

Panel: Impacts of globalization on Switzerland: Cutbacks in public services?

Globalisation and the Privatisation of Public Services In Switzerland

As in so many countries, the forces of globalisation are being felt in Switzerland, and this panel examined the efforts towards the privatisation of public service provision in Switzerland. Speaking on the panel was Hildegard Fässler, President of the Social Democratic Party (SP) block in the Federal Parliament; Doris Schüepp, Secretary General of the union of public service workers (VPOD); and Daniel Lampart, President of the economic commission of the Swiss Green Party.

Panel members reviewed the trend towards privatisation begun in the 1980s and still making headway across Europe now. Several public services have already been privatised in Switzerland, perhaps the most significant being the telecom industry. Although the attempt to privatise the electricity market recently failed at the ballot box, the push towards further transfer of state provision of services to the private sector continues.

The panel reviewed the various international agreements, such as EU law and the WTO, that have been signed by the federal government of Switzerland and which are being used as the legal means to put pressure on this country to liberalise many of its markets. Although Swiss voters turned down the federal government's plan to enter the EU more than a decade ago, the country has since made great efforts nonetheless to bring its laws into line with EU laws in a sector by sector approach. This has led to further attempts at deregulation and of opening the national market up to foreign firms.

Many large Swiss companies have been clearly in favour of this trend, hoping to be able to expand their presence in global markets as they too open up. Others have resisted these trends and fear that access to the Swiss market by large TNCs will lead to price dumping and ultimately loss of their business. Whether gains to consumers outweigh this remains an open question.

All panel members were agreed that the state must guarantee that essential public services are provided to all citizens equally and of the same high quality that has been the case in the past. That the private sector had a role to play in some way in this provision of services was accepted, but there was general consensus that it should not occur in sectors such as education in which the principle of ensuring equal opportunity to all citizens must remain paramount. Privatisation of public service providers also results in an overall loss of democratic oversight, as the state relinquishes its control of these companies and the companies become responsible to market forces solely.

Simon Parker