Zeitschrift:	The Swiss observer : the journal of the Federation of Swiss Societies in the UK
Herausgeber:	Federation of Swiss Societies in the United Kingdom
Band:	- (1971)
Heft:	1619
Rubrik:	Comment

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# COMMENT

### THE LAUSANNE PLAN

The Swiss Union of Sudents have attacked the present system of educational grants and proposed an alternative solution, known as the Lausanne Plan.

It consists in a public bank supplied by the Confederation and the cantons but run on commercial principles, which would dole out loans to any young man over 20 wishing to study in a recognised educational establishment. This would not only mean universities and the federal institutes of technology, but also secondary schools, social schools, agricultural and technical colleges. The highest amount which a student will be able to draw under the Lausanne plan will be 3,300 francs per semestre (at 1970 value) and a maximum total of 45,000 francs for the duration of his studies.

The student will naturally be pledged to refund this loan gradually. Should his salary be less than the average obtained by persons with comparable standard of education, then he will be temporarily exempted from repayment. A similar system is already at work in Sweden, a country generally accepted to be a model of welfare states, and there are few Swedish students who rely on their parents.

dents who rely on their parents. The Swiss Union of Students consider that the present system of grants has failed dismally in generalising the opportunities of study. In 1959, only six per cent of students came from working class families. This percentage is the same today for male students, and remains at two per cent for girls. One reason is that these grants are highly unequal from canton to canton and generally too small. The total public outlay in grants has increased from 6.1 million to 32.1 million francs a year during the past decade, but that figure represents over three times less money spent per student per year than in Great Britain today.

Average grants are 1,290 francs a year in Schaffhausen, and 1,500 francs a year in Schwyz for example. They can reach a theoretical maximum of 16,000 francs in Zurich. But in general they cover no more than 10 to 40 per cent of the yearly cost of living and studies of a student, estimated to vary between 8,300 and 14,000 francs. These figures, actually taken from an article in the *Basler Nachrichten* are exceedingly high, at least in their upper limit, and were probably the Union of Students own estimates.

It is fortunately possible for a student to live quite comfortably with less than 10,000 francs a year. As a comparison, the British student can get a £500 grant without any difficulty and usually makes do with it. However, Swiss grants are even smaller than this and most students who do not enjoy parental support have to work during their holidays.

Giving grants to everybody and not only to the brightest, seems to induce more young people from working class backgrounds to study. This is apparent in Britain, where polytechnics (whose academic status has recently been promoted) are packed with working class youths. This is true of art schools and of institutions like the London School of Economics. This is a good thing from the point of view of social justice, but it may have a negative influence on the stability of society since many of the people who receive these grants are the first to denigrate the present order of things. But that is another problem . . .

Another problem too is the present plethora of students. Everybody wants the status of graduate at a time when jobs for them are running short and when a university degree is no longer a guarantee to a bright career. The Swiss Union of Students is keen to give every youth a chance to study regardless of the possibilities of making use of this widespread level of education. Even in Switzerland a sociologist or an economist has a small chance of finding the job he expects to get. The day there will be a couple of hundred thousand of sociology graduates looking for work then the social climate won't be particularly sane. This is why the planning of the nation's requirements in graduates is more important than planning facilities helping to churn them out at a maximum rate.

In Japan every school leaver has seven jobs offered to him. This is due to the explosive expansion of the Japanese economy which can obviously not be expected to last for ever. Here in Britain the situation is the reverse. In Switzerland, where the going is good at present, few categories of graduates find difficulty in finding immediate employment. But this situation can change remarkaby fast, as exemplified by the American situation, where budgetary cuts have led to thousands of highly qualified men be-



ing rapidly thrown out of a job.

Studies are becoming less of a road to an easy life. This fact will probably ease the pressure on the universities and one day de-mythicise higher education. However the Lausanne Plan does not apply to higher education only and would therefore not necessarily foster the creation of a class of supernumary intellectuals. Anybody aged over twenty who studies is intended to get a loan indiscriminately. There is not only social justice behind this, but a students pride as well. A young man is adult at the age of twenty and he should therefore not have to rely on his parents for protection any longer. Instead of being dependant on mum and dad, he is now to get the backing of a public bank financed by tax-payers money (namely mum and dad's money).

He will naturally have to pay it back, but on easy terms and at a time when (with inflation aiding) it won't be a sacrifice for his standard of living. The scheme is certainly acceptable economically, but it is a falacy to believe that it will help to promote early manhood, financial weaning and responsibility. It is more of an easy way out for students and will serve, in a way, to diminish family ties. Indeed, the majority of families who can afford it are willing to help their children through higher education, and even to make sacrifices. With the Lausanne Plan and universal grants, which amounts to the same short-term financial situation, students won't owe anything to their parents any more and this will be an additional element breaking the family bond. A man will be deprived of the incentive of making money for his children. This may seem trivial, but nonetheless touches on the fabric of society.

In working class families children leave home at an early age to serve an apprenticeship. They earn their keep and soon become the economic peers of their parents, and this at an age when middle-class young men enter university. The family relationship, is therefore, different in both cases. Now, the formerly pampered middle-class boy will be able to free himself from the economic embrace of his family and become a free man by means of a public loan. A free man however without being the economic equal of his father.

Again, this is perhaps not a bad thing, but it will tend to break the pattern of the middle-class family. It will also tend to break the personal incentive to fight for a place in the sun. Whether grants are distributed to all or not, the boy who *wants* to study to get somewhere always finds the means to do so, and he is the more likely to make the best use of his university education.

(PMB)

# **SWISS NEWS**

#### MR. GRABER UNDER FIRE

Mr. Pierre Graber, the Foreign Minister, decided at the beginning of the year to be assisted by two new committees on international affairs. The idea was his and so was the initiative. One group was to be a consultative commission on foreign political matters. The other, called the information group, was to further the understanding among Swiss people of the aims and options of our foreign policy.

As it were, Mr. Graber felt that the responsibilities of steering the course of a nation was too great for a man to assume without expert guidance. Thus he created his think-tank on foreign affairs with the privilege of advising the Federal Council. He was strongly criticised for doing so because the National Council and the Council of State have their own commission on foreign affairs. Mr. Graber's improvisation would, in the minds of many parliamentarians, duplicate the work of this joint commission.

What was particularly unacceptable was that the consultative commission on foreign affairs had seven Members of Parliament—the leading representatives from the main parties in fact. Thus Mr. Graber had chosen Mr. André Chevallaz and Mr. Olivier Reverdin, leading figures of Frenchspeaking Switzerland and old political friends. There were jealousies and a widespread feeling that by having members of the National Council and the Council of State this commission would definitely usurp the role of the foreign political commission of the two councils.

Mr. Graber had to accede to the demands of the National Council and replace seven parliamentarians by seven senior citizens. He was also criticised for the advanced age and conservatism of his choice of members. Why weren't there any women, why weren't there any youth? To the latter point Mr. Graber replied flatly that there was no point in appealing to "born dissenters" since they would only make him lose his time.

He was also attacked for the vague meaning and the undefined membership of his "information group". He was most strongly criticised for having asked one of his personal friends, Mr. Roger Nordmann, to sit with his second team and accused of nepotism. Mr. Gilbert Baechtold, a Socialist from Vaud, was the most violent opponent to these schemes and wanted to know why the decision was taken precipitately. He further pointed out the incompetence of the men chosen to sit at these commissions and doubted that they could

carry out a serious "prospective" study of foreign policy. Mr. Graber invoked the 104th Article of the Constitution which entitled the Federal Council to call on experts for special issues.

He said that his two groups were not without precedent, since a permanent economic delegation had been instituted after the war, and the *Historiche Standorstbestimmung*, also an advisory group, had been created in 1961 to examine the problems facing Switzerland in Europe. He assured Mr. Baechtold that neither of these two study groups had ever interfered with the responsibility of the foreign political commission of Parliament and that the Federal Council would continue to submit to it all matters within Parliament's competence.

#### THE FALL OF A FINANCIAL WIZARD

Ten years ago a 49-year-old Argentinian whose name remains undisclosed settled down in Lausanne and created a company with a millionfranc capital, set up six foreign subsidiaries, and launched gigantic operations with the help of Western Swiss firms, amassing a fortune in wheat trading during the Suez crisis and other lucrative operations, and finally attained a turnover of several hundred million francs.

His offices occupied several storeys of a Lausanne block, his general secretariat and three services employed approximately a hundred people. He hired Italian, Egyptian and Arab specialists, paying them up to 25,000 francs a month plus emoluments of 5,000 dollars and open credits in the large shops. He was an old friend of Juan Peron and was on intimate terms with the King of Morocco. He knew Nasser and the President of Mexico. He professed that fastuous living was a condition for international business success. He owned cars, collections of electric trains, tin soldier armies and gave presents costing 50,000 dollars.

Unfortunately, although he had a genius for business, he didn't have one for management. He eventually confused his personal funds with those of his company, without however breaking the law. His fall was precipitated by the elopement of his wife with one of his former collaborators, leaving him with the care of his eight children. He neglected his accounts and lost control of his affairs. Bankruptcy was soon to follow, with liabilities of 11 million francs.

The Argentinian left his own fortune of 20 million francs in the adventure, including the former villa of the King of Belgium which he had bought for 600,000 francs and which is now worth three million. But to know the