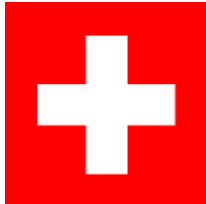


COUNTRY PROFILE



Switzerland

GLOBAL RANK: 7th of 104



Switzerland ranks 7th overall. Switzerland's strength lies in Comparative Liveability (4th) rather than Economic Competitiveness (15th).

BACKGROUND

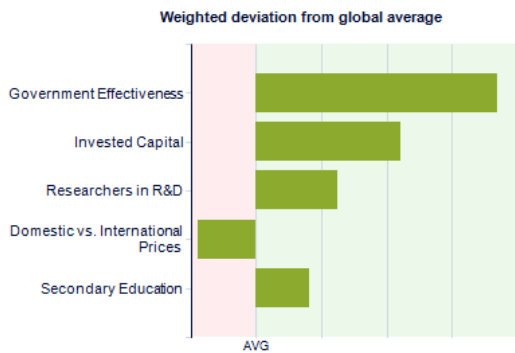
Switzerland is a prosperous central European democracy that has one of the highest per capita incomes in the region, and has long had a reputation as a safe haven for investors. It is noted as one of the most open countries to investment, with a world-class financial industry. However, economic growth has frequently been sluggish over the last decade. Over a fifth of the Swiss population are foreigners, and popular anxiety about immigration has led to heated political debates. Historically neutral, Switzerland has recently moved more towards integration with the EU in key areas like border control and banking regulations.

FAST FACTS

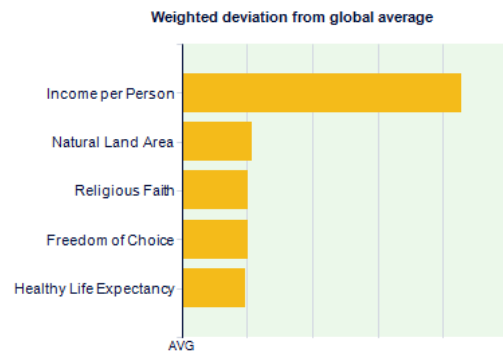
Population:	7.6 million (2008 est.)	FDI (net inflow):	5.99% (2006 est.)
Life Today	7.5 (2006 est.)	Exports	36.51% (2006 est.)
GDP (PPP)	\$300.2 billion (2007 est.)	Imports	34.03% (2006 est.)
GDP (Growth)	3.1% (2007 est.)	Unemployment:	2.5% (2007 est.)
GDP (per Capita)	\$41,100 (2007 est.)	Life Expectancy	80.74 years (2008 est.)
Political System:	Formally a Confederation but similar in structure to a Federal Republic		
Foreign Aid:	No data		

KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



Switzerland's scores on the Index for governance are world class, competing alongside the European leaders for government effectiveness and quality of regulation. Meanwhile, its generous company taxation regime has created a climate of openness, and caused many multinational firms to locate in the country. Altogether this encourages one of the world's highest levels of capital investment, a key driver of growth. A reputation for banking confidentiality also acts as a major draw for foreign investors, although international concerns over money laundering could damage Switzerland's 'tax haven' status.

Good and widespread mass educational achievement establishes a

With per capita incomes of almost \$33,000, Swiss workers are among the best paid in Europe. They are also among the most generous, with charitable giving figures among the highest in the world, suggesting a strong community spirit and civic life. Longer work hours than their European peers mean the Swiss enjoy good, but not great, amounts of leisure time.

Switzerland's high performing economy, low unemployment, and strong education and health services make it one of the world's most attractive countries to live in. Superb infrastructure, low crime rates and urban cleanliness facilitate a high standard of living in Switzerland's large cities. Health-adjusted life expectancy is

solid foundation for Switzerland's high level of research capacity. This achievement is further signalled in the proportion of high tech products Switzerland exports. However, levels of competition are weak within some sectors, as the movements of relative price levels indicate.

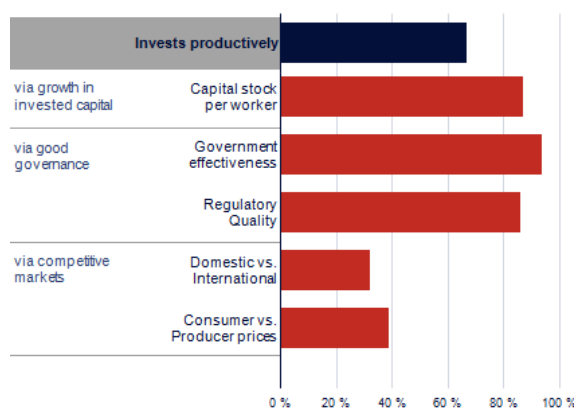
GDP growth has been steady, though not startling, over recent years. Government measures to galvanise growth centre on the liberalisation of hitherto protected industries in which competition has been limited, such as energy, telecoms and postal services. Mediocre entrepreneurship scores are a further concern regarding long-term growth, particularly at this high level of income.

particularly good, at 73.2 years.

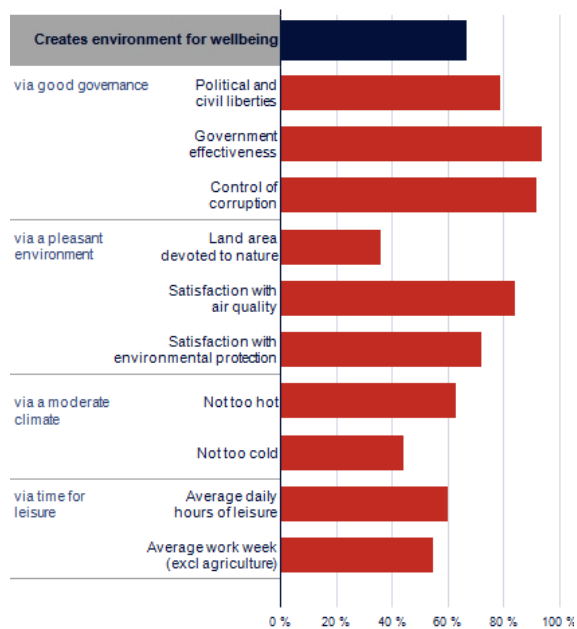
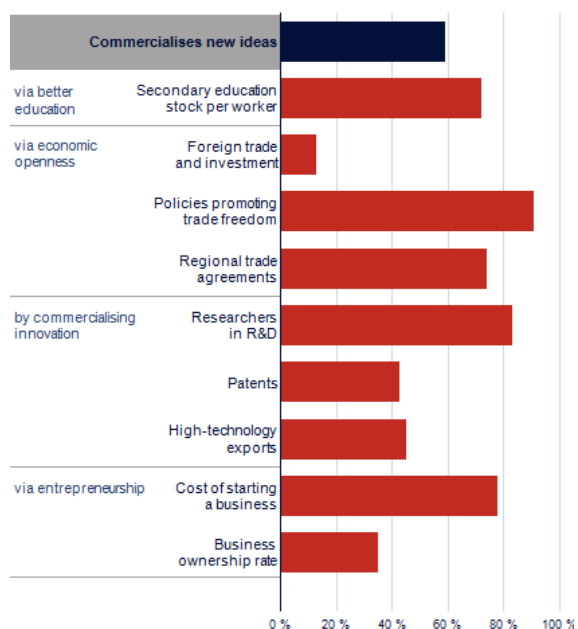
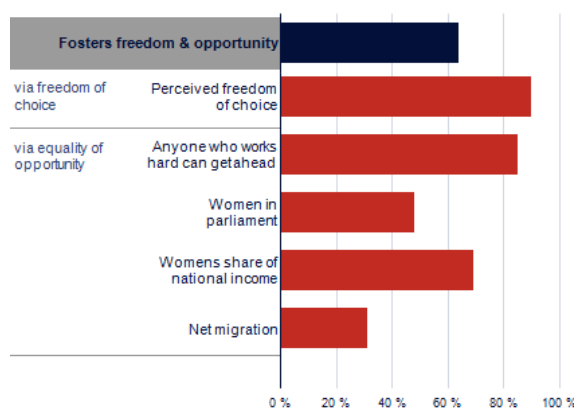
Strong scores on all the main Index criteria for political life, particularly in terms of government effectiveness, confirm the public sector's reputation for efficiency. Switzerland also excels in terms of political rights and civil liberties, tying in first place with the Netherlands and Denmark. The country's federal system engenders considerable regional autonomy as well as high levels of civic participation.

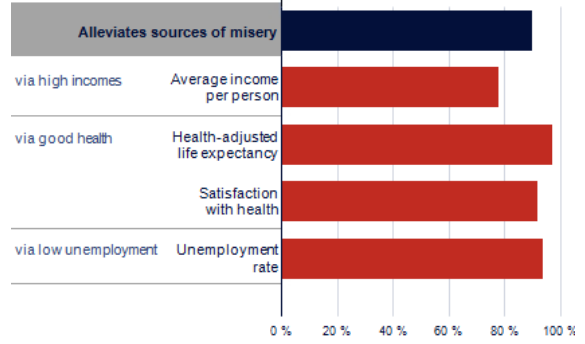
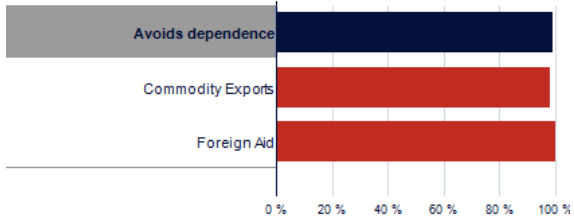
Compared to Europe's leading nations, Switzerland falls short in terms of gender equality. That said, the number of women in parliament and women's income is above the average for the region. The only major negatives highlighted in the Index are high divorce rates, low levels of religious faith and cold winters.

ECONOMIC COMPETITIVENESS: SCORECARD

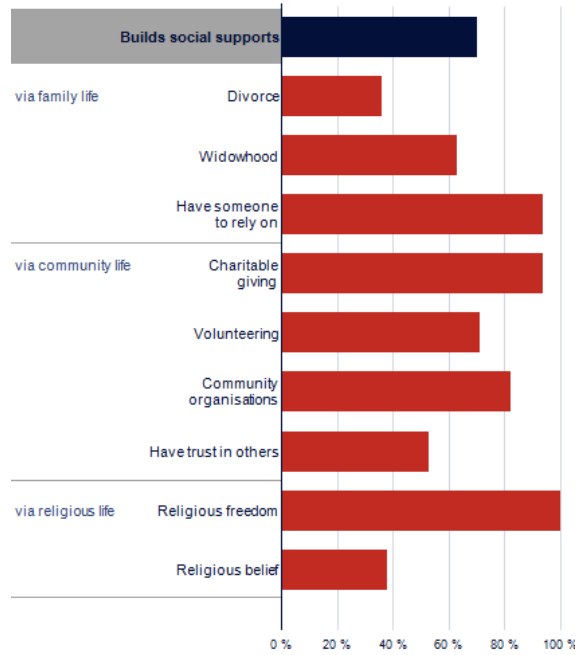


COMPARATIVE LIVEABILITY: SCORECARD





All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



References:

^{9, w} See www.prosperity.com/references.aspx for further details including date of survey, sample size, and margin of error.