

PIERRE-YVES DONZÉ

# HISTORY OF THE SWISS WATCH INDUSTRY

FROM JACQUES DAVID  
TO NICOLAS HAYEK



PETER LANG

Donzé Pierre-Yves

## History of the Swiss Watch Industry from Jacques David to Nicolas Hayek

---

**F**or nearly two centuries, Swiss watches have exerted an insolent domination over the world market. Moreover, despite several crises, this supremacy has never been successfully challenged. The success story of the Swiss watch industry has been and still is largely explained as the result of a long tradition of manufacturing precision instruments, a widely shared technical culture, and an industrial organization<sup>1</sup> as a flexible production system which enabled it to answer all the needs of customers. However, this traditional account, currently kept alive by the marketing strategies of watch companies and highlighting a kind of a timeless “Swiss genius”, has to be reconsidered in the light of economic history. Watchmaking is certainly one of the oldest and most representative industries of Switzerland. A quick glance at the evolution of the foreign trade statistics of the country between 1840 and 2000 makes this importance evident. During these two centuries of history, watchmaking is indeed one of the four main Swiss export industries. Together with textiles, machines and chemicals, it largely contributed to making Switzerland one of the richest countries of the world. The structure of foreign trade shows that watchmaking is, after textiles, the second largest export industry of Switzerland between 1840 and 1937, and even the first in 1953. Moreover, its importance tends to strengthen during these years, with the percentage of exports growing from 8.2% to 21.1%. In the second part of the 20th century, watchmaking is third, below chemicals and machines, two sectors whose growth was particularly high after the war. As for its relative importance, it certainly appears to be decreasing, but this fall-off shows above all a general expansion of the Swiss economy, especially characterized by the dynamism of many sectors, as shown in Table 1 with the sharp increase of “other industries”. The weight of watchmaking in the domestic economy, and the importance watchmaking companies have attached to their own history in their PR policy since the beginning of the 1990s, gave birth to many books and publications. Yet paradoxically, its general history is still unknown and not easily to access. Books are usually limited to a firm, a region or an individual, so that it is difficult to have an overview of the history of the Swiss watch industry in the long run. So, the aim of this book is to offer a general history of Swiss watchmaking since the middle of the 19th century. The approach adopted here is that of economic and social history. It focuses on the particular

structure of this business (industrial districts, *Statut horloger* and groups of firms), as well as on the technical evolution of products (pocket watches, wrist-watches and quartz watches), export outlets, rival industries (British, American, then Japanese), the intervention of public authorities (cartels and liberalization) and the relationships with workers' unions.

The Swiss watch industry started shortly afterwards , as the reformation started to change Western Europe (the religious revolution which started in 1517 by Martin Luther), the French Wars of Religion led to widespread persecution of the Huguenots (French protestants). Many Huguenots fled the persecution in France and entered Switzerland, bringing their clock and watch making skills to Geneva. History of the Swiss Watch Industry : From Jacques David to Nicolas Hayek (3rd Edition). Bern, CHE: Peter Lang AG. Retrieved from ebrary. (All copyrights belong to their legal owners).<sup>Â</sup> The practice of chablonnage exports to Russia, one of the main outlets of the Swiss watch industry in the 1900s, appeared as a direct consequence of the industrial policy of local authorities who encouraged the establishment of foreign firms on their territory, thanks to a protectionist custom policy. The emigration of Swiss watchmakers to the Russian empire was important throughout the 19th century. Alain Maeder has shown that more than 400 passports had been delivered to traders and watchmakers of the canton of Neuch<sup>Ã</sup>tel in the years 1798 <sup>â€</sup> 1890.