

## Switzerland in the foreign media: 1st quarter 2023

### Neutrality and war of aggression: little understanding for Switzerland

Switzerland's positions against the backdrop of the war in Ukraine have continued to attract considerable media interest in 2023, especially in Europe, the US, and Russia. The tenor of coverage of Switzerland has frequently been highly critical. In particular, the refusal to allow third countries to re-export to Ukraine war material

**"Switzerland becomes stumbling block for Western military aid to Ukraine"**

*(Wall Street Journal, USA)*

originally manufactured in Switzerland, the related domestic political debates and the disposal of Rapier air defence systems attracted considerable media attention in the first quarter. A trial before the Zurich district court against employees of Gazprombank Switzerland on charges of money laundering related to funds deposited in Switzerland by members of the Russian president's entourage was also in the spotlight. The media interpreted the trial as a test of the Swiss financial centre's handling of Russian assets. Switzerland's neutrality also attracted considerable general commentary from the media – mostly critical. Across all those topics, various narratives critical of Switzerland can be observed in the foreign media, often particularly contentious on social media: Switzerland refuses to support Ukraine despite the clarity of the situation, its behaviour is unethical, and it is consequently an accomplice of the aggressor. Because it is preventing other Western countries from providing support to Ukraine, it is questionable to what extent it remains a reliable partner of the West. Under the guise of neutrality, Switzerland is primarily pursuing its own economic interests. For this reason it is only taking halting action with regard to the Russian oligarchs' assets. The Russian media, on the other hand, continues to propagate the narrative that by joining the EU sanctions, Switzerland has abandoned its neutrality.



Cartoon depicting the attitude of neutral states, with a clear allusion to Switzerland. (© *Economist*)



In their coverage of a money-laundering trial, some media outlets also drew parallels with Switzerland's attitude to Russia. (© *ABC*)

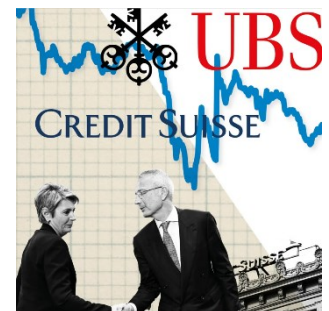
### CS: media question Switzerland's trustworthiness

The takeover of Credit Suisse by UBS and the associated guarantees by the Swiss Confederation and the SNB generated an extraordinarily high volume of extremely critical reporting in foreign media worldwide. The focus of criticism was primarily on Credit Suisse and the feared effects on the financial centre. The media's assessment of the Swiss authorities' actions was more nuanced. Nevertheless,

**"Two pillars of Swiss identity are under attack...the very qualities that once underpinned Swiss exceptionalism are evaporating."**

*(Bloomberg, USA)*

while a few of the initial reports were positive, most of the coverage quickly became negative. Many media outlets reported that the event had damaged Switzerland's reputation as an economic center: the very qualities that had distinguished the Swiss financial centre, such as quality, stability, the rule of law and trustworthiness, were now being eroded. It is also noteworthy that some leading international media outlets linked criticism of the Swiss financial centre to accusations of Switzerland's lack of solidarity as the war in Ukraine is raging and its seemingly difficult relations with the EU. On this basis, some foreign media have concluded that Switzerland has lost credibility and predicted a potential end to Switzerland's position as a successful model. When assessing the media coverage, it is important to bear in mind, however, that although media coverage was overwhelmingly critical during the period under review, this does not automatically mean that the perception of Switzerland among the relevant target groups has been damaged in the long term.

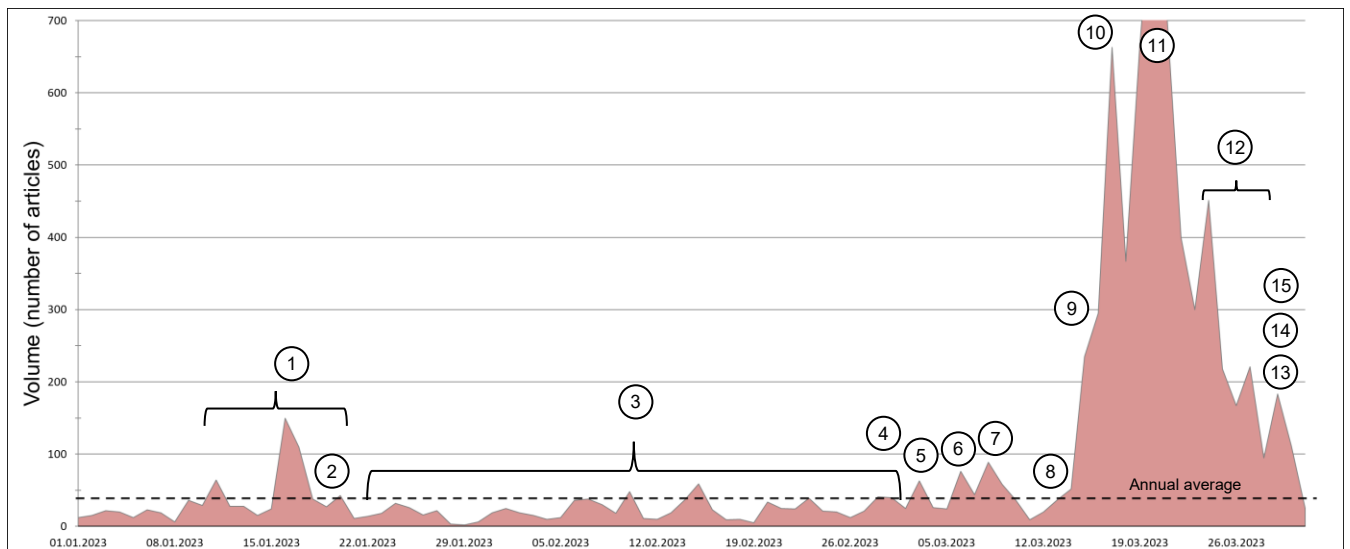


Reporting on the CS takeover focused both on banks and the Swiss authorities. (© *Financial Times*)



Federal Council media conference announcing UBS takeover of CS. (© *Telegraph*)

## Quantitative development of foreign media coverage with reference to Switzerland



Development of the volume and tenor of foreign media coverage of Switzerland (volume = number of articles per day in the analysed leading media, 01.01.2023 – 31.03.2023). A peak can include several events.

(1) WEF in Davos (2) Magnitsky case: criticism of the decision to release frozen Russian assets (3) Switzerland's neutrality and position on the re-export of Swiss-made war materiel (4) CS: FINMA report on the Greensill affair (5) German investigation into purchase of Swiss Leopard II tanks (6) Toblerone ordered to remove Matterhorn and 'Made in Switzerland' from packaging (7) Start of trial against Gazprombank Switzerland employees on suspicion of money laundering in Putin's entourage (8) Disposal of Rapier anti-aircraft weapons (9) CS: share price drop (10) CS: SNB intervention (11) CS: takeover by UBS (12) CS: consequences of the takeover (13) Conviction of Gazprombank Switzerland employees (14) Start of Climate Seniors vs. Switzerland trial (15) CS: Sergio Ermotti appointed new UBS CEO.

### In focus: consequences of the 'Magnitsky case' for Switzerland

In 2011, the Office of the Attorney General of Switzerland opened criminal proceedings on suspicion of money laundering following a complaint by investor Bill Browder. Some of the proceeds of a fraud perpetrated by employees of the Moscow tax authorities had been transferred to Switzerland. The case garnered international attention because Sergei Magnitsky, Browder's tax adviser, died in Russian custody. Ten years on, the Office of the Attorney General of Switzerland has closed the case and announced its intention to release most of the Russian suspects' assets which had been frozen in Switzerland during the investigation. Some of these Russian citizens are currently being sanctioned by various Western states,

**"More Swiss "neutrality" as its authorities return stolen millions to Magnitsky's killers"**

(Garry Kasparov on Twitter)

including the US and the UK, but not by Switzerland, as a result of the allegations in the Magnitsky case. Since 2020, foreign media outlets have repeatedly criticised the Office of the Attorney General of Switzerland, sometimes harshly, for failing to take

**"Come se la Confederazione fosse più interessata al business delle sue banche che alla trasparenza internazionale"**

(Corriere della sera, Italy)

decisive action against money laundering. The war in Ukraine has shifted the focus of criticism of Switzerland: it is considered unethical that Switzerland will give assets acquired under questionable circumstances to individuals close to the Kremlin, who are sanctioned by the West. Members of the UK parliament and US congress have criticised this decision in various media outlets as a sign of Switzerland's lack of solidarity with its Western partners. This criticism feeds into the existing narrative that Switzerland puts the economic interests of its financial centre ahead of moral considerations. According to media reports, Russian oligarchs have little to fear in Switzerland. Although the Magnitsky case is unrelated to the war in Ukraine, foreign media have automatically placed it in the current geopolitical context.

Monitoring the image of Switzerland in the foreign media covers all the reporting on Swiss-related topics in the leading media of 19 countries – Argentina, Australia, Austria, Brazil, China, France, Germany, India, Israel, Italy, Japan, Portugal, Russia, South Africa, South Korea, Spain, Turkey, the UK and the US – as well as in the leading pan-Arab and EU media.

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