

## STEPHAN SCHMIDHEINY: SAINT OR SINNER?

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They say that “no man is a hero to his valet.” In other words, there is a discrepancy between the public image of an individual and the human reality, warts and all. Even bearing this in mind, the gap between the opinions held of Stephan Schmidheiny, formerly the head of the Swiss Eternit Asbestos Group, is unbridgeable. Is he, as Forbes Magazine recently wrote “the Bill Gates of Switzerland,” or is he, as many asbestos victims feel, someone who deserves to be imprisoned for the deadly crimes Eternit perpetrated.<sup>1</sup>

### Saint?

The Forbes article asserts that Stephan Schmidheiny is a truly great man; a philanthropist and a visionary whose life is dedicated to promoting causes such as sustainable development, wealth creation and human dignity; other Schmidheiny priorities, according to his website, include: liberty, democracy, equality and social responsibility.<sup>2</sup> Forbes Journalist Tatiana Serafin categorizes Schmidheiny as “one of the world’s least well known and most foresighted philanthropists.” Praising his generosity and “creative giving,” the author does however query Schmidheiny’s perception of himself as a “self-made entrepreneur,” noting that he is a member of the fourth generation of a Swiss industrial dynasty.<sup>3</sup> In a statement on his website, the Swiss billionaire confides:<sup>4</sup>

“I am a businessman, a citizen, a father, a hiker, an art collector, and a philanthropist... I have devoted an important part of my **wealth** and time to promoting a new form of philanthropy... As a philanthropist, my desire was to spur positive social change, particularly helping the **neediest**, and safeguard opportunities, as best I could for future generations.”<sup>5</sup>

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<sup>1</sup> Serafin T. *The Bill Gates of Switzerland*. Forbes Magazine. October 5, 2009.

<http://www.forbes.com/forbes/2009/1005/creative-giving-philanthropy-bill-gates-of-switzerland.html>

<sup>2</sup> Forbes is an American publishing and media company; the motto of its flagship publication, Forbes magazine, is “The Capitalist Tool.”

<sup>3</sup> The Schmidheiny family has been called “Switzerland’s No. 1 industrial dynasty... the most influential family of entrepreneurs in Switzerland.” Catrina W. *Stephan Schmidheiny - Beautiful Legacy*.

<http://www.vivatrust.com/ImagesViva/BilanzEngSTS.pdf>

<sup>4</sup> “Between 1984 and 1999 Schmidheiny’s net worth doubled from US\$2 billion to US\$4.4 billion.”

Berman D.M., Knoepfli A. *Asbestos Magnate to Environmental Guru: The Morphing of Stephan Schmidheiny*. 2000. [http://worldasbestosreport.org/gac2000/A15\\_7\\_88.html](http://worldasbestosreport.org/gac2000/A15_7_88.html)

<sup>5</sup> <http://www.stephanschmidheiny.net/biography/>

Many who have suffered at the hands of Eternit, the Schmidheiny family company, could quite appropriately ask not only where this wealth came from but also who are “the neediest.” Some people might class former Eternit workers who have contracted the fatal and aggressive cancer mesothelioma as among the “neediest.” Given the total disregard with which they have been treated by Eternit, one must presume that neither the company nor Schmidheiny would agree.

Going to the font of all knowledge – Schmidheiny’s website – it is clear that he is most comfortable when writing about philanthropic challenges, new dynamics, sustainable development and entrepreneurial activities. He comments about the need to take “my business group out of asbestos” more than once:

**“I took the decision to get out of asbestos based on the human and environmental problems associated with the mineral.** But it also seemed to me that in an age of increasing transparency – and increasing concerns about health risks – it would be impossible to develop and maintain a successful business based on asbestos.”<sup>6</sup>

Well, isn’t that nice! But what about those for whom this decision was too late: those who had been exposed to Eternit asbestos? Eternit’s asbestos victims remain unacknowledged, uncompensated and unmentioned on this website. This is not an oversight; it is company policy.

On September 30, 2004, Dr Ulrich F. Gruber, an Eternit associate of long standing, gave a presentation on the subject: *Mesothelioma, prospective from the industry* to a medical workshop held in Ermatingen, Switzerland. Neither in the 23 slides he presented, nor in the written paper he submitted did Gruber mention his connection to the Swiss Eternit Group. In the email list at the back of the collected papers, the only affiliation he listed was BECON. Yet in 1986, Gruber testified before the United States Environmental Protection Agency in Washington, D.C. “on behalf of the Swiss Eternit Group.” His continuing links to the Swiss Eternit Group were confirmed by the conference organizer.

Gruber's badly written paper reads like a liturgy of excuses for the asbestos industry; typical statements include the following (the italics have been inserted):

- “Were scientists *forced* to inform entrepreneurs and engineers about the dangers of asbestos? Or are entrepreneurs asked to read original medical publications, are they in a position to understand them?”
- “Are specialists of internal medicine and thoracic surgeons *forced* to read the British Journal of Industrial Medicine, where Wagner published his first report on mesothelioma?”
- “How much time may medical doctors use in order to inform the rest of the world?”

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<sup>6</sup> <http://www.stephanschmidheiny.net/business-career/>

- “Do the critics of the asbestos industry realize that there weren't any good alternatives for asbestos fibres at the time the reports on the adverse effects of asbestos appeared?”
- “Tobacco abuse by most workers, the prevalence of tuberculosis, the extremely long latency periods of asbestos-related diseases and the lack of rapid internet-communication up to the 1990ies (sic) were important factors responsible for the fact that it took a long time until large parts of the asbestos industry stopped the use of asbestos and found reliable alternatives.”

The concept of “compensation” was entirely lacking from Gruber’s presentation as was regret for the epidemic of asbestos disease and death created by the company. When challenged about Eternit's obligation to its victims in Osasco, Gruber replied that injured Eternit workers in Brazil should seek compensation from their government. It is of relevance to note that Gruber’s paper concluded with a reference to a 2004 article – “an excellent review of this subject” – written by British historian Peter Bartrip. In 2006, Bartrip published a book, considered by many to be a whitewash of industry negligence on asbestos;<sup>7</sup> the author had received financial “support” to write the manuscript from the British asbestos giant, T&N.<sup>8</sup>

Following the Mesothelioma Workshop in Ermatingen, a meeting was held in Geneva (October 2, 2004) which was organized by CAOVA, a Swiss asbestos victims' group, Ban Asbestos France and the International Ban Asbestos Secretariat (IBAS). The highlight of the day was the morning session during which Swiss, French and Italian asbestos victims, family members and campaigners spoke out about their personal experiences. The bravery exhibited by mesothelioma victims who were willing to share their fight for life with the audience was inspirational. Throughout these interventions, an unknown man sitting at the back of the hall took notes. Monsieur X was recognized by two of the Ermatingen speakers who were also participating in the Geneva meeting as one of the people who had been accompanying Gruber.

Laurie Kazan-Allen, Coordinator of IBAS, asked Monsieur X if he was associated with Eternit. He replied: “I work part-time for Eternit and am here on a private information-gathering exercise.” When Francois Iselin, one of the organizers of the meeting, was apprised of the presence and affiliation of Monsieur X, Francois interrupted the meeting and asked Monsieur X if he had anything to say; he declined. In an article which appeared the following morning in the Swiss newspaper *Le Matin*, Journalist Camille Krafft noted the presence of the Eternit spy at the meeting:

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<sup>7</sup> Bartrip P. *Beyond the Factory Gates – Asbestos and Health in Twentieth Century America*. 2006 Continuum.

<sup>8</sup> Kazan-Allen L. *T&N Exposed*. British Asbestos Newsletter. Issue 37: Winter 1999/2000. <http://www.lkaz.demon.co.uk/ban37.htm>

“Different Italian witnesses and the discrete presence in the room yesterday of an Eternit representative who refused to comment showed that the current scandal of this Swiss enterprise, formerly associated with asbestos, is still ongoing.”<sup>9</sup>

### **Sinner?**

Long-time Schmidheiny observers, Daniel Berman and Adrian Knoepfli, summed up the “asbestos magnate’s” transformation from industrialist to environmental guru as follows:

“Stephan Schmidheiny decided ‘to take his money and run’ from Eternit’s looming (asbestos) disaster, and reinvest it in book projects, intellectuals, universities and ‘philanthropic’ enterprises around the globe, while leaving sick and dying workers to their own devices. In the 1990s he launched himself on the world stage as an environmental thinker and benefactor...”<sup>10</sup>

Whatever his green credentials and the size of his charitable donations, there is no statute of limitations on murder. On December 10, 2009 Stephan Schmidheiny and another Eternit executive will be charged for their part in the Eternit Group's allegedly negligent behavior in exposing Italian citizens to asbestos. This is the culmination of years of research and preparation by Prosecutor Raffaele Guariniello and his team who are mounting the largest legal action to be held in Turin. The charges are being brought against the Eternit officials on behalf of 2,500+ former Eternit employees from factories in Casale Monferrato (Alessandria), Cavagnolo (Turin), Rubiera (Reggio Emilia) and Bagnoli (Naples), and hundreds of family members or local residents who received para-occupational or environmental exposure to Eternit asbestos.

The Prosecutor is alleging that even though the company knew of the dangers of working with asbestos, it did not take measures such as providing personal protective equipment or improving indoor ventilation systems to protect the workers; steps which could have prevented local people from harmful exposures to Eternit asbestos such as the laundering of work clothes by the company or better control of asbestos emissions by the factory were also not implemented. The consequences of these failures to act were the asbestos-related diseases contracted by the victims.<sup>11</sup>

### **Manipulating Public Opinion**

In light of the upcoming trial in Turin, the appearance of the glowing commentary in Forbes would seem quite fortuitous: a coincidence or part of the well-honed Schmidheiny public relations machine?

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<sup>9</sup> “Différents témoignages d'Italiens et la présence discrète dans la salle hier d'un représentant d'Eternit, qui s'est refusé à tout commentaire, démontrent que le scandale entourant cette entreprise suisse autrefois spécialisée dans l'amiante est toujours vivant.” English translation provided by the author.

<sup>10</sup> Berman D, Knoepfli A. *Asbestos Magnate to Environmental Guru: The Morphing of Stephan Schmidheiny*. GAC 2000 CD. 2000.  
[http://worldasbestosreport.org/gac2000/A15\\_7~88.PDF](http://worldasbestosreport.org/gac2000/A15_7~88.PDF)

<sup>11</sup> *History-making trial in Turin*. HESA Newsletter. March 2009.  
[http://hesa.etui-rehs.org/uk/newsletter/files/NWL\\_35\\_UK\\_p19.pdf](http://hesa.etui-rehs.org/uk/newsletter/files/NWL_35_UK_p19.pdf)

The Forbes piece notes that Schmidheiny “avoids the press.” Indeed Maria Roselli, author of *The Asbestos Lie*, was unable to interview Schmidheiny during the course of extensive research on the worldwide operations of the Eternit Group; academics and reporters have reported similar difficulties.<sup>12</sup> And yet, freelance journalist Werner Catrina, author of *The Eternit Report*<sup>13</sup> and *Stephan Schmidheiny - The Beautiful Legacy*, does not seem to share this problem.<sup>14</sup> I guess this might be because Schmidheiny does not have reason to fear exposure from a man who writes so sympathetically about him:

“... the ominous material (asbestos) haunts the former Eternit heir to this day because workers are becoming ill years after their exposure to asbestos. **The departure from asbestos, the associated struggles**, the hostility – even eventual success – have, according to his own admission, affected Stephan Schmidheiny deeply and **hold the key both to his commitment and to his personal interpretation of industrial responsibility.**”

## Conclusion

Nowadays Stephan Schmidheiny hobnobs with the great and good. Academic honors and civic awards have been heaped upon him and he has reached, as one commentator put it, probably “the highest state of personal happiness.”<sup>15</sup> While we do not wish to rain on his parade, it should be pointed out that it is now 40 years since the hazardous exposures he experienced at Eternit’s Osasco asbestos-cement factory. Speaking about the occupational conditions as they were in 1969, Schmidheiny reported that:

“(I) frequently helped load asbestos bags and pour(ed) the fibers into the mixer, breathing in deeply all the while due to the exertion the work entailed. At the end of a hard day’s work, I would often be covered in white dust.”<sup>16</sup>

Considering the long latency period for asbestos-related cancer and the fact that it is now 40 years since the exposures took place, Schmidheiny should be on the lookout for symptoms such as breathlessness, a persistent cough, loss of appetite or fatigue as an early diagnosis of mesothelioma and lung cancer can provide more treatment options.

Many of Schmidheiny’s former workmates did not live to enjoy “the highest state of personal happiness;” they paid with their lives for the privilege of having been employed by Eternit. One of the Osasco asbestos dead was João Francisco Grabenweger; he befriended the young Swiss man when he was sent to Osasco. Upon learning of his fatal

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<sup>12</sup> Roselli M. *Die Asbest-Lüge Geschichte und Gegenwart einer Industriekatastrophe*. 2007.

Roselli M. *Amiante & Eternit Fortunes et Forfaitures*. 2008.

<sup>13</sup> Catrina W. *Der Eternit-Report*. 1985.

<sup>14</sup> <http://www.vivatrust.com/ImagesViva/BilanzEngSTS.pdf>

<sup>15</sup> Luchinger R. *His long journey to himself*. August 28, 2008. Die Weltwoche Magazine.

<http://www.avina.net/web/siteavina.nsf/NoticiasAnterioresCateng/B490F2DCE14F85A4032574C8005B9D FE?OpenDocument&idioma=eng&sistema=1>

<sup>16</sup> <http://www.stephanschmidheiny.net/business-career/>

diagnosis, Grabenweger appealed to Schmidheiny to intercede on his behalf. The appeal fell on deaf eyes.

Next time, Schmidheiny thinks about industrial responsibility, environmental justice and good governance, he might remember those he left behind in Osasco. Endowing an institute for treatment and research into asbestos-related diseases in Osasco might go some way towards righting the many wrongs done to Brazil's asbestos-injured; it might also, one day, save his life.