Toward a Theoretical Understanding of Ethnic Antagonism: The Case of the Foreign Workers in Switzerland*

Isidor Wallimann
Syracuse University, Department of Sociology

Zum theoretischen Verständnis ethnischer Konflikte: Der Fall der ausländischen Arbeitnehmer in der Schweiz*


Abstract: Import of foreign labor (mainly from Southern Europe) has been a common phenomenon for Northern European countries in the post-WW II period. A prime example is Switzerland. The problems connected with this migration of labor are manyfold. One major problem is the ethnic antagonism towards foreign workers by the native population. Theoretically, the origins of this antagonism can be explained by making use of some premises of exchange theory, and by considering the consequences of competition on the labor market. Within this framework of analysis, it is also possible to show how the various forms of institutional or organizational antagonism are functionally related to individual antagonism. Therefore, to understand ethnic antagonism and its origins and consequences one must look at all forms of ethnic antagonism simultaneously. How this can be done is shown in this paper.

Introduction

What is in Switzerland generally known, if misleadingly, as the 'foreign worker problem' has many complexities. What concerns us in this paper, however, is the behavior of Swiss citizens, Swiss institutions and organizations toward foreign workers. In particular, we will be concerned with the ethnic antagonism of Swiss citizens, Swiss institutions and organizations against the foreign workers. In the course of the paper, we will develop a theoretical model (based on exchange theory) explaining some sources of antagonism as well as suggesting some functional relationships between the various types of antagonism. A theoretical understanding of this antagonism can not only help decision-making concerning foreign workers, it can also provide some clues as to the foreign workers' future in Switzerland and the problems that might have to be faced with respect to their occupational mobility and integration into Swiss society. The discussion will also indicate that the 'foreign worker problem' can scarcely be solved by, e.g., appealing to tolerance. While antagonism serves to maintain or increase the superiority of Swiss over foreign workers, to cultivate 'tolerance' is to accept and reinforce unequal relations between Swiss and foreigners (BLAU 1964: 138).

In this paper, we will not be concerned with whether or not those who act antagonistically against foreign workers do this with a conscious strategy of action. We are inclined to think, however, that the parties involved in ethnic anta-
gnism, in general, do not act according to a strategy of action — i.e., they act unconscious of the forces which determine their action. This does not mean that antagonistic action without conscious strategy cannot achieve the same goals as strategic action. In fact, it very often does. The exchange theory model employed in this paper, however, can explain both strategic (conscious) as well as non-strategic antagonism.

That there is antagonism against the foreign workers in Switzerland has been shown by numerous social scientists, and in particular by RUDOLF BRAUN (1970) and HOFFMANN-NOWOTNY (1971). Furthermore, various collective attempts within the Swiss political system have been made either to bring about a limit to the import of foreign labor or a reduction of the foreign population in Switzerland. The latest such attempt is an 'initiative' submitted — with approx. 70,000 signatures — on Nov. 3, 1972. 'Initiative' stands for a political process within which one can ask for an amendment to the constitution if 50,000 valid signatures of voters can be collected in support of such an amendment. This initiative should bring about the constitutional guarantee

1) that not more than 4,000 foreigners are given Swiss citizenship yearly,
2) that the foreign population shall not exceed 500,000.
3) that the proportion of the foreign population shall not exceed 12% in the cantons (25% in the canton of Geneva),
4) that not more than 150,000 seasonal foreign workers and not more than 70,000 commuters who commute across the border shall be employed.

As of December 1972, the proportion of the foreign to the Swiss population was 16.5% or 1,032,285; 596,082 of which had a yearly or permanent work permit, 20,997 had a seasonal work permit (in August 1972 196,632 had such a permit) and 91,736 foreign workers were commuting across the borders. Not only is the foreign worker population considerably younger than the Swiss worker population (e.g., 53.5% of Italians are more than 20 and less than 30 years old, while only 20.3% of the Swiss workers are so), but the foreign workers have had considerably less education, including formal occupational training, than the Swiss workers (BRAUN 1970: 43–48). Consequently, the majority of foreign workers are unskilled or semi-skilled, while the majority of Swiss workers are skilled.

It is possible to argue that employers act antagonistically toward foreign workers when paying foreign workers less than they would pay Swiss counterparts. This, however, is not a very fruitful distinction. In search for more labor, any employer follows the lead of the market; i.e., he hires the cheapest labor available. It just happens that the market for additional labor was (is) very good abroad (not to deny that there are reasons for this development). Consequently, foreign labor was hired. Had, however, equally cheap Swiss labor been available the employers would have hired Swiss labor. It can be seen that there is no particular reason (except cost minimization) which can explain the behavior of employers. Since this behavior, however, introduces actual or potential competition in the Swiss labor market, ethnic antagonism results. This antagonism then can be considered as solely a product of forces in the labor market. If ethnic antagonism is, however, largely due to the introduction of competition in the labor market, why should antagonism be directed against foreign workers? Why should not Swiss be antagonistic towards one another as well, since they too are in competition with each other? To answer this, it should be mentioned that:

1) even though this paper will focus on Swiss' antagonism toward foreign workers, no attempt is made to deny that competition on the labor market does have an effect on the behavior of Swiss citizens towards one another, and

---


5 An initiative to reduce the foreign population from approx. 16% to 10% of the total Swiss population within 4 years was rejected by a national vote of approx. 54% to 46% on June 7, 1970.

6 According to BRAUN (1970: 83) 72.9% of Italians were unskilled or semiskilled. While HOFFMANN-NOWOTNY's sample* of the city of Zurich showed that 54% of the Italians were unskilled or semiskilled.

2) it is the foreign workers which — as an identifiable group — are perceived to be 'intruders' demanding 'their jobs' and 'their share' of Switzerland's wealth and quality of life. That they are perceived as 'intruders' is a consequence, in part, of the traditional territorial definition of the state and the resulting arrangements with respect to the political and economic system, the notion of citizenship held by Swiss citizens, and so on.

We do not attempt to deny, in this paper, that the Swiss workers did not derive 'advantages' from the import of foreign labor. We realize that various positions can be taken on this matter. From our point of view, however, it seems that the benefits accrued to the Swiss workers may not have been so great as some might surmise. Thus, e.g., according to CARL FOEHL (1967), a country's productivity — and therefore wealth — cannot be increased by importing foreign labor. Furthermore, according to BRAUN (1970: 154), only 4% of the Swiss think that the presence of foreign workers has increased their chances for upward mobility on the occupational ladder. 9.5% of the Swiss think that their occupational upward mobility has decreased as a result of the import of foreign workers. It is possible, that Swiss workers are in competition with foreign workers — and therefore are disadvantaged — although the Swiss, at the same time are, e.g., advantaged in that the foreign workers do more of the dirty work. We think that antagonism, however, results most likely because the disadvantages outweigh the advantages perceived by the Swiss.

To show that ethnic antagonism in Switzerland is caused by actual or potential competition on the labor market, we would like to make use of exchange theory and, thus, also attempt to overcome some of the shortcomings of the 'split labor market theory'. It will be demonstrated how the various types of ethnic antagonism conform to the principles of exchange theory. To accomplish this, the following types of ethnic antagonism will be distinguished:

A) Formal-legal  
B) Individual  
C) Informal antagonism by employers  
D) Informal

After summarizing our discussion, the exchange model will be evaluated with respect to the split labor market theory.

**Basic Elements of Exchange Theory**

A vertically organized society such as that in Switzerland is characterized by an unequal distribution of power, i.e., by a differentiation of status. When several aspects of status attain — due to competition, including competition for scarce goods — a certain level of differentiation, a group of people or a society arrives at a point where exchange relations are no longer identical with competitive relations (BLAU 1964). Although competition continues to exist within the various levels of a society (people in different levels compete for different things), exchange relations become the mode of interaction between the various levels of a society. Thus, e.g., employees have an exchange relationship with their employer, while they are in competition with each other. Correspondingly, employers may be in competition with other employers. Employers and employees, however, compete for different things within their own levels. The same, of course, can be true for organizations. Thus, e.g., a labor union can be said to have an exchange relationship with a particular industry or firm. Or a defense sub-contractor could be said to have an exchange relationship with the defense contractor while the sub-contractor may be in competition with other defense sub-contractors. Groups with higher status, i.e., power — and individual members of such groups —, when in an exchange relationship with groups or individuals of lower status, have an opportunity to expand their power.  

7 Power is „control or influence over the actions of others“.

8 Power is „control or influence over the actions of others“.

---

7 Power is „control or influence over the actions of others without their knowledge or understanding“ — or with their knowledge or understanding — (for example, by control of the physical, psychological, or sociocultural environment within which others must act). The mechanisms involved may range from coded messages, through manipulation of symbols, information and other environmental conditions, to the dispensing of conditional rewards“ (BUCKLEY 1969: 186).

8 According to BIERSTEDT, the sources of power are (1) numbers of people, and especially majorities, (2) organization, and (3) resources. „Resources“ includes money, prestige, property, natural and supernatural resources, and factors like knowledge, competence, deceit, fraud, and secrecy (BIERSTEDT 1950: 730–738).
ved from an exchange are a function of the amount of power the parties involved possess. Thus, conceptually seen in an exchange, one party has power over the other party if the latter 1) has insufficient resources, 2) has no satisfactory alternatives available, 3) cannot use coercive force, and 4) has pressing needs (BLAU 1964: 140) (or has more pressing needs). Accordingly, any party in an exchange relationship can develop strategies to attain and sustain power by manipulating the circumstances in a way such that one or more of the above mentioned conditions are met.

Whenever there is a market for the capacity to labor there is bound to be an exchange relationship involved. In exchange for certain benefits received from the employer, the employee agrees (for whatever reasons) to sell his capacity to labor to the employer. As we have seen before, exchange relations which are not identical to competitive relations presuppose a difference in status and power, be this power misused or not. Generally, in the case of the employer-employee relationship, the employer can be said to have higher status and power, and, thus, the employee is dependent on the employer.

A. Formal-legal Ethnic Antagonism

As BRAUN (1970: 64–73) has shown, the reasons Italians (approx. 60% of all the foreign workers in Switzerland) accept employment in Switzerland are because of their pressing economic needs and/or because of the better alternatives such as higher wages9, that are opened to them. It can safely be assumed that this is also the case with workers from other countries. Once in Switzerland, foreign workers do not have the same political rights, do not enjoy the same mobility on the labor market (except after a 5 Year’s stay in Switzerland) as Swiss do, and are not allowed to let their families come to Switzerland (except – if in possession of a yearly work permit – after a 15 month’s stay in Switzerland, or if they are of higher social and occupational status) (BRAUN 1970: 404)10. Yet, apparently because the economic needs are so pressing or the alternatives are considered to be so much less satisfactory, foreign workers are willing (or forced) to sacrifice rights and privileges they enjoy in their homeland or that Swiss citizens enjoy. This also becomes apparent when BRAUN (1970: 438) writes that approximately two thirds of the interviewed Italians would most probably leave Switzerland should there be comparable working and money-making conditions in their home country. There is, thus, little reason to believe that formal-legal antagonism (as mentioned above) could be maintained if the foreign workers in Switzerland had satisfactory alternatives in their home country. In summary, then, the lack of satisfactory alternatives on the part of the foreign workers leads to the kind of power relation with Swiss institutions and organizations where formal-legal antagonism against the foreign workers becomes possible11.

B. Individual Ethnic Antagonism

Despite the restrictions many foreign workers in Switzerland face with respect to their mobility on the labor market, it still is true that they stand in actual or potential competition with Swiss workers. From the Swiss workers’ point of view it can be said that the more competition they face on the labor market the fewer are their actual or potential satisfactory alternatives for finding employment meeting the individual’s criteria12. From the Swiss employers’ point of

9 As was shown before, both pressing needs and lack of satisfactory alternatives can be used by one party to gain power over another.

10 Tagesanzeiger, Wochenausgabe für Ausland, Zürich, April 24, 1973.

11 To be sure, technically speaking, the employer has power over the foreign workers since he controls the services rendered to them in return for their capacity to labor. It is the employer who can fire the foreign worker and expose him to less satisfactory alternatives or more pressing needs. One employer alone, however, could not control the mobility of foreign workers on the labor market. Thus, in limiting the foreign worker’s mobility on the labor market, the government acts, for whatever purposes, directly in the interest of certain groups. In turn, it is possible for the government to make use of the economic prosperity (as expressed in the high demand and import of foreign labor) and make the foreign workers accept additional conditions in return for employment in Switzerland. Thus, the government can, for whatever reasons of socio-economic policy, e.g., restrict the foreign workers with respect to bringing their families to Switzerland or with respect to political activity.

12 I would like to define competition in the follow-
Ethnic antagonism can be perceived as an attempt (conscious or not) to make the foreign workers ineffective or less effective competitors. Antagonism is, therefore, a 'device' which

1) hinders foreign workers from making full use of their sources of power, and/or
2) hinders them from using their power effectively in the competition with the Swiss, and/or
3) raises the socio-psychological 'cost' of participating in this competition (e.g., through unfriendliness, name calling, dirty looks, etc.).

Thus, secrecy, e.g., could apply to 1), while non-cooperation on the job or discrimination on the housing market could apply to 2). Many more examples of this sort could be mentioned, but this is of less importance. What concerns us is the fact that after a certain number of individuals begin to show antagonism against the foreign workers the impact on the socio-political 'climate' in Switzerland — as reflected, e.g., by the political attempts to reduce Switzerland's foreign population — is great enough that it cannot be neglected.

As the minority (foreign workers) increases, it can be expected that its competitive threat will increase and that individual antagonism — to avert this threat — will increase as well. Whether or not individual antagonism will increase at a higher, lower or at the same rate as the size of

13 Furthermore, according to BRAUN (1970: 399), in the early 1960's, labor unions could show that workers had benefited least from the import of foreign labor and the booming economy. With 721,000 the number of foreign workers (not foreign population) reached its peak in 1964, (BRAUN 1970: 37). For further discussions on the effects of foreign labor on the wage structure in Switzerland and West Germany see ROSSI (1972) and BAIN (1972).

14 In any society in which skills (human resources) are allocated through financial rewards within the market framework, there is bound to be a sphere of production and a sphere of consumption. In such a society, individuals — motivated by financial rewards they can get by selling their skills — tend, thus, to be channeled into certain occupations. Since any status system — if a society is to function — generally very closely reflects the motivational system, status in such a society is dependent on the financial rewards individuals can cash for selling their skills. If the economy is not to collapse, status must be expressed. This usually occurs in the form of accepting an appropriate life style, i.e., pattern consumption. Any threat to power on the labor market — it can therefore be concluded — also

threatens directly the status of those individuals whose power is being threatened. *Competition in the sphere of production necessitates competition for access to an appropriate life style*, i.e., pattern of consumption, expression of status. In both the spheres of production and consumption the same socio-professional segments of the Swiss society tend to be involved in competition with foreign workers. (Here again, 'competition for access to an appropriate life style' has a normative, subjective dimension.) Knowing this, it is not surprising that antagonism occurs in all walks of life. Any antagonism against foreign workers outside the sphere of production can, therefore, be said to be an attempt by Swiss (not necessarily conscious) to make the motivational system dysfunctional for foreign workers, while keeping it functional for the Swiss. Attempting to make the motivational system dysfunctional for the foreign workers, however, is simultaneously an attempt to get them removed from the labor market.

15 For a summary of research done on this subject see LINDZLEY (1969: 29, 31—32).
the minority increases is not of great importance at this point. Thus, BRAUN (1970: 18) writes:

"Indeed, with the increasing number of foreign workers anti-foreign attitudes seemed to spread in the Swiss people". That prejudice, hostility, unfavorable attitudes, conflict, etc., result from actual or potential competition (no matter at what socioeconomic level) has been shown by numerous researchers. As was pointed out before, the majority of the foreign workers are unskilled or semiskilled, and, therefore compete with Swiss citizens of low social and occupational status. Accordingly, BRAUN (1970: 426) says that the less his education the more negative and aggressive are the attitudes of the Swiss worker towards the foreign workers. Furthermore, he says that the frequency with which individuals express positive attitudes towards foreign workers increases with increasing distance from the social and occupational status of the foreign workers. It can, therefore, safely be concluded that individual readiness to act antagonistically is a function of actual or potential competition on the labor market. The same conclusions can be drawn from HOFFMANN-NOWOTNY'S study concerning foreign workers in Switzerland (Zurich). Later, it will be pointed out that both formal-legal and informal antagonism must at least partially be seen as a function of competition on the labor market as well.

C. Informal Ethnic Antagonism by Employers

Here, 'informal ethnic antagonism' denotes that antagonism which comes from institutions or organizations lacking the formal-legal bases as described under A). With respect to any employer employing both Swiss and foreigners, the following political analysis may be helpful. As was pointed out before, it can be said that — through competing with the foreign workers — the Swiss workers are confronted with an actual or potential loss of power, i.e., alternatives. To minimize this actual or potential loss of power, i.e., alternatives, the managers or foremen of firms may give (or are ordered or forced to give) preferential treatment to Swiss workers (over foreign workers) in matters like promotion, assignment of more pleasant and less dangerous jobs, etc., and thus act antagonistically against foreign workers in an informal way (BRAUN 1970: 115).

This action can be said to 1) eliminate or decrease the Swiss' opposition to the employment of foreign workers, and/or 2) decrease individual ethnic antagonism as discussed under B. The same can be said for part of the types of antagonism — as discussed under A and D. They, too, can be conceived of as 'replacing' and diminishing individual ethnic antagonism, and/or weaken or eliminate the Swiss' opposition against employers and government.

D. Informal Ethnic Antagonism

Under 'informal ethnic antagonism' will be understood any antagonism toward foreign workers by Swiss institutions or organizations (like schools, church, clubs, etc.). First, I would like to address myself to the fact that institutions or organizations are interdependent to a very high degree. Thus, should only a few institutions or organizations start practising antagonism (formal-legal or informally), one can expect that this practice will be reflected or even replicated in many others. Furthermore, institutions or organizations (to a lesser or greater extent) must be responsive to the needs — both in their objective and subjective dimensions — of individuals or groups of individuals in the society. Should this not occur to a sufficient degree, the institutions or organizations must change because of a loss of their legitimacy, or else the society continues to dysfunction. The question is only to the needs of which groups, social institutions or organizations will respond. The probability is that whenever a minority is involved, such social institutions or organizations respond to the needs of those traditionally supported. Any specific institution or organization can be expected to follow this lead. Only change in the social environment, including individual ethnic antagonism can bring about an appropriate organizational or institutional change.

17 Ibid., p. 4.
A Note on Individual Ethnic Antagonism as Discussed Under B

The greater the wage differentials any employer can bring about — should he legally get by with it —, the more severely the foreign workers will be in actual or potential competition with the Swiss workers. This is not to say that there will be no competition (actual or potential), should the foreign workers receive the same wages (i.e., have the same total labor cost) for the same job as the Swiss. On the contrary, there should conceivably be as much competition (actual or potential) which will affect the monetary rewards Swiss are able to cash from their employer. However, there still would be a competitive threat of another kind, as will now be shown:

1) Due to competition resulting from wage differentials between Swiss and foreign workers, the Swiss workers — it can be said — are confronted with an actual or potential loss of alternatives, i.e., power, from a monetary point of view.

2) If, on the other hand, however, the foreign workers are paid the same as the Swiss (for the same jobs, and considering direct as well as indirect benefits), the Swiss can experience an actual or potential competition, i.e., threat to their self-image as productive workers and craftsmen.

In both cases, of course, individual antagonism against the foreign workers results, the motivation to act antagonistically, however, is not the same. In the latter case, the Swiss workers can get the impression that their productivity and/or skills are imminent. This, of course, is so because wage differentials often are perceived (no matter how subjective this perception) to represent productivity differentials, in terms of quality and/or quantity produced. In the first case, however, the Swiss workers would fear that they are not needed anymore because the foreign workers — despite their possibly lower productivity (output per man-hr.) and/or skills — are more profitable to the employer.

It, thus, can be suggested that there may be a trade-off between a threat (actual or potential) to self-image and a monetary threat (actual or potential), where the trade-off lines may be of various shapes and may or may not intersect. This could graphically be represented in the following way (cf. Fig. 1, p. 91).

In section B we saw that individual antagonism is a function of actual or potential competition on the labor market. In this section we have investigated two types of competition and their impact on the motivation of Swiss workers to act antagonistically toward foreign workers. We have come to the conclusion that the level of competition and the resulting individual antagonism may conceivably be as great in the presence as in the absence of wage differentials.

Summary

Summarizing what has been said in this paper, I would like to present the following diagram (cf. Fig. 2, p. 92).

The diagram should be understood in the following way. The government, in the interests of employers and/or Swiss employees who are in actual or potential competition with the foreign

19 Of course, in the end, even the threat to the self-image can be overcome by increasing the wages of the Swiss workers without doing the same for the foreign workers. Thus, it can be said, that everything boils down wage differentials anyway. As much as this is true, what concerns us here, however, is the kinds of reactions involved as a consequence of a threat to the self-image or a monetary threat. In the case of a threat to the self-image the reaction is most likely one of jealousy (BRAUN 1970: 151–154), while this can never be the case if the total cost of foreign labor significantly undercuts the total cost of Swiss labor. The motivations to act antagonistically against the foreign workers, in such a case, can be many, but it will not be due to jealousy because the foreign workers make 'too much money'. Since in these two unique cases the motivations to discriminate vary, the level of antagonism may vary as well. Thus, the trade-off line between a threat to the self-image and a monetary threat could locate the point where antagonism — as a result of the two magnitudes — is minimized.

20 In such a case, antagonism could also result from a sense of nationalism. There may be individuals who ask themselves, e.g., "why should a foreigner have the right to come to my country and make the same money as I as a Swiss am making. Here, I have been working so many years in Switzerland and foreigners who have only been here a relatively short time are making as much (or almost as much) money as I am".
workers, may act antagonistically against the foreign workers in a formal-legal way\textsuperscript{21}. Government antagonism may not only satisfy certain interest groups, it may also affect the amount of competition, i.e., the number of satisfactory alternatives and, therefore, the amount of power (at the employer's and/or employee's level) and, indirectly, the employer-employee exchange relationship\textsuperscript{22}.

The employer may (for whatever reason) act antagonistically in an informal way. This in turn will affect the amount of competition in the Swiss labor market and, indirectly, affect the level of individual antagonism and the employer-employee exchange relationship. Individual antagonism, although a direct function of actual or potential competition on the labor market, is indirectly also a function of the amount and kind of formal-legal and informal antagonism as discussed under A & D, which affect this competition.

Under D we discussed yet another form of informal antagonism. However, if these institutions or organizations act antagonistically, it is because they reflect the social environment at large and, therefore, respond to the needs of those traditionally supported, i.e., the Swiss. Their antagonism cannot be expected to cease unless antagonism, as discussed under A, B and C, is discontinued. For this reason, informal antagonism as discussed in D is located in the position shown in the above diagram\textsuperscript{23}.

It seems that not only can the amount of individual antagonism against the foreign workers be 'regulated' by other types of antagonism, but also that Swiss workers' opposition against employers or government — which can result from competition of Swiss against foreign workers on the labor market — can be 'regulated' (be it conscious or not).

\textbf{Exchange Theory vs. Split Labor Market Theory}

It is the basic hypothesis of the split labor market theory that 'ethnic antagonism first germinates in a labor market split along ethnic lines" (BONACICH 1972: 549). According to this theory, the labor market is split on the basis of labor

\textsuperscript{21} Thus, the Federal Council, due to political pressure (incl. labor), promised shortly before the national vote on June 7, 1970, to set a ceiling at the number of foreign workers allowed to work in Switzerland.

\textsuperscript{22} It is very conceivable that, with the government acting antagonistically, individual antagonism as discussed under B could be curtailed. Furthermore, it is conceivable that formal-legal antagonism could partially substitute, e.g., informal antagonism (by employer included), or inverse.

\textsuperscript{23} However, it too, contributes to keeping the foreign workers at their 'proper place' and can, therefore, curtail individual antagonism or make other forms of antagonism less necessary.
cost differentials, where labor cost includes not only the nominal wages paid but also all the indirect labor costs (such as health insurance). These labor cost differentials bring about competition on the labor market. Employers can play 'high' against 'low' cost labor, thus leading to the development of antagonism between two groups. Exchange theory does not contradict this basic hypothesis of the split labor market theory at all. It, too, maintains that ethnic antagonism is a result of actual or potential competition on the labor market, since this competition decreases the amount of power employees have in their exchange relationship with the employer.

The basic hypothesis of the split market theory, as discussed above, assumes that competition on the labor market is measurable in terms of cost of labor to the employer. The more there is competition on the labor market, the less the cost of labor to the employer, and inverse. Exchange theory, however, does not make such a rigid assumption. Hypothetically speaking, one could imagine cases where competition on the labor market is not measurable in terms of cost of labor. One could find an example in the bargaining of labor organizations for non-economic or ideological items such as participation in management. These participation demands could be so low-keyed that cost of labor would in no way increase. The employer, then, could still counteract these demands by employing, e.g., foreign workers who, even if they cost the same as domestic labor, would not be interested in such labor disputes due to their short stay in their host country. There are also many examples where foreign labor, e.g., at work, is in direct competition with Swiss labor for goals which are non-monetary, believed to be scarce and which are not a bargaining issue in bargaining for terms of employment (see also our definition of competition).

Furthermore, the split labor market theory seems to neglect other forms of labor competition which are not caused by a split in the labor market. E.g., imagine a country whose law requires that no imported foreign labor can be hired at a (total) cost below that of domestic labor. Such a law can at any time prevent the labor market from being split. Does that mean that there will be no increased competition on that labor market? In such a case, increased competition cannot be ruled out. The fact is that if, e.g., foreign labor is employed under the same conditions as domestic labor, the chances for domestic labor to bargain for better terms become less. Thus, ethnic antagonism could develop despite the absence of a split labor market because domestic labor can be said to have potentially less power in dealing with employers if foreign labor is imported.

As pointed out before, it is possible that imported foreign labor does not only threaten Swiss workers in a monetary sense, but also poses a threat to their self-image. In his research, BRAINTZ (1970: 151-154) discovered Swiss who complained about the fact that foreign workers make too much money. The split labor market theory cannot explain this attitude because it operates on the assumption that ethnic antagonism results from existing labor cost differentials.

It can, thus, be said that exchange theory on the whole is much more comprehensive in its treatment of competition than the split labor market theory. In addition, exchange theory can describe and explain the various forms of ethnic antagonism as discussed above and how they interrelate.

Conclusions

In her essay, EDNA BONACICH (1972) discussed exclusion movements and caste arrangements. It would be much too great a task to treat these issues in detail in this paper. Furthermore, not very much data is available on caste arrangements, and much more research is needed on this topic. Indications are that labor unions manage to bargain for a better total package for their members than non-organized labor (domestic & foreign) is able to get in the same industry. Unless foreign workers are intentionally treated antagonistically through such agreements, this seems to - from a legal point of view - be acceptable. It is considered to be a 'just' advantage for organized (vs. non-organized) labor. Very few foreign workers in Switzerland, however, are organized (and only about 45% of the Swiss are organized) (SIEGENTHALER
1968: 15—19) 24. It is a fact that, due to agreements with Italy and Spain, the Swiss government is forcing the issue of equal treatment of foreign labor — as compared to Swiss labor — in matters such as terms of employment (PEDOTTI 1971: 8).

Concerning exclusion movements, total exclusion of foreign workers, of course, never became a reality. However, largely because of rising structural problems and political pressure (mainly the initiative of 1970) mentioned in the introduction, a ceiling had to be set on the total number of foreign workers employed in Switzerland.

Bibliography


24 Vgl. auch SCHWEINGRUBER, Gutachten an den Schweizerischen Gewerkschaftsbund.