

WORLD WITHOUT MINES NEWSLETTER

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FOCUS: CLUSTER BOMBS

All my Bombs.

Hundreds of thousands of people in Switzerland are joint owners of cluster bombs. Unwittingly.
By Christian Schmidt

I recently became a member of the Management Council at World Without Mines. In order to be credible in this position, you cannot be associated with such weapons in any way. That seems an easy enough condition to fulfil, as only a small percentage of people sell mines or bury them in smallholders' fields.

But the reality looks different. In Switzerland, several hundred thousand people are involved in the business with such weapons. That is because they have accounts or investments with Swiss banks. Just like me.

One day I bought 200 shares of Credit Suisse's CS ETF



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US manufacturer Textron uses the slogan "Clear victories, clean battlefields" to advertise its latest cluster bombs.

S&P 500 fund. Without suspecting anything. But a part of this fund invests in the cluster munitions manufacturer Textron, the industry's US-based market leader. This is why I am now a joint owner of Textron. Unfortunately, I also own 1 500 UBS shares. Unfortunately, as UBS is also in on this business. And by no means on a small scale: As the owner of approx. 9 million Textron shares, it is among the ten largest institutional investors: in for a penny, in for a pound.

This involvement of the major banks is surprising, as both of them announced back in 2010 that they were keeping out of the business with anti-personnel mines and

cluster munitions, claiming that they would no longer invest in manufacturers of such weapons in the future and would hive off any holdings in these companies. However, they continue as before.

Why? Their reasons vary.

Credit Suisse shows willingness in clarifying the issue. Result: they are aware of the problem. Credit Suisse invests in Textron through its CS ETF S&P 500 fund, as this fund does not fall under the self-imposed exclusion criteria which CS applies. All other involvements had, however, been relinquished, the speaker for the bank said. – Not a convincing explanation, but nevertheless an explanation.

UBS was not quite so open. An unmistakable groan could be heard from the Press Relations Officer at the mention of “cluster munitions” and questions posed in writing only received a rudimentary response: Participation in Textron oc-

Who is doing a roaring trade?



UBS continues to invest in cluster bomb manufacturer Textron and is among the ten largest institutional investors of the armaments group.



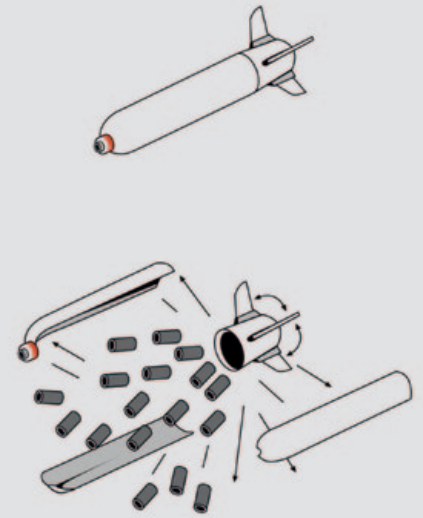
Credit Suisse invests in Textron through its ETF Fund. In 2011 it organised a conference which enabled cluster bomb manufacturers to present themselves at their best.

curred on the “express wish of customers”. – As if this enabled UBS to wriggle out of its responsibilities.

To date, cluster bombs have caused harm to 14 824 people worldwide. That figure only accounts for confirmed victims; the number of unreported cases is estimated at 80 000 to 85 000.

As a member of the Management Council at World Without Mines, the only option is for me to sell the corresponding securities. A protest which I wish would turn into a mass protest; as I am, of course, not the only one in this situation. That can be shown by taking a glance at the distribution of UBS shares: the major bank has 300 000 shareholders in Switzerland alone. The ownership of cluster bombs is thus as finely distributed as tiny drops of water in a cloud. It is only the interaction of these tiny drops that enables it to rain – rain bombs.

Cluster bombs are also mines.



Cluster bombs are individual, large bombs carrying up to 400 small bombs inside which are ejected after being dropped. These bomblets create a dense carpet of explosions, destroying all life. The last use of cluster bombs was by Muammar Gadhafi in Misrata. Against his own people.

Older generations of cluster bombs have a dud rate of up to 40 percent. If they don't detonate, they become deadly landmines. 112 countries – including Switzerland – have, therefore, banned these weapons. Not banned are modern cluster bombs, however, of which only a maximum of 1 percent do not explode according to the manufacturers. A technical advancement which is of little use: Even one single dud is life threatening and results in the severe restriction of the living environment for the population concerned.

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