

Scenario 2: The fortress

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In the second scenario, the world economy fragments into blocs, but Switzerland and the canton remain open to international business. As sanctions, tariffs and investment controls multiply, the great powers compete for control of critical minerals, technology and financial infrastructure. Switzerland seeks to preserve its position as a neutral platform, although in practice it aligns with the West on sanctions while maintaining trade and financial relations with other regions wherever the rules allow. In this scenario, Zug becomes a fortress of international business in a fragmented world. Its commodity traders earn high profits from volatility but face constant sanctions risks and pressure to choose sides. Some shift parts of their business to Dubai, Singapore or Hong Kong, where they can serve markets that Western sanctions exclude. The multinational groups reorganise their management into regional hubs, so that Zug may lose some functions to American and Asian centres while gaining others as a European hub. The crypto industry faces divergent regulations in different blocs and may benefit from the demand for neutral infrastructure. The canton's tax revenues remain high but become more volatile, since they depend on the profits of a few large companies in turbulent markets.

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The key risks of this scenario are external. A major sanctions case could strike a large company in the canton, as the Russian sanctions struck Nord Stream. The canton could be caught between conflicting demands from the United States, the European Union and China. The reputation of the canton could suffer if its companies are associated with the evasion of sanctions or with trade in conflict minerals. The fortress scenario rewards agility and compliance while punishing companies and authorities that underestimate the political risks of international business.

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