

Why Is Switzerland — of All Places — Importing So Much Cheese?

The cheese-proud country has recently imported more of the stuff than it exports, a worry for farmers and traditionalists.



By Claire Moses

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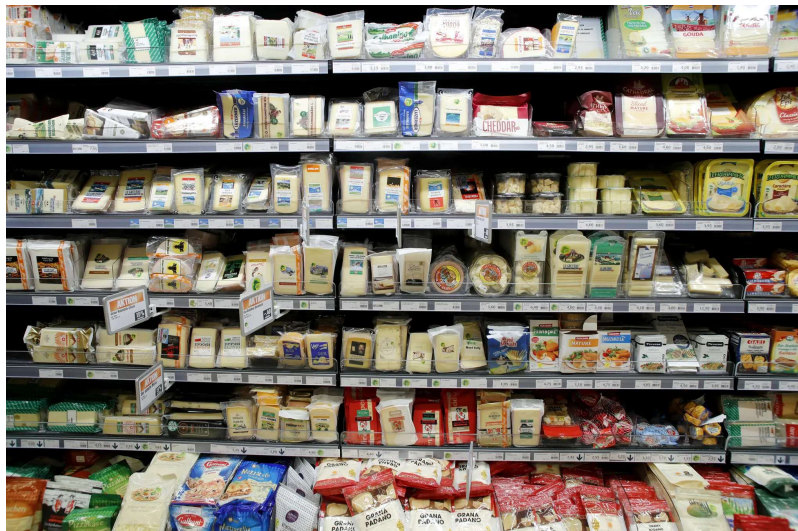
The Swiss are proud of their cheese, and most of the cheese they eat are local varieties like Gruyère, Emmental and other hard cheeses from milk from happy cows that are famous all over the world. The Swiss also eat a lot of cheese: more than 50 pounds per person per year, versus about 40 pounds per person in the United States.

“Cheese is part of our identity,” said Daniel Koller, a director at Swissmilk, Switzerland’s dairy association. That’s why one of Mr. Koller’s colleagues, the president of the association, created a storm this month when he told a Swiss newspaper that Switzerland was on track to import more cheese than it exports this year, which he called “absurd economically, socially and ecologically.”

In fact, the Swiss cheese trade balance has been shrinking for decades, and especially since the market was liberalized in 2007, which allowed the country to trade with the European Union without tariffs or quotas in either direction. Switzerland now exports about 40 percent of the cheese it produces, per industry estimates.

But in each of the first five months of this year, Switzerland imported more cheese by weight than it sold abroad, according to customs data. In part, that’s because the Swiss have developed a taste for foreign cheeses, with local varieties accounting for 64 percent of consumption last year, down from 77 percent in 2007, according to Swissmilk.

The number of dairy farmers in Switzerland has fallen in recent decades, with a drop of more than half over the past 25 years, Mr. Koller said. On top of that, farming operations in Switzerland are small: The average size of a herd is about 27 cows, Mr. Koller said, and dairy farms with more than 100 cows are rare.



At a supermarket in Zurich. “Cheese is part of our identity,” the director of a Swiss trade group said. Arnd Wiegmann/Reuters

Although an influx of foreign cheese may challenge notions of Swiss national identity, economists say there is no need to panic. Swiss producers have become more specialized in recent years, and the cheeses they export tend to be the higher-value varieties, like Gruyère. Imports are cheaper — and softer — and largely come from France. (What’s called “Swiss cheese” in the United States is an American reproduction of Swiss hard cheeses, known — of course — for its signature holes.)

Not all the cheese that is imported into Switzerland is consumed there, either. A large chunk of the cheese and curd brought into the country gets refined in Switzerland and then exported.

“The trade difference in cheese itself is not a major thing to worry about,” said Martin Mosler, an economist at IWP, an economic policy institute at the University of Lucerne. “We are better than most of the world at the high quality stuff,” he said. Switzerland continues to run a healthy trade surplus in cheese by financial value: On average, Swiss cheese exports fetch roughly 10 Swiss Francs per kilo (about \$11.60), compared with about six Swiss Francs per kilo paid for imports.

Inflation has also played a role in the Swiss cheese trade. While 2021 was a record year for Swiss exports, last year saw a drop because Switzerland's largest market, Germany, was hit hard by inflation, squeezing shoppers' budgets. The strong Swiss franc also made cheese more expensive in Germany.

"These consumers are very price sensitive," Mr. Mosler said.

By contrast, the strong franc made imports cheaper, and increased imports can be good for Swiss consumers, Mr. Mosler said. People want more choice for lower prices and "that's great for Switzerland itself," he said.

But Swiss farmers who produce cheaper cheeses may be affected by the shifting trade balance.

Milk prices in Switzerland have risen over the past few years, including for milk that's used in cheese, according to Robert Finger, a professor at ETH Zurich, a university. It is not "too bad" yet, but he acknowledged that the number of farms has continued to fall in Switzerland, like in the rest of Europe. That isn't strongly related to higher imports, Mr. Finger said, but has mostly been driven by other economic and social developments.



Dairy cows in the Emmental region of Switzerland. The country's dairy farms are relatively small, with an average herd size of less than 30 cows, according to one expert.
Mark D. Carlson/Associated Press

The United States has seen a similar trend, with a loss of about half its dairy farmers between 1997 and 2017, partly caused by consolidation of the food system, the disappearance of many small family farms and lower milk prices around the world, said Hannah Tremblay, a policy and advocacy manager at Farm Aid, an agriculture nonprofit.

Mr. Koller, the director at Swissmilk, said it was important to continue producing Swiss cheese for Swiss consumers. One of the goals of his organization is to encourage people to buy local products that adhere to Switzerland's high quality and environmental standards.

But, tastes aside, he added that the quality and standards in European Union countries often don't differ wildly from those in Switzerland. "It doesn't make sense just to close borders for cheese," Mr. Mosler said.

Claire Moses is a reporter for the Express desk in London. More about Claire Moses

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