of its strategic planning and adopt a proactive stance. This means that sectoral policies should be designed to contribute to this overall objective, rather than the other way around. It also implies an emphasis on leadership, institutions and incentives to encourage all civil society actors to actively seek out synergy potential and pursue progress towards sustainability, rather than on reaching timid compromises under the *status quo* that only serve to limit our future options.

Where we are today

"Sustainable development is perceived as a political agenda which is concerned with ensuring that development is viable in the long term, addressing environmental, economic and social challenges equally." (Federal Council, 2002)

Although the above quotation suggests that sustainable development is a political agenda of the Federal Council and has been thoroughly integrated into the Federal Constitution and Swiss administrative law, it has not yet been embraced as *the* overarching framework for foreign (or domestic) policy, and, consequently, Switzerland is not recognized internationally as a champion of sustainable development³. The few comprehensive "strategies" or policy statements that have emerged, such as in the Foreign Policy Report 2000 or the Sustainable Development Strategy 2002 are not the product of strategic planning by the Federal Council, but represent little more than "cut and paste" exercises to bring disparate inputs of various Administration authorities regarding sectoral priorities and measures into a common framework.

Two important barriers to a clear focus on sustainable development are institutional arrangements that for the most part still reflect a sectoral approach to policymaking

² MONET: "Monitoring der nachhaltigen Entwicklung"

³ Although one can list relevant and successful individual/sectoral initiatives, we have missed the opportunity to make and communicate a clear commitment to sustainable development, and our overall image is mixed. According to a recent market survey by Presence Switzerland (Japan), Switzerland is associated positively with the ecological dimension of sustainability, but less favorably with respect to social solidarity, our role in foreign affairs and, in particular, business/economic issues.

and the nature of the Federal Council, which can thwart bold new approaches that are perceived to threaten the competence of existing Federal institutions. As a result, even when the Federal Council calls for a sustainable development strategy, it is approached at the operational level and sectorially (albeit with interdepartmental cooperation). Furthermore, the Government has failed to date to engage in a meaningful way the non-governmental actors that will be crucial for implementing the transition to sustainability. The current situation can be summarized as follows:

- Although the sustainable development paradigm forms an important conceptual basis for the new Swiss Federal Constitution, its fundamental significance as a unifying force for positive societal transformation and, hence, for the future well-being of Switzerland has not been fully recognized by decision makers.
- The Federal Office for Spatial Development (UVEK/ARE, particularly through its Sustainable Development Section) has the legal responsibility for developing Swiss sustainable development strategy and for ensuring that Federal mandates are filled in a way that is consistent with the principles of sustainability (Organisationsverordnung für das UVEK, October 2000). It also represents the Federal Government in the Forum for Sustainable Development, which was set up to facilitate better vertical cooperation among Switzerland's different levels of government.
- In practice, however, the ARE is hindered in playing a leadership role, mainly for institutional reasons:
 - The Interdepartmental Rio Committee (IDA Rio) has a mandate from the Federal Council to serve as the coordinating body for the Federal Government's policy on sustainable development. It is chaired on an annual rotating basis by the State Secretariat for Economic Affairs (seco), the Swiss Agency for Development and Cooperation (SDC), the Swiss Agency for the Environment, Forests and Landscape (BUWAL), and the Swiss Federal Office of Public Health (SFOPH). In this parallel structure, the ARE merely serves as the secretariat, even though it is the Federal Office with the mandate to develop Swiss sustainable development strategy and to ensure policy coherence.
 - The specialized offices dictate a sectorial process on the operational level. As a result, the Sustainable Development "Strategy" 2002 is a collection of (multi-) sectoral policies developed by the Government units responsible for individual sector policies. The approach followed to date is integration of sustainable development considerations in sectoral policies, even though an over-arching framework is missing and sustainability is one of the fundamental aims of the Swiss Confederation.
 - The hierarchical position of the ARE Section for Sustainable Development in the Federal Administration – as well as the resources and instruments

available to it – are incompatible with its mandated strategic planning/decision making function and the task of ensuring cross-sectoral policy coherence⁴.

- Furthermore, sustainable development is not treated in a comprehensive way in the foreign policy context. Although the foreign policy priorities included in the Federal Constitution address the three pillars of sustainable development⁵ – and clearly point towards a new, overarching conception of human security in the broadest sense – and the Department of Foreign Affairs has clear responsibility for the overall coordination of Swiss foreign policy activities of all Federal Departments and Offices (Organisationsverordnung für das EDA, 2000), the DFA and the Federal Council have yet to pursue a truly comprehensive foreign policy to enhance Swiss influence on speeding the transition to sustainable development globally. Particularly with respect to economic foreign policy and environmental foreign policy, EDA leadership to exercise its strategic and coordination functions over the specialized sectoral agencies has been inadequate.
- The ability of Switzerland to offer innovative environmental foreign policy solutions depends on the relative strictness of existing domestic legislation compared with EU and international rules. At present, a lack of public dialog on foreign policy initiatives limits the democratic legitimacy of initiatives that go beyond existing Swiss law, as well as the potential for foreign policy considerations to shape domestic policy. Ultimately, the credibility of foreign policy initiatives depends on how we behave at home, particularly when the initiatives are at least partially derived from ethical considerations and the call to "global citizenship".

Where do we want to be?

"Our plans miscarry because they have no aim. When a man does not know what harbor he is making for, no wind is the right wind." (Seneca, 55 BC – 39 AD)

Switzerland is in a unique position to be a positive force in the societal transition to sustainable development domestically and to enhance Swiss influence on speeding the transition to sustainable development globally. With a clear focus on sustainable development, consistent leadership, broad societal dialog, and incentives to innovate and experiment, we can achieve much greater synergies in our domestic and foreign

⁴ The UVEK as a whole, for example, has the mandate to contribute to the sustainable development of Switzerland in its sectoral policy areas (mainly infrastructure), OV-UVEK (2000).

⁵ Together, the five foreign policy priorities address the three primary dimensions of sustainability, namely: economic efficiency (safeguarding the interests of the Swiss economy abroad), social solidarity (alleviation of need and poverty in the world; peaceful coexistence of nations; respect for human rights & promotion of democracy) and ecological responsibility (preservation of natural resources).

policy endeavors and more effective outcomes overall. To do so, we need to leave behind a problem-oriented, deficit-based view of the world in favor approaches dedicated to studying, understanding, activating, and connecting strengths to promote extraordinary human performance in pursuit of sustainable development.

There is a need for a comprehensive sustainable development strategy that defines generally applicable (normative) guiding principles and establishes cross-sectoral sustainability targets⁶ defined in terms of indicators that can be monitored over time. Sectorial policies should be oriented on the principles – and geared to achieve the objectives and quantitative/qualitative targets – of the sustainable development strategy.

Swiss foreign policy should be aimed at exerting influence over others to achieve the long-term foreign policy priorities defined by the Federal Constitution, which consciously balance national interest and ethical considerations in a sustainable development framework. Switzerland's foreign policy relies primarily on soft elements – such as ideas, democratic legitimacy, domestic good practice, independence, convening power, social capital, and financial resources – rather than military means⁷, to enable the country to defend its interests and values abroad. Foreign policy must therefore be managed to direct the available Swiss resources to initiatives that can maximize Swiss "soft power" in international affairs with a view to achieving the supreme foreign policy goal and five core objectives defined by the Swiss Constitution, taking full advantage of Swiss strengths, including the role of Geneva as a multi-cultural, multi-sectoral UN center.

Switzerland would do a great service to the international community, for example, if it would dedicate itself to furthering the international dialog on universal human values and a global ethic and pushing the application of a global ethics and rule of law in international conduct to all nations, even the most powerful. We already see signs that the moral imperative behind the issue of equity is increasingly trumping geopolitical power in many multilateral processes. And the Swiss Constitution explicitly acknowledges the importance of ethical considerations in defining the national interest. Switzerland is unique in that our citizens have approved a Federal Constitution that defines sustainable development as a national purpose. As a result, our Government has an obligation to pursue this emerging niche area in international affairs.

⁶ Targets can be defined relative to reference values (e.g. 50% reduction in the ecological footprint of Switzerland by 2025, compared with the value in the year 2000), as absolute values for desired outcomes (e.g., development assistance should reach 0,4% of GNP by 2010 and should ultimately increase to 0,7% of GDP), or relative to comparative benchmarks (e.g. the fiscal burden (taxes and social contributions) should remain below the average value for OECD countries).

⁷ The main exceptions being the capability to send troops for peacekeeping missions and a militia army to deter attacks against Switzerland.

In fact, there are many areas where Switzerland, in focusing on the sustainability paradigm and a "global citizen" conception of national interest, could make an important contribution to world solidarity and social cohesion. Tensions between privatization and basic human rights with respect to education or access to drinking water, issues at the locus of trade, development and environment⁸, or development of international burden-sharing models⁹ that respect the basic principles that underlie sustainable development (i.e., common, but differentiated responsibility; polluter pays; economic efficiency) are all areas where the voice of conscience is all too often drowned out by the imperatives of market liberalism.

To develop a viable sustainable development strategy, the process must be inclusive, as implementation will require the enthusiasm, energy and expertise of parliament, the private sector, representatives of our knowledge and technology sectors, and civil society, more generally. And a strategy implies focusing on priorities that reflect our objectives, resources and capabilities. To do so will require the Federal Council to elevate the planning process from the realm of sectoral thinking at the operational level to the strategic level.

Next Steps

"Throughout the centuries there were men who took first steps, down new roads, armed with nothing but their own vision." (Ayn Rand, 1905-1982)

The sustainable development paradigm enshrined in the Federal Constitution can offer a timeless, comprehensive and coherent strategic framework to focus Swiss policy at home and in the context of international relations. It can provide a ethical/normative guiding focus over time for more immediate planning processes, such as the periodic "Legislaturplanung". In fact, the sustainability paradigm frames the major objectives of the Federal Council for the 2003-07 period quite nicely, namely "les défis démographiques" (various demographic challenges), "le bien-être de la population" (broad conception of human development and security) et la position de la Suisse dans le monde (importance of international institutions for Switzerland). For the sustainability paradigm to catalyze a positive culture of community, excellence, vitality, and resilience, however, the Federal Government will have to take a number of steps to ensure appropriate institutional arrangements and to clearly define sustainable development strategy and policy, for example:

⁸ Switzerland has been pushing in the WTO context for many years for clarification regarding the relationship between multilateral trade and environmental agreements.

⁹ Key issues include assigning responsibility for the environmental impact embodied in traded products and fair and effective procedures for establishing differentiated mitigation commitments.

Ensuring effective institutional arrangements

- An external review of Swiss sustainable development institutions, policies, practices, and outcomes should be conducted.
- A Secretary of State for Sustainable Development should be appointed¹⁰. This would pave the way for greater policy coherence domestically and would send a clear signal to our international partners that Switzerland intends to serve as a voice for a comprehensive, ethically based "global citizen" conception of national interest in foreign affairs. Ideally, the position would transcend departmental boundaries and address both domestic and foreign policy in a comprehensive way. This would require that the position report directly to the Federal Council, perhaps via the Federal Chancellor.
- The mandate of the Secretary of State for Sustainable Development should ideally include the current functions of the ARE to develop Swiss sustainable development strategy and to ensure that Federal mandates are filled in a way that is consistent with the principles of sustainability. It should also ensure coordination of sustainable development policy across Departments and sectors. With respect to foreign affairs¹¹, the SSSD should enhance Swiss influence on speeding the transition to sustainable development globally.
- These institutional changes must be matched by cultural and human resource changes that foster organizational learning and the acquisition and application of tools, information and competencies to pursue sustainable development objectives in a synthetic way. Much closer linkages with the research community to develop collective approaches to problem-solving will be required.
- To ensure a societal transformation to sustainability in our direct democratic and federalist system, the Federal Government must develop effective partnerships with the other levels of government¹² and the non-governmental actors who will need to innovate and implement sustainability on the ground (e.g., the research community, educators, the private sector, individuals).
- The DFA, in particular, needs to expand its institutional capabilities in dealing with non-state actors and other government ministries and learn to manage the complex boundaries associated with sustainable development.

¹⁰ Following the UN Conference on Environment and Development in 1992, the need for novel institutional arrangements to implement Agenda 21 was discussed. However, as such institutional reforms tend to have a long lead time in Switzerland, this recommendation may not be politically feasible in the short term. Nonetheless, the EDA could take the lead at the departmental level by appointing a Secretary of State for Sustainable Development to address foreign policy.

¹¹ These functions are fully compatible with the functions of the Secretariat of State of the EDA (OV-EDA, 2000), but are not adequately implemented at present.

¹² The new Forum for Sustainable Development is an attempt to improve coordination between the federal, cantonal and local governments.

Public Participation: Visions and Innovation for Societal Transformation

Institutions and processes should be adapted or created to ensure meaningful engagement of non-governmental actors in sustainable development policymaking and adequate resources must be invested for this purpose. The Sustainable Development Strategy 2002, for example, was prepared by the Government in isolation; external interest groups were merely consulted by written procedure on a draft, and there was no public participation process¹³. Increased transparency and plurality are particularly crucial with respect to foreign policy decision making, both to ensure greater coherence between domestic and foreign policy and to increase the democratic legitimacy of foreign policy.

Principles for a Sustainable Switzerland

Consideration of sustainable development by the Federal Council has not yet resulted in a set of principles to guide policy. Principles might include a commitment by the people of Switzerland, for example, to:

- Act as global citizens: Switzerland takes a global citizen perspective and pursues broad human security aims, both at home and abroad, tempering national economic interest with ethical considerations.
- Play a pioneer role: As a wealthy and technologically advanced country, Switzerland aims to play a pioneer role in the transition to sustainable development.
- Encourage innovation for sustainable development: Support for education, research and technology development will facilitate transdisciplinary, cross-sectoral problem-solving and effective interfaces between researchers and decision makers, including the general public.
- Assist other countries. Switzerland will cooperate with other countries and invest resources to offer sustainability solutions applicable in the developing world. We will specifically support the poorest developing nations in poverty reduction efforts that result in sustainable outcomes.
- Support social cohesion. Solidarity across social strata and ethnic, linguistic or cultural communities is an important prerequisite for sustainable development. Switzerland will promote the protection of human rights, the provision of opportunities for disadvantaged members of society, opportunities for cultural and personal development, a socially and regionally equitable distribution of prosperity, guaranteed health care provision, public safety, and equal rights for women and men, both domestically and in international fora.

¹³ Another example comes from the newest MONET report (November 2003): There was a conscious decision – based on resource and time considerations – to refrain from public participation in the process of defining an indicator set for sustainable development.

- Nurture the natural resource capital base. We will be good stewards of our natural capital base to ensure that the advantages of future generations are not diminished to meet current needs. This means that we strive to only use non-renewable resources to the extent that renewable resources can be substituted or used more efficiently and that we will invest to increase natural capital.
- Ensure supportive conditions for business to act as an agent of world benefit. Switzerland embraces the vision of a global economic system that is based on the sustainable development paradigm and appropriate valuation of natural and human capital. We will strive to implement domestic and multilateral regulatory frameworks to stimulate private sector contributions to sustainable development.
- Create safe objects of long-term value. We will not allow future generations to be burdened with requirements for maintenance of vigilant administration of potential danger due to the careless creation of products, processes or standards.
- Improve democratic decision making processes. We will modify decision making processes to expand public involvement beyond veto and referendum rights to include early input into the development of strategic visions, policies and resource allocation.
- Make optimal use of Swiss resources and capabilities. Strategic planning in foreign and domestic policy will focus Swiss resources on activities that promise the greatest sustainability benefits, in terms of both international influence and domestic progress.

Sustainable Switzerland: Innovation Studies Series

A series of in-depth Swiss sustainability innovation studies by leading Swiss and international experts should be commissioned to provide state-of-the-art inputs to inform both public debate and strategic planning by decision makers in the public and private sectors. Switzerland currently lacks an independent think tank on sustainable development issues, and the ARE does not have the necessary hierarchical position and resources to support such a function. Together with the private sector and environmental/social/development NGOs, therefore, the Federal Government should make resources available.

Studies should focus on strategic issues that cut across sectors and address all three pillars of sustainability. Examples might include:

- SwisSustain: Visions of a sustainable Switzerland. This project would design and implement a process to engage civil society in an interactive exercise to elaborate desirable future visions for Switzerland that are compatible with the sustainable development paradigm.
- Business as an agent of world benefit: Concepts and operational approaches to integrate sustainability considerations into national economic and business strategy, both in Switzerland and in countries to which we provide development

assistance. The study should consider how to define and ensure a "healthy" (i.e. respecting the three pillars of sustainability) Swiss economy in the future, as well as how the Swiss private sector can catalyze the global transition towards sustainability most effectively.

- Swiss foreign policy: A sustainable development niche for Switzerland? Assessment of the opportunities and threats that such a comprehensive strategy might represent for Switzerland and what institutional, process and policy changes might be required to implement it.
- Knowledge systems and tools for sustainable development policymaking. The study would consider how we can create knowledge systems that effectively link knowledge to action for sustainability. This will require new ways of doing science ("sustainability science") and new ways of linking research to policy, scientists to practitioners, and the developed world to the developing world. Individual efforts in research, innovation, monitoring, and assessment can contribute to sustainable development, but the full utility of such independent contributions depends on developing integrated knowledge systems. Both Geneva and the new information technologies offer tremendous opportunities for Switzerland to explore new approaches.

The studies could be coordinated to coincide with the thematic scope of the annual work program of the IDA Rio. In 2004, when the seco presides over the IDA Rio and has chosen to emphasize the topic of corporate responsibility, for example, studies with an emphasis on the private sector and the Swiss economy could be initiated.

Conclusion

Switzerland is missing the opportunity to initiate a process of positive societal change based on the sustainable development paradigm that could provide inspiration to coming generations and contribute to our future well-being. With the new Federal Constitution and a uniquely prepared civil society, the only missing ingredient is concerted leadership to provide the necessary strategic guidance, ensure effective institutional arrangements and develop incentives to channel efforts towards sustainable development. The DFA could take the lead by appointing a Secretary of State for Sustainable Development, developing a corps of sustainable development diplomats and working with the ARE and civil society to define sustainable development principles, objectives and policies that can be put into action domestically and in international fora.