

even more minute since European policy has become world-embracing. In spite of these difficulties, she has faith in her destiny and faith in Europe. She means to make her contribution to the common work of reconstruction, reorganization and reconciliation. For her only chance, and the only chance of Europe, too, lies in the organization and consolidation of a durable peace.

[ *Translated by* NATALIA GALITZINE ]

## II—THE REPUBLIC OF THE LITTLE MAN

### HANS SCHMIDT

FEDERAL Counsellor Eduard von Steiger, one of the seven supreme law-givers of Switzerland, once described his country as 'The Republic of the Little Man'. And it is no mere accident that this expression should have come from the lips of that very man who, as head of the Department of Justice and Police, has been responsible during the war years for a policy running directly counter to the democratic outlook and traditions of the Swiss people. His utterance is pure demagoguery.

Undoubtedly the Swiss like to think of themselves as a small nation of modest, industrious people with no imperialistic aspirations; and on the whole this is still true enough. But these worthy people do not wish to see—or rather good care is taken to prevent them seeing—the changes that have taken place.

Time was when Switzerland passed for the land of freedom and democracy. In the nineteenth century it was looked up to by all progressive people on account of its democratic structure and its courageous attitude on rights of sanctuary. Its praises were then sung as the birthplace of William Tell. But in the Switzerland of today such sentiments live on only in the hearts of the little men and the orations of the Federal Counsellors. It is significant that every foreigner thinks first and foremost of present-day Switzerland as the centre of a tourist industry which has little or nothing to do with the spirit of William Tell.

Modern Switzerland has ceased to be the home of the simple Alpine dwellers living among their flocks. Today only 22% of

the population lives by agriculture; over 60% of the population has moved into the smaller or larger towns. Next to Great Britain and Belgium, Switzerland is now one of the most highly industrialized countries in Europe, and a large part of its industry depends on export. Some 400,000 out of a total of 2,000,000 workers in industry are directly or indirectly employed in connection with export. And during the course of its transformation into an industrial State, the land of the cowherds has become the perfect stronghold of the capitalists. During the critical period from 1925 to 1929 Switzerland converted 18% of her national income—which is about 10 milliard Swiss francs yearly—into capital, whereas during the same period Great Britain was only able to convert about 8%. In 1940 the foreign investments of Swiss capital were estimated at about 10 milliard Swiss francs—5 milliards of which were in America alone—that is to say a larger total than that of any other European country, with the exception of Great Britain.

Just these few figures suffice to give a different picture of the republic of the little man from that which Herr von Steiger and his friends would have us see. But perhaps in one sense the land of William Tell is a model, perhaps care has been taken to see that these riches are at least justly distributed? The following comparison of the distribution of the national income is the best answer to such a question:

	<i>Switzerland</i>	<i>Gt. Britain</i>
Wage-earners	50%	60%
Independents (agriculture, trade and industry, free professions)	22%	12%
Interest on capital	28%	28%
	<hr/> 100%	<hr/> 100%

The percentage of unearned income is therefore exactly the same as in Great Britain. But how does the ordinary man live? In 1942 the taxable income of 75% of the wage-earners was less than 3,000 Swiss francs per head per year. The number that have to be assisted with Poor Relief is therefore always on the increase. For example, in the rich Canton of Zürich (in which there are 511 millionaires) the number is 60,000 persons, that is to say one in every ten inhabitants.

We get the same picture if we study the distribution of the national wealth. The figures of the taxation register show that 85% of the Swiss nation only owns 15% of the national wealth, whereas the remaining 85% is in the hands of only 15% of the total population. The lion's share is held by some 1,500 millionaires and multi-millionaires, who are well known to the taxation authorities. In reality there should be more of them—say 4,000. As a result of a general taxation amnesty passed in 1945 hidden capital to the value of an additional 5 milliard Swiss francs was brought to light.

There is therefore not an iota of difference between Herr von Steiger's 'Republic of the Little Man' and any other ultra-capitalistic State where the riches concentrated in a few hands are the key to the real economic and political power.

Now what are the political effects of this situation? The war has enormously strengthened the ascendancy of wealth of the great capitalist. Whereas the dividends of the big concerns have increased by anything from 2% to 15%, the basic wage of the masses has fallen by anything from 7% to 25%. Unlike what happened during the First World War, successful efforts have admittedly been made to control the prices of consumer goods and to indemnify the soldiers for loss during their periods of absence on military service through a Wage Compensation Fund. Furthermore, the end of this war has brought, contrary to all expectations, not unemployment but a continuation of full employment.

Therefore, for the moment there is no great swing to the Left among the mass of the Swiss people as there was at the end of the First World War. But this does not mean that it acquiesces in the picture of the Ideal Republic of the Little Man and allows itself to be deceived about the realities of the situation. On the one hand the workman cannot overlook the fact that, despite the favourable economic situation, his basic wage has fallen well below pre-war level and that he can only secure increased purchasing power by fighting for it. The attitude of the big capitalists has stiffened, and they show no inclination to sacrifice their fat wartime profits for higher wages and social reforms. Quite the contrary; in expectation of still keener international economic competition they are attempting to lower the standard of life of the Swiss worker. On the other hand the big Swiss capitalists indulged in a policy of bowing to Axis demands, a policy which was anything but

popular with the democratically minded masses and which has done much to discredit in their eyes both the government and the parliament elected in 1943.

The victory of the democracies over Fascism has also released a lot of steam in Switzerland. The 'historical' parties, which have to answer for the direction of the nation's affairs during the war years, are all passing through a critical period. The Social-Democrats are faced with the problem of whether to continue their collaboration with the capitalist parties or adopt an active socialist policy. The cause of their doubts is the Workers' Party, founded in 1944. After a year and a half's existence the Workers' Party, which was formed from the ranks of the Swiss Communist Party (declared illegal during the war) with the addition of a few well-known renegades from the Social-Democratic Party, reinforced by a large and hitherto politically inactive mass, can claim over 20,000 members. (The 'official' membership of the Social-Democratic Party is about 42,000.) This party has experienced political leaders in its President, Léon Nicole, who, when he left the Social-Democratic Party, took the great majority of the Geneva trade unionists with him, and its Secretary Karl Hofmaier, who was for many years the head of the Swiss Communist Party. On the intellectual side it can count on the support of Professor Artur Baumgarten of Basle University, and the writer Hans Mühlestein.

The newly founded Workers' Party has already met with success in its campaign for improving the economic situation of the great masses of the people. In more than one Cantonal election (Geneva, Zürich, Basle, Lausanne) it has emerged as proportionately the strongest party. But it does not confine itself to the field of internal politics. From its very inception it has exposed those tendencies in our foreign policy which are hostile to the democracies and which threaten to make of Switzerland a sort of safe haven for international reactionaries, in particular our increasing lack of confidence in the democracies and our hostility towards the Soviet Union. So far it is the only political party which has demanded the end of Swiss neutrality, on the grounds that it has lost its former significance and can only lead to the political isolation of Switzerland.

The success of the Workers' Party is significant in so far as it proves that large numbers of Swiss can be won over to support an

anti-capitalist and—in the true sense of the word—democratic policy. It also shows that, even in this country which has escaped the war, there are forces astir ready to break with the past and turn Switzerland again into a progressive democratic State.

[Translated by DOUGLAS COOPER]

### III—THE CULTURAL POSITION OF GERMAN SWITZERLAND DR. KARL GEORG SCHMID

KARL GEORG SCHMID, who was born in 1907, is one of the most outstanding literary figures in Switzerland today. During his periods of military service from 1939 to 1945 he was a Staff Officer and was for a time on a Divisional Staff. In 1944 he was appointed Professor of German Literature and Philology at the Zürich Polytechnic.

The following article is a summary of his inaugural academic speech, delivered in October 1944. Subsequent events in Europe have called for certain emendations of detail. The speech was published in full at the beginning of 1945 by the Polygraphischer Verlag of Zürich in the series of political and cultural documents which they edit for the Polytechnic.

THE formation of the Swiss Republic is not based on any objective motivating force. We are bound together neither by race nor language. As spiritual culture cannot be separated from language, and as we belong to different linguistic groups, there is more than one cultural boundary which runs through the middle of our country. It is as hopeless to base an explanation of our union on such principles as blood-ties or a common origin, as it is to try and discover a common and representative Swiss culture which can be unreservedly proclaimed as a specific national attribute.

Our distinguishing feature is not our common culture but our will to independence—it is backed by a long common history—and the ideas of confederacy and justice, which are the roots of our political life. By option, and by deliberately repeated ratification of the basic ideas of Confederacy, we Swiss do not belong to any particular linguistic community or race. Therefore we demand from every Swiss intellectual not only passive recognition of his national allegiance, but also spontaneous acquiescence in the basic principles of our State. Those