

Neutral Switzerland, Summer 1940

A Reappraisal

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Abstract

This article proposes a fresh view on the history of Switzerland in 1940, especially focusing on the reasons the country was not invaded by the Axis powers at the time. Indeed, in the last two decades, while Swiss historians have concentrated mainly on the commercial and financial relations between Switzerland and Nazi Germany during the war, the aforementioned question has been widely neglected.

This article sustains that financial services offered by the Swiss economy played almost no role in the maintenance of the country's independence. The geopolitical and military strategies of Germany, the hesitant attitude of Italy, and the preservation of the transit through the Swiss Alps between the two Axis powers were the main explanations for this situation. Therefore, above all, exogenous factors to Switzerland's political and economic decisions taken in spring and summer 1940 must be considered first. It is true that the combination of adaptation of Swiss foreign policies, including a commercial rapprochement with Axis powers, and resistance within the country to Germany's attempts at influencing Swiss internal politics was an efficient political synthesis. However this only slightly influenced German rulers. This article thus offers an essential clarification on one of the most important moments of Switzerland's history and also a modest, but meaningful contribution to the history of World War II.

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Introduction

If one attempts to rewrite the history of the most important event in a country's modern history – in this case a non-event: the non-invasion of Switzerland by Nazi Germany in 1940 – restarting the narrative from the very beginning is worthwhile. One thing that is striking during the Phoney War and the subsequent months of German domination over Europe is the small role that Swiss banks played in foreign relations at the time. Since the transformation of Switzerland into an offshore centre, which dated back to World War I, the government, diplomats, and bankers had certainly cooperated intensively on foreign policies. The defence of banking secrecy and other tax advantages had become a crucial feature of Switzerland's external relations during the interwar period. At the same time, thanks to the new strength of the Swiss banking centre due to a massive import of capital, financial diplomacy, with the use of credits granted to foreign states, also experienced some development in these years.¹ However, at the beginning of World War II, financial relations were surpassed by other more urgent issues, and Swiss banks, which had suffered heavily from both the Great Depression and foreign countries' turn to autarchy in previous years, stayed in retreat in the face of the military and political upheavals in Europe.

This introductory remark, which could sound commonplace for foreign historians, is essential when dealing with the Swiss case because the historiography on Switzerland's foreign relations during World War II has evolved in a strange way in the last two decades. The publication in 2001–2002 of 25 volumes by the Independent Commission of Experts Switzerland – Second World War (the so-called Bergier Commission, which was implemented by the Swiss government to shed light on the economic relations between Switzerland and Nazi Germany) has almost closed the historical discussion on the issue. After a highly politicised short-term debate focused more on the supposed political intentions of the Commission than on its results, this crucial topic has nearly disappeared from Swiss historians' research agenda. However, despite the wealth of data published in these volumes, which especially focused on financial relations, historians have not provided a definitive analysis of the orientation of Swiss foreign policy during the war. The Bergier Commission has not attempted to closely link economics with diplomatic and military policies, while relations with countries other than Germany have been neglected.² The commission has thus given the erroneous impression that finance was the crucial component of Switzerland's relations with Nazi Germany, although it has not explicitly sustained this conclusion and although, on the whole, these volumes have displayed a varying appreciation of the idea of economic dissuasion against the German menace.³ To gain a clearer view of the adaptation and resistance of Swiss policies in the face of the Nazi threat and to understand why Switzerland was not invaded by the Axis powers in 1940, one must thus rely on older diplomatic and military studies, which are instructive but somewhat outdated and thus could not benefit from these recent perspectives on economic relations.

Before the Bergier Commission, during the 1980s and 1990s, this debate on the causes of the non-invasion of Switzerland indeed focused too heavily on the dissuasive effect of the Swiss Army, albeit with some brief consideration of the role of economic relations. The debate did not produce a real attempt at hierarchising the numerous factors at play at the time, nor did it sufficiently take into account the German strategies.⁴ Although a book by Klaus Uerner has attempted to avoid the latter criticism, it overestimates Hitler's desire to invade Switzerland.⁵ As regards the Bergier Commission, the only volume that directly deals with the overall evolution of

Swiss foreign policy towards Nazi Germany in 1940, in a few pages, does not produce a coherent discourse on the military, political, or economic causes of the non-invasion.⁶ The aim of this article is thus to renew the historiographical discussion on this issue by providing a general view. In addition to the comprehensive use of the Diplomatic Documents of Switzerland, of which Swiss historians have surprisingly paid sporadic attention concerning this period, the article complements the picture with the French and British foreign ministries' archives, which have been neglected in examinations of this topic until now.⁷ Although these collections of sources do not reveal new decisive facts on Switzerland's international relations, they do provide fresh insight into Swiss foreign policy with attentive but more distanced observations thereof. Even if the quality of these series is variable – rich in the case of the British Foreign Office, but poor for the French *Ministère des Affaires étrangères* because of the destruction of archives before the German occupation – the diplomatic comments about Switzerland are quite coherent.

The article is organised in two parts. The first part demonstrates that Swiss decisions played no crucial role in the military events of 1940. Factors exogenous to Swiss policies decisively explain the non-invasion of the country by the Axis powers – a fact that historians have not clearly expounded when discussing military tactics. The topography of the country, coupled with German military strategies, is key to understanding the preservation of Switzerland's independence during the French campaign and its aftermath, even if the attitude of Italy, as well as the maintenance of commercial transit between the two Axis powers through the Swiss Alps, also had a profound effect from June 1940. The second part discusses Switzerland's degree of adaptation and resistance to the Axis powers' domination of Europe after the French armistice according to the Swiss elites' room to manoeuvre. It is argued that a mixture of external adaptation and internal resistance constituted the core of the Swiss dissuasive policy – an argument that Daniel Bourgeois' thesis, which remains the best book on this issue some 50 years after its publication, has not plainly assessed regarding Switzerland's attitude.⁸ This policy, that included a commercial adaptation towards Axis powers, possibly had an impact on maintaining the country's sovereignty in summer 1940, albeit a marginal influence compared to the aforementioned exogenous factors. Contrary to what Swiss historian Hans Ulrich Jost claimed in a reference book two decades ago, the Swiss financial centre was not key in this strategy. In fact, during the 20th century, Swiss banks are not likely to have had as little political power as they had in the summer of 1940, the only moment of the war when a real military threat existed.⁹

The Alpine Power

The Phoney War

When Germany was on the verge of invading Poland, Switzerland reacted as expected: it proclaimed its neutrality on 31 August and then announced the general mobilisation of its troops. The Swiss Confederation seems to have opted for a similar policy in 1939 to the one in 1914, and, at the first sight, it looked almost like a natural choice for a country whose neutrality had been internationally recognised since 1815. However, this continuity was only superficial. Before World War I, a military danger was expected above all from France, whereas in the years that preceded World War II, few doubted that Germany would be the only real threat.¹⁰ In the peculiar situation of September 1939, passage through Swiss territory by France, without previous agreement given by Switzerland, to attack Germany was certainly not absolutely excluded.¹¹ This possibility was not without some relevance, as the Allies' strategies with Scandinavian neutrals would demonstrate later. Nevertheless, these fears rapidly disappeared because of the French attitude of uncertainty, and the *Wehrmacht* again became the only real menace during the Phoney War. In this situation, the Parliament's election of Henri Guisan on 30 August to command the Swiss Army was a clear gesture demonstrating the willingness to defend the country against the German threat, as the new General's foreign affinities were the opposite of General Ulrich Wille's pro-German feelings in 1914. Although his adhesion to democratic principles had been questioned by his affinity with the extreme right, Guisan was a true Francophile who had developed contacts with the French army during the previous years.¹² Summarising the reasons for his appointment, a report by a military attaché of the British Legation in Bern noted that, in addition to his supposed high reputation, "he comes from the French-speaking Canton of Vaud and, so far as is known, has no German connections [...]: as Germany is the most likely aggressor against Switzerland, this fact too may be considered as something in his favour."¹³ In 1914, Wille's election had been seen as a small catastrophe within British and U.S. diplomatic circles, whereas reactions this time were thus enthusiastic. From autumn 1939, Guisan and his associates would indeed secretly strengthen ties with the French army, preparing an agreement to assure its intervention on Swiss territory if needed.¹⁴

Allied countries displayed a fair amount of confidence towards the Swiss Confederation during the Phoney War. Even the Swiss President and Foreign Minister Marcel Pilet-Golaz, who would play an ambiguous game in the shadow of the Axis powers a few months later, benefitted from a positive image within foreign diplomatic circles. After a dinner with him, the British Minister in Bern, David Kelly, described his attitude in March 1940 as "very encouraging" for relations with Switzerland, although his French counterpart, Charles Alphan, while not openly opposed to Pilet-Golaz, viewed him as "sometimes too conservative and too sarcastic".¹⁵ In addition to diplomatic relations, commerce and finance tended to narrow the ties between the Allies and Switzerland from September 1939. While trade with the Axis powers slightly diminished until the fall of France, trade with the United States and Allied countries accelerated, reinforcing the tendency of the last years of peace.¹⁶ This trend did not prevent Britain and France from applying some pressure on Switzerland to avoid, as in World War I, Swiss territory being used to circumvent the blockade against Germany. While Switzerland attempted to hinder at all costs a system of control from being implemented by the Allies inside the country, similar to what had occurred from September 1915,¹⁷ it reached a satisfactory agreement with the British and the French on 24–25 April 1940, when, in

London and Paris, it signed commercial treaties, coupled with the promise of bank credit for Britain totalling 100 million Swiss francs.¹⁸ The Allies' relative benevolence correlated with Switzerland's industrial exports. Even if the credit would never be granted in the end, what did occur in 1939–1940 was a substantial increase in exports of war materials to the Allies. Quite surprisingly, already on 8 September 1939, the Federal Council (i.e. the Swiss government) had gone so far after French requests as to agree to lift the embargo on those products that had been decided in case of war on 14 April 1939. The choice in September, which was justified by business considerations and the risk of unemployment, did not formally contradict neutrality; however, in practice, as could have been anticipated, it almost exclusively benefitted the Allies until June 1940.¹⁹

During the Phoney War, even if few diplomatic tensions appeared with Germany and Swiss adherence to neutrality was repeated, Switzerland seems to have adopted a rather pro-Allied stance. Between 1936 and 1939, appeasing the Reich had been a crucial goal of Swiss diplomacy, exemplified by the so-called return to “integral neutrality” in May 1938 with the Swiss Confederation's abandonment of the League's sanctions system.²⁰ As soon as the war started, the one-sided threat led to a slight reorientation of Switzerland's priorities. Neutrality and appeasement were still in force, but the search for guarantees among Allied powers in case of war became more urgent. However, these economic and diplomatic moves had only a marginal effect on the international situation in 1940. No convincing historical proof sustains the idea that the economy had any significant influence on the preservation of Switzerland's independence. The evolution of commercial and financial relations during the Phoney War demonstrates that the Swiss were not really playing this card to appease Germany. As for the Reich, German strategies about neutral countries were totally subordinated to the military conquest of France. It must be remembered, moreover, that some advantages that an independent Swiss economy could offer to Germany for the rest of the war, such as its financial services, could also be provided by other small countries. In fact, during the interwar years, the Netherlands had been used more intensively than Switzerland as the Reich's offshore banking centre.²¹ Regarding diplomacy, as military discussions with France remained secret, it is certainly not possible to eliminate the idea that the Swiss return to integral neutrality in 1938, which was much appreciated by the Axis powers, had an effect in their decision not to invade Switzerland. During the French army debacle, an angry outburst by Hitler towards the Swiss Confederation could have been enough to pursue military manoeuvres further east. Nevertheless, if this had an influence at all, it was only very slight because neutral countries' foreign policies were not fundamentally divergent before the war. Swiss diplomatic gesticulations towards the Axis powers to assure Swiss neutrality, led by Foreign Minister Giuseppe Motta between 1936 and 1939, could also have produced the reverse: an increase in the Fascists' and Nazis' contempt for the small nation.

At the time, military strategies were thus the real keys. To understand why Switzerland's territory was not infringed upon during the French campaign, a first crucial piece of evidence must be assessed: the military danger, albeit not inexistent, had never been high. This assertion, which has been definitively demonstrated by German archives, must be the starting point of any historical discussions on Switzerland's foreign policy in 1940.²² It should also be complemented by another undoubted affirmation: the main reason for it, at least until June, was not the strength of the Swiss Army, which was not considered particularly significant by the German army,²³ but the topography of the country. For an invasion of France, passage through Swiss territory to circumvent the Maginot Line, as well as a quick occupation of the country, was hindered by rugged terrain. A

diversion manoeuvre towards the Allied armies, similar to the one used by the *Wehrmacht* in the Netherlands and in Belgium in May, was all the more unlikely as Switzerland's geographic situation would have hindered both the intervention of massive Allied troops in the country and, then, the encircling move of the French army. Until the fall of France, Swiss territory was thus not a target of any German war plans, neither in the mind of Hitler nor in the view of the *Wehrmacht*. During Germany's tortuous preparations for the French campaign between the autumn of 1939 and the beginning of 1940, Swiss borders were respected, in the Schlieffen-style assault that was previously envisaged, as in the final Gelb Plan that was adopted.²⁴ The only possible objective regarding Switzerland attributed to the army group C, concentrated in Southern Germany, would be to deceive the French with diversionary manoeuvres that were not intended to violate Swiss territory. Even in the case of France passing through Switzerland to attack Germany, which the Germans considered a highly improbable event, the military reactions should have led to a minor infringement of Swiss territory, not to occupation of the country. As shown, for instance, by the total absence of Switzerland in the daily journal kept by Franz Halder, Chief of the *Oberkommando des Heeres'* General Staff, no changes of plan were foreseen during the French campaign.²⁵ As Switzerland could not be used in the conquest of France, Nazi Germany thus contented itself during the Phoney War with the preservation of its neutrality. After having confirmed the inviolability of Swiss neutrality, Hitler told the High Commissar of the League in Danzig, Carl Jacob Burckhardt, at Obersalzberg in August 1939, "it [Switzerland] covers my flank."²⁶

The Swiss had no access to Nazi Germany's secret intentions. The repeated guarantees of respect of sovereignty and neutrality that Switzerland had received from Germany before the war, the first of which dated back to a meeting between the former Federal Councillor Edmund Schulthess and Hitler on 27 February 1937, were poor proof after the Führer had illustrated the irrelevance of his international promises. For Switzerland, whose German-speaking people represented some 70% of the whole population, the pan-Germanic rhetoric of the Nazis was in itself enough to raise some doubts. In France, General Gamelin himself seemed to have seriously considered a Swiss scenario,²⁷ but the French Army placed it only third in importance behind a Belgian case and a frontal attack of the Maginot Line, as demonstrated by the relatively low number of troops near the Swiss borders.²⁸ Moreover, in the northwest of the country, the region of Basel, not protected by the Jura Mountains, was theoretically exposed to a diversionary scheme on Swiss ground, or even to a small manoeuvre to take the Maginot Line in a backhanded way. In fact, true fears arose among the chiefs of the Swiss Army and the population at the beginning of the French campaign on 14–15 May, when German troops of the army group C made some moves near the Swiss borders, accomplishing probably, as planned, the diversionary manoeuvres towards the French army.²⁹ Nevertheless, what remained the striking point among Allied and Swiss ruling circles in 1939 and 1940 was the low probability attributed to a German attack on Switzerland. The heated moments – or rather those considered as such by the Swiss and the Allies – were few, mainly at the beginning and at the end of the French campaign. If the ruling circles were not expecting a German invasion, it was primarily because of the difficulties involved in conducting a manoeuvre directed at France through Swiss territory.³⁰ As such, despite their incorrect expectations of German war plans, they were correctly considering the Swiss case.

There is no doubt that the mountains had a far greater dissuasive effect on Germany than the strength of the army. However, assessing the importance of the topography does not mean that the Swiss Army would not have attempted to defend the country. Until the beginning of June,

Britain and France remained convinced that Switzerland would fight if a German invasion took place. The Allies viewed the Swiss Army as a potential barrier against the *Wehrmacht*, especially highlighting the strong morale of the Swiss soldiers.³¹ The information collected among politicians, the army, and the population coherently depicted a country quite united against Nazi Germany and ready to defend its independence. The monthly report of British postal censorship for May 1940, based on the reading of intercepted letters from Switzerland, concluded, for instance, as follows: “the Swiss continue to declare that they will fight to the last, and there is not a single letter in this mail in which the suggestion is made that it would be best to surrender at once if invaded”.³² Although at the beginning of June, British and French diplomats were beginning to express some doubts regarding the reality of the Swiss defence’s resolve, on 8 June, Robert Coulondre, Alphan’s successor in Bern, still believed that the Swiss Army and the Swiss government were keen on fighting, adding that “all the sympathies of the Federal Council [were] for the Allies”. With a slight sense of irony, he complemented the picture: “they would gladly make themselves smaller to avoid attracting the monster’s attention. But with the freedom and independence of the country, they will not compromise.”³³

Swiss and German sources largely validated these appraisals.³⁴ Despite fear among people living near the borders and some signs of defeatism within a narrow circle of Swiss elites, until June neither the general staff nor the government showed real signs of weakness that might have hinted at an attitude such as that adopted by the Danish in April. At the beginning of June, the Swiss Air Force did not hesitate to destroy German planes that violated Swiss territory.³⁵ These positive indications do not contradict the fact that the Swiss Army remained, as economic expectations, a marginal factor in the conduct of the war. Switzerland and the Allied countries were perfectly aware of the country’s limited capacity for defence against an assault by the *Wehrmacht* despite the supposed strong morale of the Swiss troops. The Swiss Army could likely firmly resist for two days before French military divisions came to its rescue, but not much more.³⁶ In this situation, the military fate of Switzerland did not rest on itself, although one cannot exclude the possibility that the Swiss Army’s supposed desire for resistance had a slight effect on Germany. If Switzerland had been viewed as being as easily conquerable as Denmark, what would have happened? In any case, as with the aforementioned analysis of the influence of diplomacy, one should be most cautious with these types of counter-factual interpretations. For instance, one can also rationally argue that Switzerland’s re-centring diplomatic move in 1938 indicated to Germany that France would remain reluctant to help the Swiss in the case of a German invasion. However, as Germany ultimately planned a manoeuvre aimed at attracting Allied troops in small neutral countries, this judgment (albeit probably wrong as far as France was concerned) would have helped prevent an invasion of Switzerland in the end. In this case, not the military resistance, but the supposed lack thereof would have been dissuasive.

Tannenbaum

Assuming that economic dissuasion was almost non-existent until June 1940 does not mean that Switzerland was saved by its army. No historian has convincingly proven that the choice not to invade Switzerland was the result of more positive assessments of the Swiss Army by German rulers compared to other neutral countries’ armies. The military evolution was correlated above all

to German strategies regarding the geographic situation of small countries. Moreover, Swiss military resistance was itself deeply dependent on the operations of Allied countries on Swiss territory. In fact, as soon as the Allies were no longer in a position to secure help for Switzerland, the spirit of resistance diminished considerably. On the verge of France's collapse, some worrying signs appeared of the Swiss' diminishing willingness to fight a war that was almost a lost cause. The entry of Italy into the war on 10 June – a country that was viewed as a protector of Swiss neutrality against its Axis partner – reinforced these tendencies and incited the Swiss government to adopt a low profile regarding the French campaign. In the last days before Pétain's armistice request on 17 June, Swiss high officials and members of the general staff were inclined to cut ties with France, affirming their willingness to defend the country with Swiss troops only.³⁷ Would this defence have thus been anything other than a simple act of bravery to avoid accusations of defeatism?

These predictions remain mere historical suppositions because, as stated, for geostrategic reasons, Hitler and the *Wehrmacht* never envisioned the invasion of Switzerland. Change occurred after the fall of France. From 25 June, military plans, generally known under the nickname of the "Tannenbaum operation", were realised to invade Switzerland with the troops stationed in France and in the south of Germany. Plans would be drafted several times, in August, September, and October, before their realisation was stopped in November.³⁸ The highest rank of the *Oberkommando des Heeres*, such as Halder in person, was supervising the plans. However, these intentions remained mainly theoretical, although it appears that at the end of June, some military moves to implement the operation could have been hypothetically perceived from Switzerland. Despite his indifference, tinged with contempt for the small Swiss democracy, Hitler himself apparently did not exclude a dismantling of Switzerland after the fall of France, as stated in a discussion among German military chiefs in Versailles on 28 June, but he seems to have rejected the launch of an immediate operation.³⁹ Sources on that point are scarce, and there is no doubt that Klaus Urner has overinterpreted the supposed intent to invade, which, according to the historian, the Führer expressed on 24 June 1940 after Germany and Italy signed the armistice with France, unwillingly leaving a hole in Geneva that permitted Switzerland to communicate and trade with the French free zone.⁴⁰ A likely claim is that the Swiss elites were somewhat underestimating the danger. After the collapse of France, at a time when the threat was imminent, Pilet-Golaz and Guisan said that they were convinced that Switzerland would not be invaded at the present time.⁴¹ In July, although some information was available on the supposed German military plans,⁴² the General considered the concentration of German troops near the Swiss border and the rumours of an imminent invasion of the country as mere political tools used by Germany to apply pressure on Swiss ruling circles.⁴³ In the Foreign Office, the assumption of the improbability of an attack seems to have been shared, while, among French diplomatic circles, rumours of the Germans' willingness to undertake a partition of the country appear to have been taken slightly more seriously in the months following the defeat.⁴⁴ In the end, whatever the reality of the menace, Switzerland's expectation would prove to be right.

What, then, saved Switzerland in summer 1940? There is no doubt that German military strategies must once again be placed first among the diverse factors explaining the maintenance of Swiss independence. Germany could easily have vanquished an isolated Switzerland, all the more because, as we will see later, the Confederation quickly demobilised from July. No real defensive military strategy was in place in Switzerland in the summer of 1940: even if the concentration of

the remaining troops in the Alps was theoretically deemed capable of fighting a larger army on more favourable ground, this tactic of the *réduit national* (literally, “national small refuge”) was not operative at the time.⁴⁵ In the German invasion plans, Swiss troops were not cautiously considered, which is another indication of not only how far the military project remained from its practical implementation, but also the limited threat that the Swiss Army represented for the *Wehrmacht*. Although Germany still believed that Switzerland would launch a resistance in case of invasion – despite some doubts expressed from time to time – and that Swiss soldiers possessed good fighting abilities, the Swiss Army’s lack of experience and materials was correctly highlighted. Six of the eight military plans that were drafted between June and October estimated that between 9 and 11.5 divisions were sufficient to win the battle.⁴⁶ If Germany did not make a decisive step, it was not because it feared the eruption of a centre of resistance in Europe, as is sometimes argued. Other considerations were at play. It should be remembered, first of all, that such an attack on a neutral state near the German border made no real sense either militarily or politically after the striking victory over France. Moreover, as before, the Jura and the Alps would have rendered a *Blitzkrieg* more difficult and, then, the occupation probably more costly in terms of the immobilised troops, compared to Scandinavia or the Benelux, at a time when Hitler was concentrating his efforts on Britain. Before mid-July, Switzerland profited from German willingness to stabilise the situation in Western Europe, and some troops that could have been employed for the occupation of Switzerland were then affected by the preparation of *Seelöwe*. Later on, despite the failure of the move against the United Kingdom, as months passed, preparation for the Eastern campaigns soon diverted any military attention far from Switzerland.⁴⁷

Due to its specific topography and the evolution of the conflict, Switzerland was omitted from Germany’s *Sichelschnitt* of May 1940, and it was no real war aim in summer 1940. Italy’s hesitant military attitude is a second factor explaining why Switzerland was not invaded after the collapse of France. From August at least, German military plans were counting on Italy’s participation in case of an attack against Switzerland, although, as far as is known, little contact existed between the two countries on the partition of the Swiss Confederation after the French defeat. However, Italy restrained Germany regarding the possibility of an occupation of Switzerland after the French armistice. During a discussion between the German Minister in Bern, Otto Köcher, and his Italian counterpart, Attilio Tamaro, on 17 June, the former demonstrated that Germany was much more enthusiastic about such a theoretical project than Italy.⁴⁸ Although operational plans were also drawn up during the summer, the Italians wanted above all to anticipate the possibility of an invasion triggered by the Reich by means of these devices, not to instigate it themselves.⁴⁹ This divergence resulted from several calculations. First of all, Mussolini’s Italy, which had not succeeded in defeating a hard-pressed French army, was probably satisfied at the time with the cessation of hostilities close to its territory, while fascist leaders also had reason to preserve a buffer state that would prevent Italy from being subjected all the more directly to the influence of the Reich.⁵⁰ It should be noted, moreover, that the campaign to the east, towards the Balkans, was already being prepared during the summer. At the same time, the Germans, for their part, had some doubts over the Italians’ ability to carry out an operation in Switzerland after the poor fighting in France, and difficulties regarding the future dividing line between the German and Italian zones of occupation were also expected.⁵¹ For all these reasons, Fascist Italy was a moderating factor with respect to Nazi Germany on the eventuality of an operation against Switzerland, as the Allies’ diplomatic sources highlight, too.⁵² The political calculations made by the Swiss, which dated back

to the 1930s, on the need to take care to maintain good relations with Italy thus appeared correct.⁵³ In 1940, this impression was strengthened in Switzerland by rumours of a supposed intervention by Mussolini to hinder Germany from invading Switzerland in May.⁵⁴ Nevertheless, despite some real affinities between the two countries, reinforced by strong economic relations, Swiss elites overestimated Mussolini's sympathy for them, as indicated by the fact that in 1940 and 1941, the Duce used strong words against the small democratic country during his discussions with the new masters of Europe. In the famous meeting at the Brenner Pass in June 1941, Mussolini would qualify Switzerland as an "anachronism" in front of Ribbentrop.⁵⁵ Therefore, realpolitik's strategies, which went far beyond the supposed sympathies for the Swiss Confederation, explain Italy's attitude.

Finally, a third factor, which seems to have emerged after the defeat of France, is almost always cited in the sources, whether Swiss, German, or British, when addressing the reasons for maintaining a small independent state in the middle of New Europa: the preservation of transit through the Swiss Alps, above all the railway line of the Gotthard tunnel. While historian Hans Senn has quite rightly identified the first two factors, in what should be one of the most comprehensive answers provided by Swiss military historians on that issue apart from Bourgeois's book, he has underestimated the last one.⁵⁶ Much more than the Swiss Army's supposed defence capacity or Switzerland's mixture of political adaptation and resistance towards New Europa, which will be analysed in the next section, the maintenance of commercial connections between Germany and Italy was the real asset that Switzerland had in its hands to justify its independence. In fact, apart from the Brenner in Austria, commercial transit through Switzerland would be a decisive route for Germany to supplement Italy with industrial products and raw materials, especially coal, in the first years of the war, all the more since Switzerland remained largely untouched by Allied bombing. Whereas most of the weapons were exported through Austria, the volume of transit of coal to Italy in 1941 would reach more than three times its level in 1939.⁵⁷ After the French armistice, it was no secret that if Switzerland had hindered transit through the Alps, this decision would have been in itself a *casus belli*. At the end of June, amidst economic negotiations between Switzerland and Nazi Germany, the threat was explicitly formulated by the head of the German negotiators, Hans Richard Hemmen. On the reverse side, Swiss elites in 1940 repeatedly played on the dissuasive effect of transit, although the scheme to destroy Swiss tunnels would only be completed in 1942.⁵⁸ The *réduit national* in the Alps was part of this strategy, and it is no coincidence that one of the most important groups that aimed to increase the Swiss spirit of resistance at the time chose to call itself the Gotthard League.⁵⁹

In August, Coulondre highlighted Switzerland's role as the "guardian of the Alps", which would have been its "main strength in the present international situation". The French diplomat's words were no apologia for the Swiss Army, but rather emphasis on the geostrategic importance of the Swiss mountains. He clarified the meaning of his words as follows: "it [Switzerland] seems to be able to count on the support of Italy, which has a clear interest in not extending its border with the Reich; on the other hand, the Swiss authorities are determined to blow up the Gotthard and Simplon tunnels in the event of German aggression – and Germany cannot ignore this – which would have the effect of limiting German–Italian traffic to the Brenner route alone."⁶⁰ A few weeks later, Coulondre's argument was echoed by German State Secretary, Ernst von Weizsäcker, in a letter to Ribbentrop, albeit in a slightly different manner. Considering that Switzerland could not be invaded, he also justified his position with references to the Alps: "The Swiss problem is first

and foremost a German-Italian one. The Italians are striving for borders there that extend far north over the ridge of the Alps. Switzerland itself is not mature enough for a violent transformation. If it were to be attacked from outside, which of course it could not seriously resist, it would probably blow up the Gotthard and Simplon tunnels after all.”⁶¹ Coulondre and Weizsäcker were astute observers of the relations between the Swiss Confederation and the Axis powers, the former having been ambassador in Berlin before his transfer to Switzerland and the latter having served as German Minister in Bern from 1933 to 1937. The Alps, not only as a barrier to military operations but also as a means of preservation of a territorial separation between the Axis powers, as a competitive objective between them, and as a route linking them, were the Swiss ruling circles’ most powerful card to avoid an invasion.

Adaptation and Resistance as Dissuasion

Adaptation

Factors exogenous to Swiss policy – with the exception of the political utilisation of commercial transit through the country – explain why Switzerland was not invaded. This affirmation does not imply that Swiss policies played no role at all from June onwards, but that their influence was of secondary importance. To appease a potential invader that is far stronger, a small country that is not a primary war aim could indeed combine a degree of adaptation with some resistance to avoid war. This is always a delicate balancing act: to give in too much in relations with the great power could be viewed as a demonstration of weakness that would incite an occupation or, at least, actions aimed at directing the small country’s policies, but to resist too heavily could have the same effect. During the years before the war, Switzerland had already combined a degree of diplomatic adaptation aimed at appeasing the Axis powers with a strong affirmation of its desire to defend its sovereignty using its army. However, the required terms for thinking about adaptation and resistance changed after the French armistice. As Switzerland had no possible allies in case of invasion, there could be no question of real military resistance against Germany. In fact, as soon as France was defeated, Switzerland chose to demobilise the army, dividing the men in service by three, from 450,000 to some 150,000. This measure was put into practice on 6 July, and most of the remaining troops were concentrated in the centre of the country, according to the strategy of the *réduit national* that was elaborated by the Swiss Army from the end of June and presented to the government by General Guisan on 12 July.⁶² The irony is that when the threat to the country was probably at its peak, Switzerland was dramatically diminishing its forces.

Yet this is only an apparent contradiction because military dissuasion towards Germany, which was intended until June to be achieved with the army’s spirit of resistance, transformed after the armistice into adaptation to the new order in Europe. In other words, Swiss demobilisation, which Nazi Germany wanted, became a means to appease the aggressive neighbour. Contrary to the myth,⁶³ the strategy of the *réduit national* was not a final, proud demonstration of military resistance, but a political gesture to appease Germany with demobilisation while pretending to increase the resistance’s capacities.⁶⁴ Indeed, the *réduit* meant the abandonment of the larger part of the Swiss territory and the main cities in case of an invasion. As far as the ability to create a

centre of resistance in the Alps, the *Wehrmacht* did not take this hypothesis seriously: it could have been easily crushed by a siege strategy.⁶⁵ However, the *réduit* had two further secondary meanings. First, as its heart was situated in the Alps, it was, as stated, a warning to Germany about the danger of transit through the Gotthard if the Reich put Switzerland under too much pressure. As previously argued, this was a real issue for Germany. Second, the *réduit* correlated to some extent with Swiss internal politics. It represented arbitrage between the factions inside the army, favourable or unfavourable to demobilisation, as well as an economic compromise between the businessmen's desire to recover their working force and the threat that too quick a demobilisation would temporarily increase unemployment.

In practice, the Swiss Army was now working mainly towards adaptation. Some officers tried to strengthen the military's spirit and decided at the end of July to create a secret organisation, named the *Offiziersbund*, aimed at pursuing the fight at all costs in case of a capitulation. Their action was soon discovered and dismantled, although some of them continued their political activities in an elite group united against defeatism, named the *Aktion Nationaler Widerstand*.⁶⁶ As far as General Guisan is concerned, he remained a symbolic figure of the resistance in the European darkness of summer 1940. British and U.S. diplomats were much impressed by his famous appeal to defend Switzerland's independence, which he pronounced on 25 July 1940 on the Rütli, the legendary birthplace of the Confederation in the Middle Ages, and by his broadcast message on 1 August, the national holiday. In the Foreign Office, high officials did not believe that he had held such strong words.⁶⁷ However, the diplomats were overestimating the General's intent. It is not an exaggeration to say that Guisan played a double game in summer 1940: he publicly defended the image of the resistance, with his popularity reaching its zenith in Switzerland, whereas he became a partisan of adaptation to Nazi Germany. Demobilisation was not the only step taken in this direction. He defended the introduction of preventive press censorship at a time when Nazi Germany was applying heavy pressure on Swiss journalists.⁶⁸ He also favoured the reinforcement of cultural ties between Switzerland and Germany, and he pushed the envoy of a Swiss military mission in Germany.⁶⁹ Although Guisan was still despised by the Germans, all the more since the *Wehrmacht* discovered in France documents regarding his collaboration with the French army in June, the General seemed to have rehabilitated himself in the eyes of the new masters of Europe. Switzerland's room for manoeuvre on military issues was certainly low in summer 1940, but, as none of the three measures proposed by Guisan to supplement demobilisation would be implemented, and since the Germans took his public image at face value, these propositions were superfluous.

A second clear step towards adaptation, in terms of economic relations, was made as soon as the French defeat was certain. On 27 May, negotiations for a renewal of the commercial agreement between Switzerland and Germany began⁷⁰, but they did not finish until the fall of France. Here also, the room to manoeuvre dramatically diminished from the end of June onwards. At this point, Switzerland was put in a difficult situation in the face of the Axis powers. Due to the War Trade Agreement with the Allies, signed on April 1940, as well as the extent of the export of weapons to France and Britain during the first year of war, how could Swiss negotiators oppose the commercial demands of Nazi Germany regarding military products? This was even truer because Switzerland was now almost fully dependent on the Axis powers for its supply of coal and imported food, as well as for the preservation of the export markets for its strongly internationalised industries. From 11 June, Germany drastically cut its coal exports, which would

offer a decisive advantage in the negotiations during the summer. In this situation, Switzerland was obliged to adapt itself economically to the new European situation, at least to some extent. Yet, it should be added that when evaluating Switzerland's bargaining power, the country was not of particular interest for the German war economy in 1940. To some extent, this is even true of Swiss weapons,⁷¹ exemplified by the fact that until May, Germany did not try to make use of the opportunity to import military products from neutral Switzerland. A comparison with the other Western European country that was still independent at the time is enlightening. The Swedish economy had three advantages compared to Switzerland: it was much more self-sufficient regarding food; it was an indispensable iron ore supplier for Germany; and it did not have, unlike Switzerland, such high "invisible" incomes that had to be transferred from Germany through the clearing system.⁷² The Swiss Confederation was thus clearly in a position of economic demand in summer 1940, at least with respect to Germany. Considering this situation, the results of the economic negotiations on the revision of the clearing agreement conducted between the two countries from May to August were relatively satisfactory for the Swiss ruling circles. In its agreement with Germany, concluded on 9 August, Switzerland accepted restrictions on trade with Great Britain that were not compatible with neutrality: small trade opportunities were preserved, but Switzerland had to stop its export of war materials and had to accept Germany's close supervision of its foreign trade. In addition to adhering to the Axis counter-blockade policy, the Swiss state furnished a clearing credit of 124 million Swiss francs (some 73 million RM).⁷³ While Swiss clearing credits were technically dedicated to the purchase of supplementary exports from Switzerland by Germany (mainly war materials), they would macroeconomically compensate Swiss invisible incomes during the war, as the trade balance remained in favour of the Reich.⁷⁴ Using the credit granted by the Swiss state to buy weapons was politically advantageous for the Reich. It was another infringement of neutrality and thus strengthened the ties between Switzerland and Germany, as Allied countries did not receive the same financial facilities until 1944.

Nevertheless, these concessions regarding the Axis powers' close encircling of Switzerland were not far-reaching. The reactions of the British support this analysis. During the collapse of France, Britain had suspended commercial relations with Switzerland for a few days before choosing to keep a small trading link through the blockade.⁷⁵ In the summer and the autumn, the Ministry of Economic Warfare was keen on increasing the restriction on trade to Switzerland, but, despite the economic rapprochement between Germany and Switzerland, the Foreign Office was still tempering the attempts. Although the flights of English planes over Swiss territory caused some diplomatic tensions, Switzerland remained on the whole a friendly country for the British – the last democratic rampart in the middle of Europe, which presented, moreover, some interest for Britain, above all for intelligence activities.⁷⁶ One year later, in July 1941, the Swiss acceptance of extending the clearing credit to 850 million Swiss francs would produce much greater opposition in London. Regarding the low importance of Swiss trade and the relatively modest concessions granted to Germany, it would be thus totally exaggerated to pretend that the agreement of 9 August was the economic price paid by Switzerland to save the country. Ironically, two new military plans to invade Switzerland were drafted by the *Oberkommando des Heeres* at exactly the same time as the signature of the economic agreement, on 8 August and 12 August precisely.⁷⁷ While this coincidence must not be overinterpreted, it should nonetheless be a warning against any overestimation of the impact in Germany of Switzerland's economic dissuasion. For the Reich, the clearing agreement was no decisive step for the relations between the two countries, but it meant

a diplomatic gesture demonstrating, beyond the discourses, Swiss recognition of the new international order.

As such, in summer 1940, the economic adaptation to New Europa, coupled with the military demobilisation, surely contributed to temporally appeasing Nazi Germany. What is clear is that, in the summer of 1940, the Swiss financial centre played almost no role in the relations between the two countries. It should be remembered that, in spring 1940, Swiss banks had agreed to provide the United Kingdom with a credit of 100 million Swiss francs to facilitate the conclusion of the War Trade Agreement; however, as soon as mid-May, they withdrew their offer, and the whole scheme then collapsed. Until this point, Swiss banks stayed in retreat. At the request of the Swiss government and the central bank, commercial banks certainly offered a credit of 125 million Swiss francs to Italy in order to facilitate relations with the weaker Axis partner, which was still viewed as an appeasing force towards the Reich and whose role as a transit country to provide Switzerland with food and raw materials was decisive. This sum, half of which was in dollars, supplemented a state clearing credit of 75 million Swiss francs granted on 23 August.⁷⁸ Yet, surprisingly, banking relations between Switzerland and Germany remained at a very low point until the autumn of 1940. In summer 1940, Germany did not ask Switzerland to grant a bank credit like the one offered to Italy, and it did not even substantially extend the free currencies that it could obtain through the clearing scheme.⁷⁹ As far as it is possible to determine, Swiss banks' international short-term operations seemed to be themselves rather limited in 1940.⁸⁰ The same is true of the *Reichsbank's* gold sales to the Swiss National Bank and Swiss commercial banks, which were simply non-existent between June and October.⁸¹ One could reply to these arguments that as Germany's military planning against Switzerland disappeared almost at the same time as the Swiss National Bank started to buy gold from the *Reichsbank* in October 1940, these two actions could be correlated. Nevertheless, this thesis is fully inappropriate because these financial transactions remained quite anecdotal at the time and because no archive has ever supported such a causal link.

In reality, it is more accurate to say that the Swiss financial centre might have presented some future opportunities for Germany in the further conduct of the war. The anticipation of this role could then possibly have had an influence on the German attitude in summer 1940. The conservation of both a free currency and a high degree of financial liberalisation in Switzerland had advantages for conducting economic transactions with third-party countries, as the significant transfers of gold from the *Reichsbank* to the Swiss National Bank would prove much later, in 1942 and 1943 mainly. More prosaically, the opacity of the Swiss banking world could be useful in concealing deceitful business, which, in a limited number of sources, has sometimes been considered as a residual factor for the preservation of Swiss independence. However, two key facts must be considered in examining the idea that these supposed advantages would have been already anticipated in 1940 by the German Reich. First, during the second half of 1940, the value of the Swiss currency and financial centre was not as clear as historians generally claim. At the time, for instance, the dollar could still be used on most international markets, as demonstrated by the Italian desire to receive a part of the loan provided by Swiss banks in U.S. dollars. This was also true for the gold acquired by the *Reichsbank* in occupied territories. Second, the Swiss offshore centre could have been as much a support for Germany as a problem in its attempts to control economic transactions across Europe; for Germany, Switzerland was an old relic of the gold standard, a financial system that had no place in the new international order that the Reich wanted to establish

in Europe.⁸² It is perhaps characteristic of the overall climate of negotiations that, in Swiss Foreign Minister Pilet-Golaz's attempt to seduce the German Legation in Bern at the beginning of September, he did not defend the attractiveness of the Swiss financial centre, but, on the contrary, highlighted the diminishing role of bankers in the Swiss economy.⁸³ These were not empty words. Despite the gold transactions, which would be almost exclusively undertaken by the central bank from mid-1941, and not by commercial banks, World War II would belong only marginally to the history of the international expansion of the Swiss financial centre. While the war played an important role in this development, it was mainly a passive one: thanks to the preservation of neutrality during the hostilities, the relative continuity of Swiss financial liberalism, compared to belligerent countries, contributed to a recovery during the afterwar period of the privileged international position that the Swiss financial centre had enjoyed in the interwar years.⁸⁴

Regarding the situation in summer 1940, no real archival evidence exists, from Germany for instance, that firmly supports the dissuasive effect of Swiss finance and currency when the military threat was real to some extent. Almost all the sources that historians typically cite to support this thesis were written later. Swiss historians often quote the words of the Vice-President of the *Reichsbank*, Emil Puhl, to prove the importance of the Swiss financial centre for the preservation of the country's independence. According to Per Jacobsson of the Bank for International Settlements, Puhl said the following words: "That the Swiss do not introduce exchange restrictions [...] constitutes a reason for leaving Switzerland free."⁸⁵ This remains a scarce affirmation, indirectly transmitted and only formulated in November 1940. The fact that the conversation took place at the Bank for International Settlements, an international warden of financial liberalism that was pushing the Swiss not to implement currency controls, also lessens the relevance of the quotation. As far as British and French diplomats were concerned, according to their contacts in Switzerland, they considered monetary and financial issues of secondary importance in 1940, compared to, for instance, transit through the Alps. For sure, in September, Kelly evoked, among a series of supposed factors, "the desire of certain important Party men (both Nazi and Fascist) to keep Switzerland and Swiss banking facilities open for their own eventual get-away in the event of disaster", while, one month later, the French military attaché hypothetically spoke of Hitler's interest in the "sound Swiss currency" when he presented another list of the reasons why Switzerland remained free.⁸⁶ Like Puhl's quotation, these two examples are anecdotal and offer rather weak support for the supposed dissuasive function of the Swiss financial centre.

Resistance

Swiss banks were almost absent from the crucial events of 1940 and thus had no influence on the preservation of the country's independence. While the reorientation of financial relations remained moderate, Switzerland adapted to the new international order dominated by the German Reich both militarily and commercially in summer 1940. In the face of this external adaptation, resistance found expression above all in internal politics. Instead of occupying the country, Nazi Germany could use another means to dominate Switzerland step by step or even to prepare an *Anschluss*: the subservient political activities within Switzerland. This objective, which was implicitly referred to in the aforementioned letter by Weizsäcker, was indeed formulated by several Reich authorities,

such as the *Reichssicherheitshauptamt* and the Ministry of Propaganda, as well as by the German Legation in Bern, in summer 1940. For this purpose, Germany sustained Nazi groups or extreme-right factions in Switzerland, put the Swiss government under pressure, and attempted to directly control the Swiss press.⁸⁷ However, the Swiss political system would prove to be quite resistant to these attempted changes. All these actions would prove to be infructuous, and, at the end of 1940, the Swiss political environment was almost the same as in the spring of that year. In the balance between transformation and continuity, contrary to the turn that happened in foreign policies, the latter thus by far surpassed the former in internal politics.

Despite the willingness of some Germans to influence Swiss politics, pro-Nazi movements remained uninfluential in Switzerland in 1940. In 1933, after Hitler's rise in power, the so-called *Frontenfrühling* (literally "the spring of the fronts") had occurred, characterised by the rise of several extreme-right groups in Switzerland.⁸⁸ Such an event did not occur in summer 1940. In June, the *Nationale Bewegung der Schweiz* was created, but this national-socialist party occupied a very marginal position in Swiss politics until its prohibition in November. For sure, more powerful groups defended the internal adaptation of the Swiss political system towards Nazi Germany, albeit with some more modest goals, in order to improve Switzerland's position in international relations. Such was the case for the *Volksbund*, a political lobby created in 1921 by conservative circles against Swiss participation in the League of Nations that became colonised by Nazi Germany. Economic circles belonging to the Swiss Federation of Commerce and Industry, often linked to the *Volksbund*, also went quite far in attempting a political rapprochement with the new masters of Europe, hoping by these means to stimulate economic connections with Germany.⁸⁹ In Berlin, the Swiss Minister Hans Frölicher himself became a strong partisan of adaptation in both external and internal politics.⁹⁰ Nevertheless, these attempts at internal adaptation involved few people, and they were short-lived. In fact, a much more serious threat was the endogenous dynamic that emerged in summer 1940 inside Switzerland, in which more traditional groups or personalities profited from the international upheaval to support the renovation of the Swiss political system, not inspired by the Nazis, but nearer to the Southern European autocratic regimes and Vichy's National Revolution. These attempts were a revival of anti-democratic political tendencies already at play in the country during the interwar years.

Indeed, a portion of the Swiss elites did not need to be pressed from abroad to try to induce the transformation of the political system. A radio speech delivered on 25 June 1940 by Pilet-Golaz proves this point.⁹¹ Contrary to what some historians have claimed, this speech was not a simple rhetorical device to appease Germany.⁹² The first part of the discourse was certainly dedicated to the international situation after the French armistice. The Foreign Minister appealed to external adaptation in the face of the new emerging order in Europe, while trying to preserve a neutral tone on foreign policies. He did not speak of France's defeat but of the path to peace between the three neighbours of Switzerland, nor did he condemn the United Kingdom's continuation of the fight. As such, these words, albeit quite uncourageous, were not extraordinary when one considers the exceptional context and the orientation of Swiss foreign policy during the 1930s. Nevertheless, much more appealing and disturbing was the second part of the speech, dedicated to internal policy, which was twice the length of the first part. Pilet-Golaz's words clearly pointed to authoritarianism. He vehemently insisted on the need for the Swiss to follow the Federal Council without discussions during these hard times. The speech, which contained not a single word about democracy, was an apologia for hard work, blind respect for the order, and a nationalist union. Pilet-Golaz even

evoked the necessity of an “internal renaissance” for the Swiss nation. In this sense, his words were comparable to the speech delivered the same day by Pétain to announce the armistice to a French audience, although, paradoxically, the Marechal, in face of the decline of the French state, insisted more on the population’s obligation to count on themselves, their families, and their lands rather than on the authority of the state. This similarity between the two discourses was strange, to say the least: whereas France had suffered the most terrible humiliation and was occupied, Switzerland’s neutral policy had achieved its main goal at the time, with the preservation of its independence, and no threat of social disturbance was visible inside the country. Why, then, should the Swiss state need an “internal renaissance”?

After his speech, Pilet-Golaz would be considered abroad as the spearhead of Swiss adaptative and defeatist forces towards Nazi Germany, in opposition to Guisan.⁹³ This dichotomic analysis, albeit not entirely wrong, was somewhat caricatural, not only for the General, but also concerning the Foreign Minister. Apart from the fact that the diplomats were overlooking that Pilet-Golaz’s speech had been approved by other members of the Federal Council, they were not entirely correct in their assessment of the internal situation because they associated every anti-democratic move inside Switzerland as being pro-Nazi. However, more than a discourse of internal adaptation or national-socialist inspiration, the speech, which contained repeated references to the Christian tradition of Switzerland, revealed how much the Swiss elites had been influenced by corporatism, anti-parliamentarism, and reactionary ideas during the 1930s. In summer 1940, these feelings suddenly resurfaced. After his speech, Pilet-Golaz attempted to profit from the new situation by reinforcing the position of the executive branch against the Parliament, whose rights had already been diminished by the extraordinary powers conferred to the Federal Council at the beginning of the war. This attitude, which was not directly influenced by the Nazis, could have been a first step towards a deeper transformation of the Swiss political system in an authoritarian fashion.⁹⁴ Yet, this mixture of appeal to order, authoritarianism, and nationalism, deprived of the radical and revolutionary rhetoric of the Nazis, could be appreciated by a significant part of the Swiss elites, and consequently, it could have led to deep transformation of the Swiss political system. Anti-democratic tendencies and attempts at a revision of the Constitution easily flourished as before among Conservative-Catholics in summer 1940, as demonstrated by the attitude of the Minister of the Interior, Philip Etter, who had never been very comfortable with parliamentarism. More troublingly, they appeared to find even more resonance among the Radicals – the liberal party that had founded the modern Confederation in 1848 and to which Pilet-Golaz belonged.

For sure, one cannot entirely separate the attempts at adaptation to the new order in Europe and this willingness for a renovation of the political system by traditional forces. First, the appeal for political renovation was being nourishing by the international upheaval. Next to the Axis powers, Vichy’s National Revolution, associated with a defence of Christianity and with corporatism, attracted the Swiss traditional elites, many of whom showed some sympathy for Pétain, albeit also because the Marechal had precipitated the end of hostilities in Western Europe in 1940.⁹⁵ Secondly, many links existed between these traditional forces and the groups that were more clearly working for internal adaptation towards Nazi Germany. The attitude of Gonzague de Reynold, an aristocratic nationalist historian who had been one of the most influential intellectuals in Switzerland during the interwar period, is probably the best example of this complexity. Being Catholic and reluctant regarding Nazism, he saw, in the exceptional situation of summer 1940, a good opportunity to turn Switzerland into a sort of *Estado Nuevo* like Salazar’s Portugal.⁹⁶ Yet, de

Reynold cultivated some ties, not only with the Catholic-Conservatives, but also with the Radicals, pro-Nazi circles, and even the *Gottbard-Bund*, which, despite its strong affirmation to defend Switzerland's independence, was also favouring a change of Swiss politics in a more authoritarian fashion.⁹⁷ Thirdly, the individuals working towards political renovation were often inclined in 1940 to admit that some limited concessions should be made regarding the adaptation of the Swiss political system towards Nazi Germany. Such was the case for both Pilet-Golaz and Guisan. The dividing line between those who were favourable to an internal alignment towards the new masters of Europe and those who were willing to create a renaissance of Swiss values was thus far from transparent. However, there is no doubt that the risk of an authoritarian turn, inspired by Southern Europe's dictatorship, was much higher than the danger of an *Anschluss* from the inside by the Nazis in 1940.

The key fact is that, as said, nothing ultimately happened in Switzerland. Already in the second half of the summer, while remaining hesitant regarding the government, foreign diplomats noted, after the worries in the aftermath of the French armistice, a clear political revival inside Switzerland.⁹⁸ For the British Minister in Bern, Switzerland's political attitude during the summer confirmed the relevance of the Foreign Office's tolerant position towards the neutral country: "The M.E.W. [...] assumed at once that the worst had already happened and that Bern was the same as Vichy. The fact that we had three whole months already during which the worst did *not* happen, has justified us."⁹⁹ The diplomats were rightly observing the evolution of Swiss politics. As German pressures on Swiss internal politics remained relatively mild, Switzerland found itself strong enough to resist them. At the end of the summer, Germany's attempts to deeply influence the press, demanding the dismissal of editors and journalists, were opposed, for instance.¹⁰⁰ As for the *Volksbund's* programme, its support in Bern was insufficient to impact Swiss politics. When a petition of 105 persons, led by the *Volksbund*, was transmitted to the government on 15 November to implement a series of political reforms, including stronger control over the press and a rupture with the League of Nations, it received no public answer.¹⁰¹ On 19 November, the government went a step further when it decided to ban the *Nationale Bewegung der Schweiz*, a choice that was coherently complemented a week later by the interdiction of the communist party. Although these Swiss Nazis were nothing more than a negligible clique, this step was a symbolic gesture to Germany implying the Federal Council's willingness to crush any revolutionary attempts inside the country. This decision was probably Switzerland's most remarkable political outburst in 1940.¹⁰² Meanwhile, Frölicher, the enthusiastic appeaser, had been surpassed by the more moderate line at the Division of Foreign Affairs, concentrating on adaptation in foreign politics.¹⁰³ At the same time, the so-called "internal renaissance" never took place. Even the moderate attempts at political transformation that had found support among the traditional parties, such as the desires to revise the Constitution, disappeared in the second part of 1940. Whereas the threat of an *Anschluss* from the inside had never been very high, the more serious danger of a political renovation found no practical expression.

The reaction inside the country against any political transformation was stimulated by the ambiguous attitude of Pilet-Golaz in late summer. The Foreign Minister, who was likely frustrated by the lack of political changes in Switzerland, began to openly cultivate ties with the extreme-right factions. On 1 August, the Swiss national holiday, he received the *Volksbund*, and a month and a half later, on 10 September, three members of the *Nationale Bewegung der Schweiz* visited him. Whatever his immediate goals had been, Pilet-Golaz was playing with fire. Yet, as soon as he had

made a step towards the adaptive forces inside the country, the political reaction became fierce, in contrast to the timid opposition that his speech on 25 June had raised. In September, the reception of the Swiss Nazis led to such a virulent reaction against the Foreign Minister that his impending resignation seemed possible. Now facing the danger to their own rights and freedoms that his authoritarian tendencies had created, the Parliament and the press, including individuals belonging to Pilet-Golaz's own Radical camp, conducted a campaign that helped to reactivate liberal feelings in Switzerland.¹⁰⁴ After Pilet-Golaz's dangerous game in the summer, every step towards a political change, even those not inspired by Nazism, thus tended to be considered as anti-Swiss, and life in Bern soon resumed its traditional path. At the end of the year, the elections of the government resulted in no political turn. Four of the seven Federal Councillors had been replaced in less than 12 months, which was quite an extraordinary event in Swiss political history, but it would be difficult to distinguish any new trends among the freshly elected politicians compared to their predecessors from the same parties.¹⁰⁵ In the middle of a continent dominated by the Axis powers, Switzerland retained its position as a liberal-conservative bastion, which it had acquired after World War I when revolution and economic turmoil had spread over Europe.¹⁰⁶ However, while this positioning, which was closely linked to the restoration of the gold standard, had turned Switzerland into a political model in Europe during 1920s, the country was now seen as a tolerated pariah by the new masters of the continent. Whether this situation would have been sustainable in the longer run within a Europe dominated by the Nazis is an unanswerable question.

Most Swiss historians have overvalued the extent to which Switzerland's political system had been shaken in 1940. Regarding the exceptional political stability of the country, which has been governed by a coalition dominated by centre-right parties since 1891, the agitation that occurred in the summer and autumn of 1940 certainly seems quite extraordinary. Yet, if one takes a step back and views these events in the context of Europe at the time, one sees that they were relatively insignificant. The Swiss political system was never threatened in its essence, not a single popular movement on the extreme right of the political spectrum emerged in Switzerland, and, even compared to the *Frontenfrühling* that occurred in 1933, the political impact was minor. Thus, the temptation is strong to explain the resilience of Swiss politics by the adherence to democracy against authoritarianism. However, as previously seen, such an opinion would be overly simplistic and even naïve. During the interwar years, Swiss liberal conservatism had demonstrated an ambiguous adhesion to democratic principles, not to mention parliamentarism. By contrast to Nazism, viewed as too brutal, too opposed to financial liberalism, and too dangerous for Swiss independence, Italian fascism and other more moderate dictatures like Salazar's Estado Novo had generated relative attraction, and positive ideas about corporatism, for instance, were shared among a large number of politicians. What happened in 1940 was not an outburst of democratic feelings but a sort of defensive reflex by a small country that went beyond the political cleavages. In this situation, even political changes that might have been acceptable in another context would be seen as inappropriate. Paradoxically, this act of survival, tinged with some conservative and reactionary tendencies, would confer a long-lasting aura of respectability to the Swiss democracy.

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¹ Christophe Farquet, *La Défense du paradis fiscal suisse avant la Seconde Guerre mondiale. Une histoire internationale* (Neuchâtel: Alphil, 2016).

² See, for instance, Marc Perrenoud, Alain Cortat et al., *La Place financière et les banques suisses à l'époque du national-socialisme. Les relations des grandes banques avec l'Allemagne (1931–1946)* (Zürich: Chronos, 2002).

³ See, in particular, Stefan Frech, *Clearing. Der Zahlungsverkehr der Schweiz mit den Achsenmächten* (Zürich: Chronos, 2001); Unabhängige Expertenkommission Schweiz–Zweiter Weltkrieg, *Die Schweiz und die Goldtransaktionen im Zweiten Weltkrieg* (Zürich: Chronos 2002). Some volumes are more favourable to the idea of economic dissuasion; for instance, Martin Meier et al., *Schweizerische Aussenwirtschaftspolitik 1930–1948. Strukturen – Verhandlungen – Funktionen* (Zürich: Chronos, 2002).

⁴ Among the numerous publications on this issue, see, for instance, Hans Senn, “Schweizerische Dissuasionsstrategie im Zweiten Weltkrieg”, in *Schwedische und schweizerische Neutralität im Zweiten Weltkrieg*, ed. Rudolf Bindschedler et al. (Basel: Helbing & Lichtenhahn, 1985), 216–85; Philippe Marguerat, *La Suisse face au IIIe Reich, Réduit national et dissuasion économique* (Lausanne: 24 heures, 1991). Regarding this debate, see also this book for the general public: Markus Heiniger, *Dreizehn Gründe warum die Schweiz im Zweiten Weltkrieg nicht erobert wurde* (Zürich, Limmat, 1989). More recently, some foreign publications have dealt with this issue, often with a clear lack of knowledge. See for example this article, which does not respect any of the basic rules of the historical method: George-Henri Soutou, “La France et la Suisse au xxe siècle: de la méfiance stratégique à la confiance et à la complicité”, *Stratégique* 107 (2014): 17–33. See also the shortcomings in Stephen Halbrook, *The Swiss and the Nazis. How the Alpine Republic Survived in the Shadow of the Third Reich* (Havertown: Casemate 2006).

⁵ Klaus Urner, *“Die Schweiz muss noch geschluckt werden!": Hitlers Aktionspläne gegen die Schweiz* (Zürich: NZZ Verlag, 1990).

⁶ Meier et al., *Schweizerische Aussenwirtschaftspolitik*, 346–64. With regard to the situation in summer 1940 after the defeat of France, see also the following publications that do not resolve the reasons of the non-invasion: Herbert Lüthy, “Die Disteln von 1940”, in Georg Kreis, *Juli 1940. Die Aktion Trumpf* (Basel: Helbing und Lichtenhahn, 1973): 85–110. Edwin Bucher, “La Suisse sous l'effet de la défaite française de 1940”, *Revue d'histoire de la Deuxième Guerre mondiale* 121 (1981): 83–96; Jean-Claude Favez, “La grande peur de l'été 1940. La Suisse entre résistance et adaptation”, in *L'année 40 en Europe* (Caen: Méorial de Caen, 1991), 85–99; Jakob Tanner, ““Die Ereignisse marschieren schnell”. Die Schweiz im Sommer 1940”, *Geschichte und Gesellschaft. Sonderheft 19* (2001): 257–82.

⁷ For a few exceptions on Great Britain, see Neville Wylie, *Britain, Switzerland, and the Second World War* (Oxford: Oxford University Press, 2003), and on France, see Jean-Claude Allain, “La France et les neutralités helvétique et espagnole”, in *Les Etats neutres et la Seconde Guerre mondiale*, ed. Louis-Edouard Roulet (Neuchâtel: La Baconnière, 1985), 337–56. Note that, hereafter, the number of sources from the Diplomatic Documents of Switzerland (Dodis hereafter) refers to the online documents from www.dodis.ch to facilitate their reading for an English audience. The sources are published in the following volume: *Documents diplomatiques suisses*, vol. 13, ed. Jean-François Bergier and André Jäggi (Bern: Benteli, 1991).

⁸ Daniel Bourgeois, *Le Troisième Reich et la Suisse 1933–1941* (Neuchâtel: La Baconnière, 1974).

⁹ Hans Ulrich Jost, *Politik und Wirtschaft im Krieg. Die Schweiz 1938–1948* (Zürich: Chronos, 1998). Jost's view on the dissuasive effect of Switzerland's financial and monetary relations with Germany is shared, with more or less vigour, by almost all Swiss economic historians that have dealt with this issue. See, for instance, Michel Fior, “La Banque nationale suisse et ses achats d'or à l'Allemagne: un débat qui reste ouvert”, *Revue suisse d'histoire* 49 (1999): 253–63; Philippe Marguerat, *L'économie suisse entre l'Axe et les Alliés, 1939–1945* (Neuchâtel: Alphil, 2006); Malik Mazbouri, Marc Perrenoud, “Banques suisses et guerres mondiales”, in *Economie de guerre et guerres économiques* (Zürich: Chronos, 2008), 243. As said, the volumes of the Commission Bergier do not support a clear thesis and are often contradictory on that point (see note 3). The conclusion of the final report candidly ranges the issue of economic dissuasion in the “unresolved questions”. Independent Commission of Experts Switzerland – Second World War, *Switzerland, National Socialism and the Second World War, Final Report* (Zürich: Pendo, 2002): 523–4.

¹⁰ Christophe Farquet, “Diplomatie de réhabilitation et politique d'équilibre. Les relations diplomatiques et économiques de la Confédération helvétique après la Première Guerre mondiale”, *Revue d'histoire diplomatique*, 1, 2020, 51–68.

¹¹ Report by von Erlach, 28 August 1939 (Dodis 46892).

¹² Willi Gautschi, *General Henri Guisan. Die schweizerische Armeeführung im Zweiten Weltkrieg* (Zürich: Neue Zürcher Zeitung, 1989).

¹³ De Linde, 3 September 1939, National Archives, Public Record Office (PRO), Kew (London), FO 371/23172. See also Harrison to Hull, 12 September 1939, National Archives and Records Administration (NARA), College Park, Maryland, RG 59/854.20.

¹⁴ Georg Kreis, *Auf den Spuren von La Charité, Die schweizerische Armeeführung im Spannungsfeld des deutsch-französischen Gegensatzes 1936–1941* (Basel: Helbing und Lichtenhahn, 1976).

¹⁵ Kelly to Halifax, 4 March 1940, PRO, FO 371/24530; Alphand to Daladier, 14 December 1939, Archives du Ministère des Affaires étrangères (AMAE), La Courneuve (Paris), Papiers 40, Fouques-Duparc, no 62.

¹⁶ Meier et al., *Schweizerische Aussenwirtschaftspolitik*, 58 ff.

¹⁷ For instance, Stucki, 6 September 1939 (Dodis 46912).

- ¹⁸ For a summary of the negotiations, see Minutes of Federal Council, 23 April 1940 (Dodis 47022). Already on 15 May, Swiss banks refused to concede the credits because of the beginning of the war in France. See Minutes of the Federal Council, 21 May 1940 (Dodis 47041). See also Wylie, *Britain, Switzerland*, 122 ff.
- ¹⁹ Minutes of the Federal Council, 8 September 1939 (Dodis 46913) and 22 September 1939 (Dodis 46925). For French demands, see, for instance, Fierz, 3 September 1939 (Dodis 46907).
- ²⁰ Despite its limited practical incidences, this diplomatic step was seriously considered by the Allied powers at the time. See for instance AMAE, Suisse, 212, docs no 13 ff.
- ²¹ Jeroen Euwe, "It is therefore both in German and in Dutch interest..." Dutch-German relations after the Great War. Interwoven economies and political détente, 1918-1933" (PhD dissertation, Rotterdam, 2012).
- ²² There is a consensus on that point. For primary research based on German archives, see the following, regarding Switzerland and Germany's military plans: Christian Vetsch, *Aufmarsch gegen die Schweiz. Der deutsche « Fall Gelb » - Irreführung der Schweizer Armee 1939/40* (Olten: Walter, 1973); Bourgeois, *Le Troisième Reich*, 107-29.
- ²³ Jürg Fink, *Die Schweiz aus der Sicht des Dritten Reichs 1933-1945* (Zürich: Schulthess, 1985), 103-12.
- ²⁴ See the main plans in Hans-Adolf Jacobsen, *Fall Gelb. Der Kampf um den deutschen Operationsplan zur Westoffensive 1940* (Wiesbaden: Franz Steiner, 1957).
- ²⁵ Franz Halder, *Kriegstagebuch tägliche Aufzeichnungen des Chefs des Generalstabes des Heeres*, vol. 1 (Stuttgart: Kohlhammer, 1962).
- ²⁶ Burckhardt to Motta, 12 August 1939 (Dodis 46884).
- ²⁷ Pierre le Goyet, *Le Mystère Gamelin* (Paris: Plon, 1976), 256.
- ²⁸ Approximately one-tenth of French military forces were used in anticipation of a Swiss case in May 1940. Philippe Garraud, "Le rôle de l'« hypothèse suisse » dans la défaite de 1940 ou comment une simple possibilité théorique a pu affecter la réalité", *Guerres mondiales et conflits contemporains* 230 (2008): 68.
- ²⁹ Vetsch, *Aufmarsch*.
- ³⁰ See, for instance, Warner to Halifax, secret, 17 February 1939, PRO, FO 371/23856, reporting concordant military views from the Swiss, the French, and the British armies. Note that the Americans were more impressed by the supposed Swiss ability to defend against a German attack. See the reports in NARA, RG 59/854.20.
- ³¹ Annex to Weekly Intelligence Commentary, 38/1, May 1940, PRO, FO 371/24530.
- ³² Report on Switzerland, 17 June 1940, PRO, FO 371/24540.
- ³³ Coulondre to Reynaud, 8 June 1940, AMAE, Papiers 40, Fouques-Duparc, no 62.
- ³⁴ André Lasserre, *La Suisse des années sombres : courants d'opinion pendant la Deuxième Guerre mondiale : 1939-1945* (Lausanne: Payot, 1989): 51-83. See also Fink, *Die Schweiz*.
- ³⁵ Ernst Wetter, *Duell der Flieger und der Diplomaten. Die Fliegerzwischenfälle Deutschland-Schweiz im Mai/Juni 1940 und ihre diplomatischen Folgen* (Frauenfeld: Huber, 1987).
- ³⁶ For instance, Kelly, 31 May 1940, telegram transmitted to the War Cabinet, PRO, FO 371/24530. Kelly reported an assessment that Pilet-Golaz told to him. See also, on Switzerland's military dependence on France: Coulondre to Foreign Ministry, 2 June 1940 and Coulondre to Reynaud, 8 June 1940, AMAE, Papiers 40, Fouques-Duparc, no 62.
- ³⁷ For instance, Bonna to Pilet-Golaz, 16 June 1940 (Dodis 47065). On the spread of defeatism, see also Lasserre, *La Suisse*, 83-7.
- ³⁸ Eight plans were drafted between 25 June and 17 October 1940. See Werner Roesch, *Bedrohte Schweiz. Die deutschen Operationsplanungen gegen die Schweiz im Sommer / Herbst 1940 und die Abwehrbereitschaft der Armee im Oktober 1940* (Frauenfeld: Huber 1986). See also Hans Fuhrer, "Renseignement et plans d'opération "Suisse". L'espionnage allemand contre la Suisse pendant la Seconde Guerre mondiale" *Relations internationales* 78 (1994): 215-39.
- ³⁹ Walter Schaufelberger, "Militärische Bedrohung der Schweiz 1939/40", in *Kriegsmobilmachung 1939* (Zürich: ETH Druckerei, 1989), 42-3. For Hitler's indifference and contempt, see the numerous quotations from other publications cited in Fink, *Die Schweiz*, 9-33.
- ⁴⁰ Urner, "Die Schweiz muss noch geschluckt werden!"
- ⁴¹ See Minutes of the financial delegation of the Federal Council and of the Swiss delegation for the economic negotiations with Germany, 21 June 1940 (in Appendix of Dodis 47071: 742) and Minutes of a Conference in Bern, 22 June 1940 (Dodis 47074: 752).
- ⁴² See for instance, Nachrichtendienst (Bureau Ha), 30 June 1940, in Edgar Bonjour, *Geschichte der schweizerischen Neutralität*, vol. 8 (Basel: Helbing & Lichtenhahn, 1975), 42-4.
- ⁴³ Guisan to Minger, 18 July 1940 (in Appendix of Dodis 47088).
- ⁴⁴ See, for instance, the point of views that were handwritten on 18 and 19 June in PRO, FO 371/24530; Avangas to Baudouin, 31 July 1940; Note for Baudouin, 14 August 1940; Coulondre to Baudouin, 23 October 1940, AMAE, Guerre 1939-1945, Suisse, 764.
- ⁴⁵ Marguerat, *La Suisse face au IIIe Reich*, 13-83.
- ⁴⁶ Roesch, *Bedrohte Schweiz*, 34.
- ⁴⁷ Hans Senn, "L'année cruciale 1940... : Les circonstances qui ont préservé la Suisse d'une invasion allemande", *Revue Militaire Suisse* 146/9 (2001): 46-47; Favez, "La Grande Peur", 88-9; Bourgeois, *Le Troisième Reich et la Suisse*, 293-5 (on the expectation by Germany of a low capacity of resistance by the Swiss army: 136-143).
- ⁴⁸ See the report in Tamaro to Ciano, 18 June 1940, in *Documenti diplomatici Italiani*, vol. 9/5 (Roma : Istituto Poligrafico dello Stato, 1965), 40-1.

- ⁴⁹ See the sources collected in Alberto Rovighi, *Un secolo di relazioni militari tra Italia e Svizzera, 1861–1961* (Roma: Ufficio storico, 1987), 485 ff.
- ⁵⁰ Stephan Winkler, *Die Schweiz und das geteilte Italien. Bilaterale Beziehungen in einer Umbruchphase 1943–1945* (Basel: Helbing und Lichtenhahn, 1992), 43–4.
- ⁵¹ See Bourgeois, *Le Troisième Reich*, 143.
- ⁵² Note, at the end of May, after a conversation with the papal nuncio, Kelly was already convinced that Italy was not contemplating a violation of Swiss neutrality and was hoping that Germany would also avoid an invasion. Kelly, 23 May 1940, telegram distributed to the War Cabinet, PRO, FO 371/24530.
- ⁵³ See, for instance, Ruegger to Motta, 21 August 1937 (Dodis, 46377). See also, for instance, Coulondre to Baudouin, 17 September 1940, AMAE, Suisse, Guerre 1939–1945, no 763.
- ⁵⁴ Ruegger to Political Department, 1st June 1940 (Dodis 47054).
- ⁵⁵ Schmidt on a discussion between Hitler and Mussolini held on 2 June 1941, 3 June 1941, in *Staatsmänner und Diplomaten bei Hitler. Vertrauliche Aufzeichnungen 1939–1941*, ed. Andreas Hillgruber (Munich: DTV, 1969), 276
- ⁵⁶ Senn, “L’année cruciale 1940”.
- ⁵⁷ Gilles Forster, *Transit ferroviaire à travers la Suisse (1939–1945)* (Zürich: Chronos, 2001), 59 on statistics.
- ⁵⁸ Minutes of the financial delegation of the Federal Council and of the Swiss delegation for the economic negotiations with Germany, 21 June 1940 (Dodis 47071: 744); Neville Wylie, “Le rôle des transports ferroviaires en Suisse, 1939–1945 : les aspects militaire, économique et politique”, *Relations internationales* 95 (1998): 361–80.
- ⁵⁹ See Gautschi, *General Henri Guisan*, 294 ff and 341–2. See also Kobelt to Huber, 9 June 1940 (Dodis 47058).
- ⁶⁰ Coulondre to Baudouin, 6 August 1940. On transit as a dissuasive factor, see also De la Baume to Laval, 22 November 1940, AMAE, Guerre 1939–1945, Suisse, 762. Note that, before the war, the British had correctly anticipated the decisive importance that this factor would have later. See for instance Report of Department of Overseas Trade, 27 January 1939, PRO, FO 371/23860.
- ⁶¹ Weizsäcker to Ribbentrop, 8 October 1940, in Edgar Bonjour, *Geschichte der schweizerischen Neutralität*, vol. 7 (Basel: Helbing & Lichtenhahn, 1974), 220.
- ⁶² Guisan to Minger, 12 July 1940 (in Appendix of Dodis 47097).
- ⁶³ Tanner, “Die Ereignisse”: 277.
- ⁶⁴ For this strategy by Guisan, see Gautschi, *General Henri Guisan*, especially 226–7.
- ⁶⁵ Bourgeois, *Le Troisième Reich*, 142–3.
- ⁶⁶ Gautschi, *General Henri Guisan*, 235–66.
- ⁶⁷ See the reactions of the Foreign Office in PRO, FO 371/24538, “Swiss Neutrality and defence”, docs 188 ff. See also Military Attaché Report from Bern, 16 September 1940, NARA, RG 59/854.00.
- ⁶⁸ Guisan to Minger, 21 June 1940 (Dodis 47072).
- ⁶⁹ Guisan to Minger, 14 August 1940 (Dodis 47124); Political Federal Department to Minger, 7 September 1940 (in Appendix to Dodis 47126); Guisan to Minger, 24 October 1940 (in Appendix to Dodis 47164).
- ⁷⁰ Frölicher to Pilet-Golaz, 28 May 1940 (Dodis 47049).
- ⁷¹ See, on this issue, Peter Hug, *Schweizer Rüstungsindustrie und Kriegsmaterialhandel zur Zeit des Nationalsozialismus*, vol. 2 (Zürich: Chronos, 2002), esp. 779–83. See also, recently, this report that contains three pages dealing with the export of armaments from Switzerland during the Second World War: Matthieu Leimgruber, *Kriegsgeschäfte, Kapital und Kunsthaus. Die Entstehung der Sammlung Emil Bührle im historischen Kontext* (Zürich, UZH, 2020), 32–5.
- ⁷² For the two first advantages, see Klaus Urner, “Neutralität und Wirtschaftskrieg. Wie die Abschnürung durch Blockade und Gegenblockade verhindert wurde”, in *Der Zweite Weltkrieg und die Schweiz*, ed. Kenneth Angst (Zürich: NZZ Verlag, 1998), 51. See also, for a comparative view, the chapters in *Schweden, die Schweiz und der Zweite Weltkrieg*, ed. Irène Lindgren, and Renate Walder (Frankfurt: P. Lang, 2001), and *European Neutrals and Non-Belligerents during the Second World War*, ed. Neville Wylie (Cambridge: Cambridge University Press, 2002).
- ⁷³ Minutes of the Federal Council, 13 August 1940 (Dodis 47120). The negotiations has been summarised in Robert Vogler, *Die Wirtschaftsverhandlungen zwischen der Schweiz und Deutschland 1940 und 1941* (Basel: Helbing & Lichtenhahn, 1997), 69–131, and in Meier et al., *Schweizerische Aussenwirtschaftspolitik*, 177–90. The clearing credit amounted to 150 million, but a part of this sum had been already paid as a reimbursement of the former Swiss clearing debt.
- ⁷⁴ Frech, *Clearing*, 92 and 183.
- ⁷⁵ See Wylie, *Britain, Switzerland*, 132–7.
- ⁷⁶ On the difference between the Foreign Office and the MEW in autumn 1940, see PRO, FO 371/24539, docs 81 ff.
- ⁷⁷ Roesch, *Bedrohte Schweiz*, 14–19.
- ⁷⁸ Direction of Swiss National Bank to Stampfli, 2 August 1940 (Dodis 47111); Hotz to Ruegger, 6 September 1940 (Dodis 47134). See also on these negotiations, Dario Gerardi, *La Suisse et l’Italie, 1923–1950 : commerce, finance et réseaux* (Neuchâtel: Alphil, 2007), 118–20, 133–8. The 125 million was divided in 75 million Swiss francs and 11,4 million dollars, but some 19 million Swiss francs were then used by the Italians to buy dollars.
- ⁷⁹ It was a common practice of clearing agreements before the war to grant a portion of “free currency” to the Reichsbank (Swiss francs that were not related to any precise orders in Switzerland and that could be used freely). In 1940, it obtained 49,6 million Swiss francs. See Frech, *Clearing*, 189.
- ⁸⁰ Against this view, but without any real archival evidence, see Marc Perrenoud, *Banquiers et diplomates, 1938–1946* (Lausanne: Antipodes, 2011), 266–71. See also, Sébastien Guex, “The Origins of the Swiss Banking Secrecy”, *Business*

History Review 74 (2000): 257 (with a confusion between state and parastatal transactions – namely clearing credits and central bank’s purchase of gold – and commercial banks’ operations). However the volume 13 of the Bergier Commission produces evidences that demonstrate the contrary trend: Perrenoud, Cortat, et al., *La Place financière*, chapter 4. Note that the turnover of the large commercial banks decreased drastically from 1940 onwards. See Schweizerische Nationalbank, *Das schweizerische Bankwesen im Jahre 1940* (Zürich: Orell Füssli, 1941), 117.

⁸¹ The only operation conducted by the Swiss National Bank was an exceptional, but limited sale of gold of some 19,5 million Swiss francs in July. Moreover, even if some transactions took place at the end of 1940, the important operations of the Swiss National Bank only started a year later, in autumn 1941. For the monthly figures, see Michel Fior, *L’or de la Reichsbank. Que savait la Banque nationale suisse? (1939-1945)* (Neuchâtel: Université de Neuchâtel, 1997), A IV. Before autumn 1941, some gold was also sold by the Reichsbank to Swiss commercial banks. However, the substantial transactions took place before the fall of France and during the first semester of 1941. See Unabhängige Expertenkommission, *Die Schweiz und die Goldtransaktionen*, 78.

⁸² See, for instance, Willi Boelcke, “Zur internationalen Goldpolitik des NS-Staates. Ein Beitrag zur deutschen Währungs- und Außenwirtschaftspolitik 1933-1945”, in Hitler, *Deutschland und die Mächte*, ed. Manfred Funke (Düsseldorf: Droste, 1976), 293.

⁸³ Köcher to Auswärtige Amt, 5 September 1940, in Bonjour, *Geschichte*, vol. 7, 247.

⁸⁴ Christophe Farquet, *Histoire du paradis fiscal suisse, Expansion et relations internationales du centre offshore suisse au XXe siècle* (Paris: Sciences-Po, 2018).

⁸⁵ Jacobsson to Weber, 25 November 1940 (in Appendix to Dodis 47176).

⁸⁶ Kelly to Sargent, 21 September 1940, PRO, FO 371/24539; Forest-Divonne to Huntziger, 17 October 1940, AMAE, Guerre 1939–1945, Suisse, 764.

⁸⁷ The best synthesis is still Bourgeois’ thesis: Bourgeois, *Le Troisième Reich et la Suisse*, 130 ff. Regarding the media in particular, see Georg Kreis, *Juli 1940. Die Aktion Trumpf* (Basel: Helbing und Lichtenhahn, 1973).

⁸⁸ On Swiss extreme-right groups, see for instance Walter Wolf, *Faschismus in der Schweiz: die Geschichte der Frontenbewegungen in der deutschen Schweiz, 1930–1945* (Zürich: Flamberg, 1969).

⁸⁹ Daniel Bourgeois, “Le changement politique après la défaite de 1940”, *Matériaux pour l’histoire de notre temps* 93 (2009): 32-42.

⁹⁰ Frölicher to Pilet-Golaz, 5 July 1940 (Dodis 47090).

⁹¹ Radio address by Pilet-Golaz, 25 June 1940 (Dodis 47075).

⁹² Bucher, “La Suisse”, 94-6; Favez, “La grande peur”, 90-1.

⁹³ Kelly to Foreign Office, 27 June 1940, PRO, FO 371/24538; “Political situation in Switzerland”, PRO, FO 371/24530, docs 261 ff; Coulondre to Foreign Ministry, 26 June 1940; Coulondre to Baudouin, 12 September 1940, AMAE, Guerre 1939-1945, Suisse, 762.

⁹⁴ Pilet-Golaz to Guisan, 9 September 1940 (Appendix to Dodis 47136, 2).

⁹⁵ De la Baume to Laval, 26 November 1940; Jousset to Flandin, 25 January 1941, AMAE, Guerre 1939-1945, Suisse, 763.

⁹⁶ Aram Mattioli, *Zwischen Demokratie und totalitärer Diktatur: Gonzague de Reynold und die Tradition der autoritären Rechten in der Schweiz* (Zürich: Orell Füssli, 1994).

⁹⁷ See on the Gotthard-Bund: Christian Gasser, *Der Gotthard-Bund: eine schweizerische Widerstandsbewegung: aus den Archiven 1940 bis 1948* (Bern: Haupt, 1984).

⁹⁸ See Coulondre to Baudouin, 12 September 1940, AMAE, Guerre 1939–1945, Suisse, 762. See also Harrison to Hull, 14 October 1940, NARA, RG 59/854.00.

⁹⁹ Kelly to Sargent, 21 September 1940, PRO, FO 371/24539.

¹⁰⁰ Kreis, *Juli 1940*.

¹⁰¹ This petition is known under the nickname “Eingabe der 200” because sixty-eight personalities were added to the list later. For the request, see Letter to the Federal Council, 15 November 1940 (Dodis 19037).

¹⁰² See the reactions abroad: Kelly to Foreign Office, 20 November 1940, PRO, FO 371/24530; La Baume to Laval, 20 November 1940, AMAE, Guerre 1939–1945, Suisse, 762.

¹⁰³ See the view on adaptation expressed in Bonna to Frölicher, 6 August 1940 (Dodis 47115). See also the different points of view between Bonna and Frölicher in Dodis 47140.

¹⁰⁴ For a summary on those political events, see Roland Ruffieux, *La Suisse de l’entre-deux-guerres* (Lausanne: Payot, 1974), 371-422. On the fierce reaction in Switzerland, see for instance Division of Foreign Affairs to Frölicher, 14 September 1940 (Dodis 47138); Coulondre to Baudouin, 24 September 1940, AMAE, Guerre 1939-1945, Suisse, 762.

¹⁰⁵ From 1929 onwards, the Swiss government was always composed by four Radicals, two Catholics and one member of the Peasants, Craftsmen and Bourgeois’ party. At the end of 1943, a Socialist would be included for the first time.

¹⁰⁶ Christophe Farquet, “The Return to Order in the Swiss Confederation after the Great War: The Edification of a Liberal-Conservative Bastion in Europe”, *20 e^e 21* 143/3 (2019): 113-28.