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fluence of Germany is just as strong in Zurich or Basle.

The French and the French-Swiss then share a common ancestry, a common Latinity, the same language and little more. But even the French language differs on either side of the border. The written style of a Swiss newspaper can be easily distinguished from the prose of a Paris daily. The same obtains for German-Swiss dailies, whose German have a flavour absent from "Die Welt" and the home-style of "Der Spiegel". The accents of Geneva, Vaud, the Jura, the Valais and Fribourg are all profoundly different, and the French, who tend to make fun of the Swiss accent should rather admire the diversity in the vernacular of such a small territory and perhaps realise that the blather of the Marseilles bistrot-keeper sounds phonetically uglier than the worse twang of a wine-grower from Vaud!

The German-Swiss have a language of their own and this helps to confirm their identity with respect to Germany. The French-Swiss use the language of their great neighbour but this has not prevented them from retaining a staunch cultural identity of their own. This shows that language is not the strongest bond, and that a particular differing political heritage has as much influence in shaping the minds of people with an intellectual life stemming from the same root.

(PMB)

## SWISS NEWS

### TO PROTECT WHAT IS "MADE IN SWITZERLAND"

The Federal Council has recently published its proposals for a watchmaking law which would complete the 26th September, 1890 law on the protection of watch makes. Also included are proposals for a ten year decree on the quality control of watches. Both the law and decree would take effect after 1971 and will be specifically designed to protect the name and the reputation of Swiss watches.

The new law will define what can be designated as a "Swiss Watch". Following the recommendations of the Watchmaking Federation, a watch will be legally "Swiss" when its movement will have been assembled, set in motion and checked in Switzerland and when 50 per cent of the value of its components will be of Swiss origin. A Swiss watch will moreover have to be tested in Switzerland according to official standards. The decree will lay down that only those watches of a certain minimum quality shall be marked as "Swiss". This measure will ensure that the quality reputation of the Swiss

watch will not be compromised by the cheaper products coming from the Swiss watch industry. Buyers all over the world associate "quality" with "Swiss", especially in the field of watches. Describing a bad watch as "Swiss" would therefore be a misrepresentation which could be harmful to a vital export industry exporting 97 per cent of its output.

When the Federal Council debated eight years ago on the present legal status of the watchmaking industry, it decided to abandon the traditional interventionist policy which had been introduced to protect the industry in the crisis years of the 1920's and 1930's. The new proposals will represent a complete break from 40 years of interventionistic policy.

(ATS)

### LAUSANNE WELCOMES BACK HER GI'S

Six months after the end of the war, the Swiss National Tourist Office and the American General Staff made arrangements for American servicemen who had fought on the German and Italian fronts to have a rest and relaxation trip to Switzerland. 25,000 of them visited Lausanne in 1945 alone and this mass visit was to boost local tourism from its war-time lethargy.

The New York and San Francisco offices of the SNTTO have decided to mark the 25th anniversary of this event by inviting some of these uniformed post-war guests to make a pilgrimage to Lausanne. Two of them were traced back. A Mr. Steve Marcinek and a Mr. Jesse Ellsworth will thus be received in grand style with their families by the Association for Lausanne's Touristic Interests and be guided round the Canton of Vaud.

(ATS)

### AN EXPULSION THREAT UPHELD BY THE FEDERAL COURT

An Italian doctor resident in Switzerland and married to a Swiss woman was formally warned of expulsion at the end of the Globus battle in which he had taken part. His appeal to the executive council of the town of Zurich to have this warning lifted was rejected. He pursued his case before the country's highest instance, the Federal Court of Lausanne, where the judges upheld the former decisions.

The man had not been actually sentenced to expulsion and was therefore not appealing against any direct expulsion order. His claim was that the Zurich police had not had the right of letting the menace of deportation hang over him. The Federal judges took due regard of his personal background and his Communist environment from an early age, but decided that he had shown an unwillingness to submit to the rules of his host country and that, as such, the written threat of expulsion provided in the aliens' legislation was justified.

Foreigners in Switzerland may take part in political activities (contrarily to widespread belief) but these activities must not substantiate the conclusion that those who exercise them are either unwilling or unable to comply to the established order of the host country. This provision may naturally be widely interpreted and has failed in the past to protect foreigners from deportation. But this extreme step, according to the law, may only be decided when all circumstances have been examined.

(Basler Nachrichten)

## SWISS APPRENTICES HAVE IT TOO HARD

This, at any rate would be the conclusion of an enquiry undertaken by a social research organisation with 60 apprentices in a large mechanical factory in French-speaking Switzerland. The results of this enquiry show that apprentices tend to become abused during the course of their training. Asked whether they had the impression that their employers were inspiring them with a love of their work, 71 per cent of first year apprentices answered affirmatively whereas only 38 per cent of third and fourth year apprentices still believed it. Only 5 per cent of beginners thought that their employers used them for their own profit, but over half of elder apprentices did so. The same tendency was reflected in the answers given to the question of whether apprentices were used especially to accomplish the menial and unwanted tasks of elder workmen. However, the proportion of apprentices who would now choose the same job if they had to start again was approximately the same in all age groups (56 per cent) thus showing that it is rather the apprenticeship, and not the job, which is usually in question.

(ATS)

## REVISION OF THE 1934 BANK LAW

The various bank crashes of the 1960s—such as the failures of the Banque Genevoise de Commerce et de Crédit and of the Schweizerischen Spar und Kreditbank have made a partial revision of the 1934 Bank Law necessary. The Federal Council published proposals in March and these were passed with complete unanimity by the Council of States in September. The amended law will enlarge the domain of application of the Bank Law, which will henceforth embrace a variety of investment and finance houses which were left uncovered so far. The fundamental requirements of banks will be made more severe. Their management will submit to more stringent "irreproachability" tests and will have to be domiciled in Switzerland. The minimal capital of Swiss-established banks will be increased. Foreign banks will be controlled by distinct provisions. Savings banks will need increased collaterals. The sanctions against the

breakers of banking law will be increased in order to guarantee more securely the protection of savers. Finally, the powers of the Bank Commission will be made more effective.

The head of the Finance Department, Mr. Celio, presented the amended law to the Council of States and mentioned the famed "secrecy clause" of the 1934 Bank Law. He said that Switzerland was by no means the only country in which bank secrecy was applied. Present difficulties with the Americans were solely due to the fact that tax evasion was not considered as a "crime" by Swiss law and therefore did not warrant a break in bank secrecy. He said that the Government would always ask for disclosures of accounts in the case of real criminal affairs, but the care of the 1934 Bank Law, the bank secrecy provision, was there to stay.

## THE WOMEN OF BASLE COUNTRY CRITICISED FOR THEIR ABSENTEEISM

The papers of Basle Country mingled their comments on the results of the 27th September vote with sharp criticism of the small turn-out of women voters. Polling attendance had been small (the national average was 32 per cent) but the women turned out in even smaller numbers than the men to the polls. This prompted the "Baselandschaftliche Zeitung" to comment that "the chances were extremely small that Switzerland's cancerous ailment, her malfunctioning democracy (or better said her over-satisfied society) would be cured by increased voting facilities and expanded voting hours." The "Abend Zeitung" said that it was difficult to understand why such vast numbers of women had stayed at home and neglected to make use of the precious political rights which they had so recently acquired. The "National Zeitung" wondered whether it was that Basler husbands didn't wish their wives to accompany them to the polls. The small female attendance at the September vote was puzzling because there had been many more women voters at the December 1969 cantonal and federal vote. The "Baselandschaftliche Zeitung" remarked that the introduction of the right of vote to women was a "great legal progress" which should have delighted every woman. They should have shown their appreciation instead of retracting into their small shells.

## COINTRIN AIRPORT'S JUBILEE

Fifty years ago on September 22nd, Geneva's Cointrin Airport was promoted to the status of a "First Class Customs Airfield". A day after this elevation of rank, a lumbering "Haefeli DH 3" touched down on the 500 yard meadow north-west of Geneva that was then Cointrin Airfield. A large white circle with an arrow pointing north and two wind bags were the sole navigational facilities. Pilots could, in good weather, rely on the smooth expanse of

Lake Geneva, on the town itself and on the course of the Rhone to guide themselves safely to the airfield. Petrol beacons were set alight at nights.

Now Cointrin is a vast factory with 3,000 employees and a traffic of 2.5 million passengers a year. The main runway was lengthened to 3,900 metres in the summer of 1960, covering a few acres of French soil. The terminal was extensively modernised in 1968 and passengers now reach their planes through a series of ultra-modern and sleek customs and registration halls, through marble white rolling gangways and lush departure islands in the proximity of the plane's parking space. The advent of the Jumbos has necessitated yet further enlargement and by next year, a 500 metre wing with telescopic footbridges will handle the hundreds of passengers alighting from six Jumbo jets.

The Airport's jubilee was celebrated in the presence of numerous local and federal personalities.

## THE DOWNFALL OF THE UNITED CALIFORNIA BANK IN BASLE

The failure of the United California Bank in Basle can be considered as one of the biggest banking scandals of Swiss history. This bank was founded in 1965 by a Canadian, Paul Erdman. He had obtained an Economics doctorate at the University of Basle and was rated by his professors as the most brilliant student ever to have attended their faculty. He had worked at the European Coal and Steel Community in Luxembourg and, in 1964, had conceived the idea of a bank operating in Switzerland with the aggressive techniques of U.S. fund managers. He obtained the financial support of an American businessman, Charles Salik, who was impressed with his ideas, and started the *Salik Bank* in 1965 with a capital of 600,000 dollars.

This bank worked from the beginning not only as a deposit collector, but also as a brokerage house for the equity accounts of customers, as a foreign exchange and commodities dealer. This was quite in accordance with the Swiss banking pattern, where banks act as brokers for all kind of business.

The Salik Bank operated on the principle that capital should soar as fast as possible, and in order to make the capital it controlled appreciate, the Salik Bank was prepared to take great risks. Its assets totalled 3.1 million dollars at the end of 1966, and 49 million at the end of 1968. As the bank grew, it increased its services. Customers could buy gold or silver, speculate in foreign currency and commodities, and acquire Australian, Japanese, German and American equities. They could do so moreover with the guidance of the bank's management, which was almost prescient about money matters. In November 1967 the bank successfully foresaw the devaluation of the pound and advised its customers to act, making many of them rich. One of



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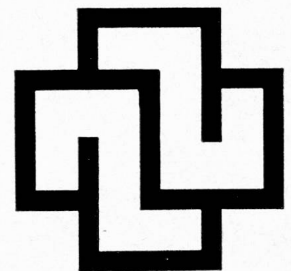
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them made 80,000 dollars in a fortnight by selling pounds for future delivery when they were still worth 2.8 dollars each and by replacing them at 2.4 dollars after devaluation.

Mr. Erdman was the man behind this financial guidance and was eager to let it be known. He cultivated his reputation and made himself available to the press for discussions on financial and foreign exchange matters. When Switzerland's three major establishment banks, the Swiss Bank Corporation, the Union Bank and the Swiss Credit Bank, urged him to curtail his association with the Press, he ignored them. He was even more aggressive when it came to getting new customers and his executives literally rang the doors outside the country soliciting business. To carry out his frantic activity, Mr. Erdman assembled a remarkable team of young executives. The average age of the bank's 120 advisers was 30 and managers were 41 on average. It was this team and its startling performance which caught the attention of top executives at United California Bank and Western Bank Corporation and particularly fascinated Mr. Frank King, Chairman of the Western. He played an instrumental role in UCB's takeover of the Salik Bank in 1969. "We bought the bank to get Paul Erdman", a UCB official remarked at the time.

Preliminary investigations into the collapse of UCB Basle by Swiss authorities have shown that very few controls were exerted over the Basle's bank's operations, either by the UCB parent or by directors of the subsidiary. What the Swiss Banking Commission now wants to have explained is how a spate of aggressive transactions in silver, cocoa and equities could have occurred without the knowledge of the directors.

Starting late in 1968 the bank was recommending speculation in silver futures. The price of silver was rising because of scarcity. Salik officers bought it at the high of 2 dollars an ounce for the bank's account and on behalf of customers. However, the price fell gradually from mid 1968 to mid 1969, hitting a low of 1.52 dollars an ounce on the New York spot market in June. The bank however managed to straddle the market and had recovered by the summer of last year—but many customers had not, and this deeply affected Mr. Erdman, who was eager to give them some quick way of recouping and cast around for investment opportunities.

What he settled on was trading on the volatile cocoa futures. The UCB Basle had done some trading in cocoa before but never in sizeable quantities. Erdman sent Mr. Bernhardt Kummerli, his chief commodities trader, to Ghana, the world's main supplier of cocoa. Kummerli wandered around Ghana and returned to Basle, satisfied of being a cocoa expert. He wasted no time. During August and September 1969, his department "bought" half the cocoa

in the world without the full knowledge of Mr. Erdman. The cocoa wasn't actually bought, but delivery contracts (i.e. the promise of future delivery) were concluded for this quantity and paid at 10 per cent of their current value. While Mr. Erdman was on holiday, his executives had bought 17,000 cocoa contracts at 9,000 dollars each, deliverable at various times during the following 12 months. The deals had been carried out at a time when cocoa was at a near high of 45 cents a pound. The bank was trading on both the New York and London cocoa markets, where prices stood respectively at 13,000 and 5,000 dollars a contract, thus showing that by quoting 9,000 dollars, the bank was averaging values on the two markets.

The face value of these contracts stood at 253 million dollars and the 10 per cent commitment, 25.3 million dollars, was an incredible sum for a bank which had barely 8 million dollars of assets at the time. The most respectable merchant bankers of London and New York agreed to negotiate these contracts with UCB Basle because, despite the relatively minor stature of the bank, they saw the 5 billion dollar assets of the American parent. The parent bank had in fact to put up some 125 million Swiss francs to finance the contracts. This "margin figure" amounting to 25 million dollars should have been listed in the balance sheet according to Swiss legislation. If reported correctly, it would have prompted an audit of the banks commodity trading. On the contrary, UCB Basle's 1969 report showed a small profit on the margin account. The Swiss examiners who went over the report in early June noted a discrepancy and following usual practice, they sent Mr. Erdman a note of enquiry in German, which he translated into English. But instead of translating "margin accounts", he made it read "foreign deposits" and sent it to the home office in Los Angeles. This was to win time to straighten out affairs, but on June 10th the bank was hit for about 10 million dollars losses.

According to Mr. Max Studer, an auditor with Switzerland's society for bank inspection, the balance sheet had been "undeniably falsified". Mr. Erdman later seemed to concur with this and has admitted to having just "turned his head away" and not questioned any of his officers about the bank's books. He could have called for an audit in time, but preferred to attempt putting a lid on the trouble and buy the time to iron them out. An audit would have shown the state of the cocoa trade and marred his and the bank's record, and if the news had got out it might have led to a run on the bank and an eventual bankruptcy.

But the price of cocoa continued to slump to about 28 cents a pound and, to compound the bank's troubles its portfolio manager had taken a keen interest in Leasing Consultants Inc.,

an American firm specialising in leasing aircraft, and invested heavily in this outfit. Unfortunately, Leasing Consultants reported sharply over-stated profits in February and its shares subsequently crashed. At the end of last August, Mr. Erdman called on the Los Angeles office to inform headquarters that he had made substantial losses, amounting to 15 to 20 million dollars.

He came back to Basle with UCB's vice-president on September 2nd, by which time Swiss investigators had looked into the books and unveiled losses soaring to over 30 million dollars. Mr. Erdman was arrested on September 10th and six of his collaborators followed him later. Following the Swiss arrest procedure, as a suspect he must stay in detention for as many three-weekly renewable periods as necessary. Official charges are not yet known, but the Basle court is under pressure to hurry. The judiciary will doubtless want explanations of Erdman's book-keeping, on his management and delegation of authority. It will also investigate into the rumoured possibility that the Mafia, or some criminal organisation, might have rigged the bank's cocoa dealings and channelled the "lost" money into a numbered account. Meanwhile, UCB in America has had to outlay millions of dollars to repay customers and, in Switzerland, the banking establishment is concerned over the bearing this affair may have on its international reputation. The story of Mr. Erdman is standard, really. It is the story of a gambler who had to gamble more to recoup his losses and who failed. But the law doesn't like men who run a bank like a game of baccarat.

(based on "Guardian" information)

## SCHWARZENBACH HAS ANOTHER TRY

James Schwarzenbach, the herald of a pedigree Switzerland pure of an invading foreign element, has launched a new initiative whose proposals are somewhat softer than those which were rejected by the Swiss people in a nation-wide referendum last June. Instead of chasing foreign nationals outright from Switzerland, he wants to make the capitalist establishment which uses them pay for their stay. Every firm not employed in agriculture or forestry, employing more than three foreign workers will have to pay a tax proportionate to both its foreign payroll and to the percentage of aliens in Switzerland. The money thus levied will serve to improve the environment. Schwarzenbach thus remains faithful to his anti-capitalistic and anti-materialistic bent. "The growth of the national product is not everything" he says, and is ready to go a long way to prove it. Jack Rolan, a humorist writing in "La Suisse", suggested that "someone ought to start an initiative to prevent Schwarzenbach from launching initiatives".

# TOPICS

## OFFICIAL ENCOURAGEMENT TO RESEARCH

Thirty years ago, almost all the research undertaken in Swiss universities was financed by the cantons up-keeping a university. These are Zurich, Berne, Neuchatel, Geneva, Basle, Fribourg, Vaud and St. Gall. But as the demands and complexities of research increased, this burden became excessive for individual cantons and research has since become one of the major responsibilities of the Confederation.

The two main official bodies charged with dispensing official assistance to research are the Commission for the Encouragement of Science and the National Fund for Scientific Research.

The first of these two organisms was created in 1943. It finances research undertaken for the benefit of industry—mainly in the two federal institutes of technology—and disposes of 1.5 million francs a year. The Commission is mainly composed of representatives from industry.

The National Fund for Scientific Research is by far the more important body. It was founded in 1952 following concerted proposals by Swiss universities and scientific societies to the Federal Council. In the first 17 years of its activity, the Fund had given out 338.1 million francs in 5,555 individual subsidies. The Fund is legally a private foundation, designed to maintain the freedom of research and to support it so long as it is not intended for commercial objectives. The Fund is thus primarily designed to assist fundamental research, which means in practice the universities and institutes of technology are its principal beneficiaries. But the Fund may help other research organisations when they do not pursue lucrative aims.

There are three basic stages of re-

search: fundamental research, applied research, and development. Fundamental research is devoted to the acquisition of new knowledge as such, applied research is concerned with the ways of applying the results of fundamental research practically or consists in independent and aim-directed research; development consists in devising new products, devices and materials. The first belongs primarily to the university and tends to gain in importance. The second type of research is more likely to be included in the programmes of the institutes of technology, although many universities conduct applied research as well. Development is reserved to industry.

The National Fund has an executive, the Council for Research, responsible for examining the thousands of requests for subsidies submitted to the National Fund. Members of the Council are partly elected by the Founding Council and by the Federal Council. As requests have become increasingly numerous and complex, the Research Council has been sub-divided into three sections respectively responsible for *human sciences*, *exact sciences* and the *sciences of life* (biology and medicine).

The responsibilities of the Fund are to allocate subsidies for individual research, to assist scientists in the cost of research publications, to give grants for advanced study, to sponsor individual and highly-qualified scientists and, finally, to help some laboratories to meet their running costs.

Subsidies are allocated for a maximum of three years but may be prolonged on presentation of a new request. Numerous such repeated requests have been accepted by the Fund, which in their way give its blessing to the formation of permanent research groups. The individual subsidies given to senior scientists are intended to encourage the best men to remain in Switzerland and guarantee them with a safe income to their retirement. But these researchers are expected to assist the universities in their teaching tasks.

(Echo)

## THE TESSENBERG PENITENTIARY

With the three penitentiaries of Witzwil, Thorberg and Tessenberg, the canton of Berne is better equipped with this type of institution than most cantons. This is not to say that the Bernese are particularly prone to delinquency, but that according to an ancient inter-cantonal agreement, the juvenile delinquents from other parts of Switzerland are "redressed" in Bernese Borstal institutions. Many criticisms have been aimed against them at sporadic intervals. The last case was an article on the Tessenberg penitentiary in the youth magazine "Team". A young and enthusiastic reporter for this Catholic publication interviewed two former Tessenberg inmates and recorded their frightening experience there. He went to Prêle, a locality on the northern side of the lake of Biel where the penitentiary lies, visited it and gave his own account of what he saw.

His article in "Team", appropriately illustrated with telling photographs, reported all the inhumanity which Tessenberg inmates had to endure. They were forced to cut their hair very short and shave away whiskers and Beattie cuts. "Blick" and German newspapers were forbidden. Sanitation was primitive and cloacal. Food was below everything and the regime at dinner table worse than military.

The management of the Tessenberg penitentiary and Bernese authorities thought fit to summon a press conference and put matters straight. Mr. Bauder, an executive councillor, explained that each Bernese Borstal institution was adapted to particular types of cases. It was not possible to apply the modern and psychological methods of correction universally. Tessenberg was a less amenable institution than the others because it was intended to receive the difficult cases. Delinquents who would not submit to the discipline of Witzwil were sent to Tessenberg, which stood threateningly as the last link before the regular prison. But the Tessenberg institution would take account of the change of

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times and fashion and allow its "pupils" to carry long hair. Those who attempted to escape were punished with a crew-cut leaving a millimetre stub on the scalp. This, said Mr. Bauder, was an appropriate measure of dissuasion.

Tessenberg would be modernised and three million francs spent between 1971 and 1974. One of the main difficulties standing in the path of humanised re-educational methods was the shortage of qualified and devoted staff. It was hoped nonetheless that the Tessenberg penitentiary would be equipped with individual pavilions housing inmates in groups of eight with their tutors by 1974.

### THE REVISION OF OLD AGE INSURANCE

There has been much talk of overhauling the present system of Old Age Insurance. Three initiatives have been launched by left-wing movements to completely reshape the present structure of official assistance to old age. But the Government has not waited for the collection of the necessary signatures and the ensuing legal referendums since it has already decided that the 8th and far-reaching revision of Old Age Insurance should be implemented by 1973. For now, the whole system is under the scrutiny of the Federal Insurance Office, which will propose guidelines for a new Old Age pension scheme in due course.

Ever since the present Old Age Insurance was promulgated (in 1948) the Swiss social politicians speak of the "three pillars" of old age. These are individual savings, employee pension funds and state old age insurance. The spirit of the present law is that old people should not rely entirely on the "third pillar", or old age pension, but should also enjoy the help-meet of their savings and of private pension schemes. The guiding philosophy behind this law was that individual responsibility should remain the ferment of true progress. The state could not be expected to meet all the needs of the country's retired population.

Various movements have since pressed for an alteration of this principle, because the facts proved that the majority of old people did not possess sufficient personal savings to secure themselves a decent standard of living and also showed that private pension schemes were so varied that they led to important disparities in retirement income.

This meant that in order to ensure a materially-happy retirement to everyone, the state Old Age Pension had to be sufficiently high to allow everybody to live happily on it alone. Drives to have this principle accepted in Parliament have failed. The other solution, advocated by Swiss unions and the Socialist Party, would make private pension obligatory and legally defined. This appears to be the conclusions of the Insurance Office experts now preparing the 8th revision of Old Age Insurance.

But while this socially vital revision is in its early study stages, the Council of States has recently voted a 10 per cent increase in current Old Age rents. The National Council had given the same verdict in June. Although the old are still a far cry from the lap of luxury, no solitary old bachelor now receives less than 400 francs a month when complementary benefits are included.

### A NEW DESIGN FOR BIEL

Biel is one of the fastest-expanding towns in Switzerland. Its population has topped the 70,000 mark and is rising fast towards the maximum which the city's surface could ever cope with. This maximum is estimated at 94,000 and will be reached by the turn of the century. Biel's population has expanded by 38 per cent since 1950, but the port's population has increased by 249 per cent in that same period. Ipsach has doubled its population, Nidau's has increased by 165 per cent and Brugg's by 143 per cent. Thus what were peripheral villages are exploding and becoming enmeshed into a vast urban centre.

A young town-planner, Peter Trüdinger, has published a report containing some far-reaching ideas on what the "new Biel" should be like. The railway line, which severs the town from the lake, should be driven underground. The present station should be displaced to merge with the actual goods station. These plans are already envisaged by the Federal Railways. But Mr. Trüdinger wants the earth dug out in the construction of the tunnel not to be dumped in the lake but appropriately used to re-design Biel's waterfront entirely. He visualises a series of lush and green gardens with small creeks along the lake, covering a much greater area than the present park. Mr. Trüdinger is strongly opposed to the idea of using the former railway line as the path of the future N5 because this would congest the town even more. He advocates the officially-abandoned plan of using "Seeland Tangent" by-passing Biel and running on the south side of the lake as a Solothurn-Neuchâtel connection. The arrival from Berne into Biel should avoid the built-up area of Aegerten, but aim at Lyss and from there reach the port directly via a tunnel under the Jäissberg. The site of the condemned railway station should be used for a shopping centre. Peter Trüdinger's scheming also comprise gardens in the heart of the city, new parking centres, a road along the Aar canal and two new bridges.

Town engineers have examined these plans with great interest. They are well aware that Biel requires a continuous and far-sighted planning perhaps more urgently than any other Swiss town. This rising industrial capital may in a decade become the model town of Switzerland.

### THE WORRIES OF THE PEASANTS OF THE VALAIS

The annual difficulties arising from the Valais' surfeit of apricots, tomatoes and strawberries count as one of the standing problems of Swiss agriculture. It is surprising that with such a marvellous weather and such plentiful harvests the fruit growers of the Rhone valley should be worried, but the fact is that they are. Their problems are threefold. First, they must cope with and try to adapt their husbandry to erratic variations in harvests. Secondly, the market on which they rely so urgently changes in mood and taste from year to year and cannot be moulded to changing output, and thirdly, the Common Market and its agricultural integration will make it increasingly difficult for Valais farmers to export their products.

To see how widely harvests can change from year to year, we may consult past figures. The apricot harvest for 1957 was 19,946 tons. It was three times larger, namely 61,819 tons, in 1958. It fell to 31,308 tons the next year. The orchards of the Valais were cultivated more intensely each following year, so that harvests climbed relentlessly. But despite all the efforts undertaken to stabilise annual yields, harvests still varied by sudden bounds. It sprang from the 59,763 tons of 1967 to an all-time record of 92,570 tons in 1968. That same year, the tomato output was 9,100 tons. The unpredictability of harvests usually leads to considerable difficulties in selling them and also in a wastage of labour. The Valais apricot growers cannot, in the present market conjuncture, guarantee their incomes. Their tomatoes furthermore fall under the competitive pressure of those grown in Ticino, and when the prices of the kilo has to be depressed by 12 cents to keep them competitive, the whole agriculture of the Valais loses millions of francs.

The unpredictability and the inelasticity of the market are other factors which make things difficult for the farmers of the Valais. While the Swiss can be considered as a conservative people, market surveys have shown that this certainly was not the case in the field of grocery products. Swiss housewives will dote on strawberries one year and queue for apricots the next. A practically stationary population will change widely in its consumption of a particular fruit from one year to the next. Fruit growers of the Valais have formed an advertising syndicate for their products so that they can, by dint of massive advertisement, steer the public's consumption in their favour to some extent. The Migros, which has a special sorting centre in the Valais and buys 40 per cent of its fruit production, has the financial means of foisting any amount of fruit upon the masses by buying full coloured pages in city dailies and by offering extremely advantageous prices. But the structure of the Swiss foodstuffs market and its



inherent protectionism are such that any excess harvest will have strong perturbing repercussions.

Finally, the European Economic Community raises the spectre of a common agricultural market in which only the large foreign producers will survive. This will make life harder for the Valais' vegetable and fruit industry.

Peasants are abandoning the mountains above the flat valley of the Rhone. This is a universal phenomenon and this exodus from the heights is officially acknowledged and accepted by cantonal authorities. Mountain peasants never had the means of competing with the surging cost of living as the geography and the climes under which they toiled would not allow them to raise their profits, however craftily they applied the progress of agricultural technology. The farmers in the valley have a rich soil which they can make more pregnant year by year. But however excellent the fertilisers and pesticides may be, they will be at a disadvantage with the men who, instead of owning fields, own factories. A machine can readily be re-adjusted to produce another article. Tilled land, and especially an orchard, cannot be adapted so smartly to the changing requirements of the market. The Valais plain is in fact so intensively cultivated and precious that no fallow land can be found in which to experiment without worry on new species. One example showing how innovation on the fields lagged behind the swing of consumer taste was

the case of the Canadian pippins grown in abundance in the Valais and which only managed to find outlets in France. The planters of the Valais are in part their own enemies as they tend to resist conservatively against improved agricultural methods. But this doesn't alter the basic fact that their customers are increasingly exigent and that they must spare no collective effort at increasing the quality of their production. Efforts are actually being made at grading the qualities of fruits. Besides the problems of adapting production in quality and in kind to the tastes of a shifting market, the Valais has to compete with other fruit producing cantons. Ticino comes ahead in tomato output, but other cantons such as Thurgau and Vaud have almost as many fruit trees. The Valais has 609,000 pear trees and 668,000 apple trees. Vaud lies in second place, but far behind, with 32,900 pear trees. Thurgau comes second in apple plantations with 427,000 trees. Vaud follows with 422,000 trees. Another quirk of the market is the tendency of consumers to swarm on first seasonal fruits—the first strawberries and the first peaches. This puts the Valais at a disadvantage in those areas where, for climatic reasons, it cannot come out first with a fresh picking. The strong competition coming from within Switzerland means that the possibilities of expansion are limited. But these are problems which the farmers of the Valais are certainly shrewd enough to face.

(*Tages Anzeiger*)

## FORTHCOMING EVENTS

Every Thursday from 6 to 7.30 p.m.  
Discussion Circle in English.  
Young men especially invited. Tea from 6 to 6.15 p.m. Swiss Room, YMCA, Gt. Russell St., W.C.1.

Every 1st Wednesday of the month.  
Secours Mutuels des Suisses à Londres. Swiss House, 35 Fitzroy Square, W.1, at 7 p.m.

Tuesday, 27th October. City Swiss Club monthly meeting at the Dorchester Hotel, Stanhope Suite, at 6.30 for 7 p.m. Dr. Jürg Iselin will speak on the diplomatic career.

Tuesday, 27th October. The Swiss Club Edinburgh meets at 112 Hanover St., for a sing-song and the preparation of the Alpechilbi.

Saturday, 31st October. 12 a.m. Swiss Church Bazaar.

Friday, 6th November. Christmas Dinner of the Schweizerbund.

Wednesday, 11th November. Swiss Mercantile Society.

Saturday, 14th November. Annual Dinner and Dance of the Manchester Swiss Club at the Excelsior.

Friday, 20th November. Annual Dinner and Dance of the City Swiss Club.



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