

War as an export: mercenary service and foreign pensions

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For three centuries, the most important export of the canton of Zug was military service. Like the other cantons of central Switzerland, Zug supplied soldiers to foreign princes, above all to the king of France, and received in return two kinds of payment: the pay of the soldiers and officers, and the pensions that the foreign crowns paid to the canton and to its leading men in exchange for the right to recruit and for political support.¹ These payments constituted the largest flow of foreign money into the canton before the industrial age.

The economics of mercenary service were those of a sovereign rent. The canton sold a right that only it could grant, the right to recruit its subjects, and received a regular income in return. The officers who raised and commanded the companies acted as military entrepreneurs: they recruited the men, advanced the costs of equipment and received payments from the foreign crown, from which they paid the soldiers and drew their profits.² The pensions, distributed through the political institutions, bound the leading families to the foreign crown and gave them the means to reward their supporters. The system combined public revenue, private enterprise and patronage in a way that modern observers would describe as an early form of political economy based on foreign rents.

No family embodied this system more clearly than the Zurlauben. The family probably came from the Valais and settled in Zug in 1478, having migrated from Uri by way of Zurich, acquiring citizenship by 1488.³ Within a few generations, the Zurlauben rose from modest circumstances to dominate the political, military and ecclesiastical life of the canton for some three hundred years. Of the sixty-two male members of the family who reached adulthood before 1799, about forty served as soldiers. About one third of the family's mercenaries in French service lost their lives.⁴ Beat I Zurlauben, born in 1533, became Ammann in 1587 and inaugurated a

century and a half of political dominance by the family. Between 1600 and 1728, representatives of the family attended the assemblies of the Confederation more than five hundred times. The Zurlauben held the offices of bailiff and cantonal secretary and controlled the distribution of the French pensions.⁵

The family's archives, the Zurlaubiana, have been held by the cantonal library of Aargau since 1803.⁶ They form one of the most important sources for the history of mercenary service and of the political economy of the old Confederation. The last of the line, Beat Fidel Zurlauben, a general in French service and a scholar, died in 1799.⁷

Three features of this system deserve emphasis, because they recur in modern form.

The first is the dependence of the canton's prosperity on decisions taken abroad. The flow of pensions depended on the policy of the French crown, on the state of its finances and on its relations with the Confederation. When France reformed its military regulations, the income of the officer families and the political balance in the canton were affected. A modern business location that depends on the tax policies of other states, on international standards and on the decisions of multinational groups faces a structurally similar exposure.

The second is the concentration of benefits. The pensions accrued above all to the families that controlled the political institutions. Their distribution was a source of constant tension between the elite and the ordinary citizens, and between the town and the rural communes. The modern debate about the distribution of the benefits of a low-tax policy, between those who profit from rising property values and those who face rising rents, echoes this tension.

The third is the entanglement of public office and private profit. The Zurlauben were magistrates and military entrepreneurs at the same time. Because the line between public revenue and private income was blurred, the charge of corruption was never far away. The modern law of public procurement, conflicts of interest and anti-corruption, discussed in Part E with respect to the commodity trade, addresses questions that the old canton knew well.

1 Notes

1. HLS, "Zug (Kanton)", section on the early modern economy: foreign military service and state pensions as critical financial instruments, controlled by the political elite. ↩

2. Philippe Henry and Philipp Krauer, "Fremde Dienste", Historisches Lexikon der Schweiz, version of 31 October 2023, hls-dhs-dss.ch/de/articles/008608: military entrepreneurship in which rulers paid intermediaries who recruited troops privately; the cantons negotiated with both the rulers and the military enterprises and took a share of the profit; the enterprises consisted of leading local magistrates and members of their families. ↩
3. Wikipedia (German), "Zurlauben", accessed September 2026: probable origin in the Valais; immigration to Zug in 1478 by way of Uri and Zurich; citizenship by 1488. ↩
4. Wikipedia (German), "Zurlauben": of 62 male descendants reaching adulthood by 1799, about 40 served as soldiers; about one third of the Zurlauben mercenaries in French service lost their lives. ↩
5. Wikipedia (German), "Zurlauben": Beat I Zurlauben (1533–1596) Ammann in 1587; family representatives attended assemblies over 500 times between 1600 and 1728; family members held the offices of Landvogt and Landschreiber and distributed French pensions as a tool of patronage. ↩
6. Wikipedia (German), "Zurlauben": the Zurlaubiana archive collection has been held by the Aargau Cantonal Library since 1803. ↩
7. Wikipedia (German), "Zurlauben": the family line ended with Beat Fidel Zurlauben (1720–1799). ↩

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