

The commons and the corporations

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

Beside the political institutions of town and communes stood the institutions of communal property. The land around the settlements, the pastures, forests, water and in the town also streets and squares, belonged in large part to the community of the citizens. These communities administered the commons collectively, regulated their use and distributed their yield among the entitled households. In the canton of Zug, as in other parts of central Switzerland, these communities survived the political upheavals of the nineteenth century in the form of corporations, the *Korporationen*, public-law bodies that own and administer the communal property of the old citizen families.

In the town of Zug, the separation of the corporation from the political municipality was decided in 1848. In 1867, citizens who had previously been excluded obtained membership rights. In 1874, the old community was divided into a municipality of residents, a municipality of citizens, a Catholic parish and the corporation. The separation agreement followed in 1877.¹ The corporation retained substantial landholdings, including forests and building land within the town.

The corporations matter for the modern business location in at least two respects. As landowners in a canton where land is scarce and expensive, they affect the supply of office space and housing through their decisions on the use of their land, whether to build, to lease or to preserve. They also embody a principle that runs through the canton's history: the idea that a community of long-established members holds property in common and administers it for the benefit of its members, while the political community of all residents governs the territory. The coexistence of these two communities, one defined by descent and property, the other by residence, is a peculiarity of central Switzerland that foreign investors rarely understand and that practitioners in real estate transactions must take into account.

1 Notes

1. HLS, "Zug (Gemeinde)", section on administrative divisions: separation of the corporation decided in 1848; admission of former residents to corporation membership in 1867; separation of the corporation from the political municipality and division into residents', citizens' and Catholic parish municipalities in 1874; separation agreement of 1877. ↩

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