

Jean-Pierre Roth: Foreign trade is Switzerland's growth driver

Summary of a speech by Mr Jean-Pierre Roth, Chairman of the Governing Board of the Swiss National Bank and Chairman of the Board of Directors of the Bank for International Settlements, at OSEC Business Network Switzerland, Zurich, 17 April 2008.

The complete speech can be found in French on the Swiss National Bank's website (www.snb.ch).

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Foreign trade has played a major role during the present economic cycle. Over the past two years, it has made an exceptional contribution to GDP growth – with figures that bear comparison to the two upswing periods of the mid-1980s and mid-1990s. This strong export performance not only reflects a reorientation to accommodate the world economy's new growth hubs, but is also the result of successful sector specialisation and the Swiss export industry's premium-quality positioning. Switzerland's watchmaking and pharmaceutical industries have been particularly impressive in this regard. Thanks to the speed at which its export industry has been able to adapt to global demand, Switzerland is well placed to benefit from the prevailing increase in earnings within the emerging markets.

By specialising in the technology segment and tailoring its exports to customer needs, Switzerland is not only able to reap the rewards of upswings in the global economic cycle. With the world economy now beginning to catch a cold from the slowdown in the US economy, the quality and competitiveness of our exports means that our companies are better equipped than others to hold their own in the global marketplace. Foreign trade not only represents Switzerland's growth driver, but it is also our friend when economic times are hard.