

## **Thomas Jordan: The significance of academic research and teaching for the Swiss model for success**

Summary of a speech by Mr Thomas Jordan, Chairman of the Governing Board of the Swiss National Bank, at the Dies academicus, University of Bern, Bern, 1 December 2018.

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The complete speech can be found in German on the Swiss National Bank's website ([www.snb.ch](http://www.snb.ch)).

The success of Switzerland in recent decades has largely been driven by the strong performance of its education system, which is crucial for economic prosperity, social cohesion and equality of opportunity overall. The Swiss National Bank (SNB), too, sets great store by a good education system, including universities that can hold their own against international competition.

Many of the staff recruited by the SNB are destined for roles in which a university degree is a prerequisite. In addition, the SNB maintains close ties with the academic world, so that the latest related research findings can be incorporated into monetary policy decision-making. The competition of ideas stimulates and creates incentives for higher-quality monetary policy.

This pursuit of excellence in academic education should not just be aimed at research, however; it should also target teaching. Experience has shown that foundation courses have a lasting effect on students' attitudes to certain topics. Teaching lays the basis for subsequent academic specialisation and career choice. As role models, professors carry a heavy responsibility. Many senior managers and specialists view their student days as a pivotal time in their lives, so the quality of teaching has a major impact on both economy and administration.

Universities make a direct contribution to a country's prosperity by maintaining the necessary capabilities and developing and imparting knowledge that is useful for the economy and society. But their indirect contribution is just as important: Universities must enable their graduates to understand and appreciate the significance of the Swiss model for success. This model is based on the pillars of direct democracy, the rule of law, federalism and an awareness of the value of stable institutions.

The terms 'markets' and 'competition' are key to understanding basic economic relationships, and are fundamental to ensuring prosperity, as well as to acquiring and applying new scientific knowledge. One of the tasks of a university is to provide its graduates and the general public with a realistic picture of the functioning and importance of markets and competition. Only in this way can the Swiss model for success endure in a world of constant change.