***Abstract Cold War Research Network:***

**Title: Capitalism, Neutrality and the Cold War in Southeast Asia:**

**Switzerland’s economic Relations with ASEAN, 1965-1990**

Dr. Sandra Bott

The aim of this presentation is to examine a *terra incognita*: the economic relations developed during the Cold War between Switzerland – a neutral country whose politics and economics were nevertheless strongly tied to the Western bloc – and the five heterogeneous and non-communist South-East Asian countries that formed in August 1967 the Association of Southeast Asian Nations (ASEAN): Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Today, the ASEAN countries constitute the fifth largest economy in the world with a market of more than 655 million consumers. Moreover, Switzerland figures among ASEAN’s ten largest foreign direct investors.

How did these economic and political entanglements between Switzerland and this region of the world come about? This is what we will try to understand better during this presentation.

The interest of Swiss economic and political circles in ASEAN began to develop at the end of the 1960s, in the context of the imbrication of the decolonization and Cold War processes in Southeast Asia. These countries officially declared themselves to be non-aligned, while relying, to varying degrees, on investments from the Western powers for their economic development. This 'pragmatic' non-alignment contributed to reassure the Swiss political and economic leaders, a large part of whom were fiercely anti-communist, as Swiss historiography has shown. Switzerland, a land-locked and resource-poor country, maintained during the Cold War era an outward-looking economy and diplomatic policy to gain access to new markets overseas, especially in countries well-endowed in raw materials. Non-communist countries, as for instance Singapore, that chose an economic policy of openness, were attractive to Swiss business circles because of their export promotion policies and for offering advantageous conditions to foreign investors. Nevertheless, Swiss private actors were still cautious in their endeavours in Southeast Asia and closely monitored the Indochinese conflict and its internationalization. Swiss investors thus relied on the government to negotiate investment protection and double taxation agreements and provide export risk guarantees.

By examining the historical context that led to the current strong diplomatic and economic links between between Switzerland and the non-communist countries of Southeast Asia, my research, which is based on fresh public and private archival sources and statistical data, contributes to a better understanding of the particularities of Swiss economic expansionism in Southeast Asia and of the rise of non-Western states during the Cold War. It also sheds new light on the role and meaning of neutrality, non-alignment, and neutralism in the East–West conflict.