Zurich: The Green City Paradox

Despite its relatively small size (430,000 residents in the municipality, around 1.8 million in the larger metropolitan area), Zurich often appears on the global stage as both a powerful financial center and one of the world's most livable cities. In recent years Zurich has also emerged as a leading smart city. It ranked 2nd in the 2019 IMD Smart City Index, 15th in the 2019 Cities in Motion Index, and 11th in the 2019 EasyPark Smart City Index, scoring highly for clean energy, environmental performance, internet speed, and living standard.

Zurich boasts many impressive smart city projects, including intelligent building management systems; smart waste management (The Clean City Index is a digital system that uses video cameras and machine learning to count and categorize trash to help direct and optimize the city's sanitation resources); and it's famed Green City, a sustainable district built around meeting Switzerland's goal of reducing each resident's annual energy consumption to 2000 watts.

The paradox, then, is that despite already enjoying material benefits from its smart city initiatives, Zurich's citizens and business executives are among the least willing to pay for those benefits in terms of taxes, fees, data, or time. These attitudes and perspectives were captured in surveys conducted by The Economist Intelligence Unit, and sponsored by Nutanix. The survey found that only 48% of citizens believe that these initiatives make Zurich a more attractive city to live (the lowest percentage globally), while 72% of business executives believe that smart city initiatives make the city a more appealing place to do business (this number is relatively low, 9 points below the global average). We address possible explanations for this paradox in the key takeaway section.

In keeping with Zurich's reputation as a green, well-organized city, the top benefits that Zurich's citizens hoped to receive from smart city initiatives were greater environmental sustainability (28%) and improved efficiency and reliability of public services (27%). Zurich's business executives also sought better environmental sustainability (38%), and more efficient and reliable services, such as transport and utilities, (44%).

Citizen Priorities: More Green, More Efficient

36%

When asked about how smart city initiatives can make Zurich more **environmentally sustainable**, 36% of Zurich's citizens cited expanding the availability of renewable energy sources (such as wind and solar power), and 1 in 3 pointed to improving the efficiency of waste recovery (such as recycling).
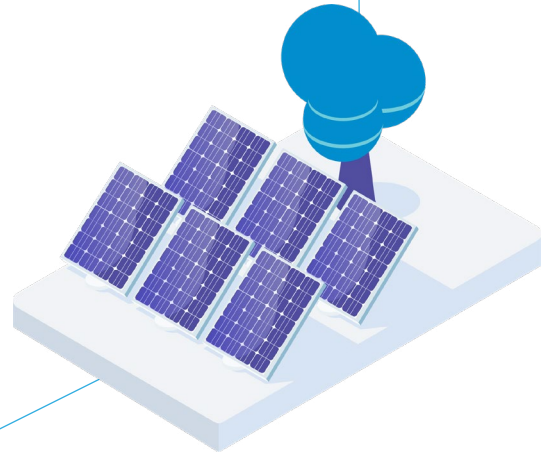
35%

In order to improve **health and personal safety**, 35% of Zurich's citizens said that smart city initiatives should prioritize improving air and water quality, while one third cited improving road safety.

52%

52% of respondents said that smart city initiatives should prioritize the growth of low-cost transportation to make Zurich **more affordable**, the second highest average globally.

40%

40% singled out improving the energy efficiency of buildings--tied with Stockholm as the second highest percentage, behind London.

29%

To improve **job opportunities** in Zurich, 29% of respondents suggested that initiatives should expand digital-skills training in primary and secondary schools, while 1 in 4 named supporting the growth of technology start-ups.

38%

In another sign of the relative skepticism of its citizens toward smart city projects, only 38% agreed that the benefits of these initiatives outweigh the loss of personal privacy, the third lowest average globally.

51%

Along the same lines, only 51% agreed that using facial recognition to fight crime does more good than harm, the second lowest average globally.

Business Priorities: More Efficient, More Green, More University Partnerships

44%

Zurich's business executives named more efficient and reliable services, such as transport and utilities (44%), as their top priority for smart city initiatives.

38%

In line with Zurich's citizens, however, their next priority for smart city initiatives is greater environmental sustainability (38%).

26%

26 percent also believe that a focus on the environment, such as improving air and water quality, will help make **more talent available** to their organizations.

34%

34% want smart city initiatives to increase the amount of affordable housing for workers.

44%

Zurich's executives hope these initiatives will allow them to collaborate more with local universities and research institutes. 44% believe this will improve Zurich's **innovation environment**, while the same percentage also believe it will provide more **market opportunities**, more so than any other city surveyed.
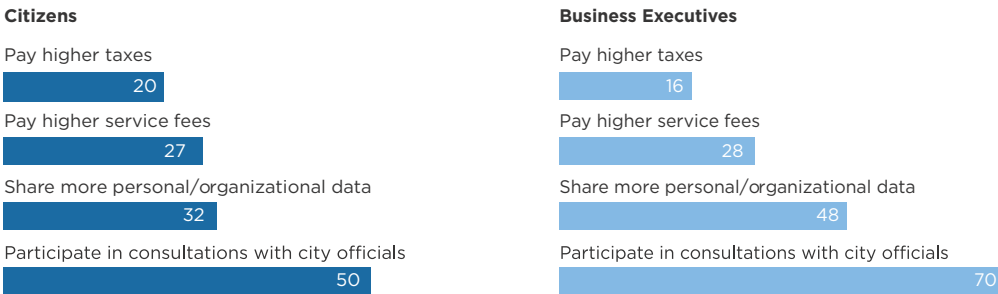
32%

In order to make Zurich a **more affordable** city, its executives want smart city initiatives to prioritize enabling transportation providers to vary fares according to demand or time of day (32%), and to provide free internet access for workers (32%).

Trade-Offs: Both Citizens and Business Executives Relatively Unwilling

As mentioned above, Zurich's citizens and executives are among the least willing to give money, time, or data in exchange for the benefits of smart city initiatives.

Nearly all of the following percentages are in the bottom three of all cities surveyed.

In exchange for benefits of smart city initiatives, are you or your organization willing to . . .
(% of respondents)

Citizens

Pay higher taxes
20

Pay higher service fees
27

Share more personal/organizational data
32

Participate in consultations with city officials
50

Business Executives

Pay higher taxes
16

Pay higher service fees
28

Share more personal/organizational data
48

Participate in consultations with city officials
70

Key Takeaway: Zurich presents an apparent paradox. It has established itself in global rankings with numerous successful smart city projects, yet its citizens and executives are among the most skeptical of those surveyed. The survey data provides one significant clue, however. Zurich's citizens and executives are the **least familiar** with their city's projects, 18% and 26%, respectively. Only 27% of citizens agree that Zurich provides sufficient information about their smart city projects. Similarly, only 36% of executives agree that Zurich has taken a proactive role in including the business community in the development of its smart city initiatives--the lowest of all cities surveyed. Zurich plainly has a lot of room for improvement in communicating with its key smart city initiative stakeholders. Given the city's obvious commitment to these projects, it seems likely that devoting more resources to communicating more widely with these communities would net significant returns.