

# Scrapping the bilateral agreements – consequences for the economy

Switzerland will lose a year's worth of economic output due to less employment, reduced competitiveness and less attractiveness



**-258**bn

in lost immigration



**-140**bn

in lost investment



**-117**bn

in lost accessibility



**-44**bn

in lost research



**-71**bn

through trade barriers



**-630**bn

in lost GDP

Ending the free movement of persons will mean a shortage of some 300,000 specialists by 2035, causing GDP to fall by CHF 258bn. The population will shrink by around 350,000.

Switzerland will become a much less attractive destination for investment. Overall, reluctance to invest amongst Swiss and foreign companies will cost the country CHF 140bn in lost GDP.

Rescinding the air service agreement will mean having to stop over 300 direct flights. Being less accessible will reduce GDP by CHF 117bn.

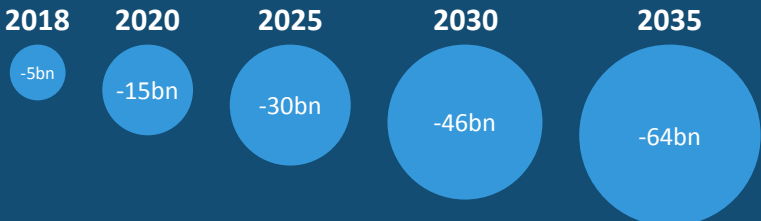
Ending the research agreement will cut Switzerland adrift from the international research arena. Having less effective research will knock CHF 44bn off GDP.

Trade obstacles in agriculture, land transport, certification and procurement will also have an impact, causing GDP to fall by CHF 71bn.

Doing away with the bilateral agreements will lead to an aggregated reduction of CHF 630bn over the coming 17 years. This is the equivalent of Switzerland's overall GDP in 2013.

## Switzerland's GDP will be 7% lower by 2035

The negative effects will get progressively worse, although the impact will be felt even in the short term.



## Everyone in Switzerland will lose CHF 36,000

Every Swiss citizen will be CHF 36,000 worse off (initially around CHF 360 per year, ultimately around CHF 3,400)



## Economic growth will slow by about 25%

Average annual economic growth will fall from 1.6% to 1.2%.

