

**Nominated for the Public Eye Swiss Award 2007  
by the GSoA (Group for a Switzerland without an Army), Switzerland**

## **Ruag Holding**

Headquarters:	Berne, Switzerland
Branche of trade:	Arms industry (defense/aerospace)
Turnover / Profit:	CHF 1.2 billion / CHF 19 million (2005)
CEO:	Toni J. Wicky
Owned by:	The Swiss Confederation
Employees:	5'600 (2006)

### **Summary**

*As the Swiss confederation's own armaments group, Ruag Holding belongs to that rare species of state-owned corporations. But this impression of a fragile company requiring support from the state obscures the activities of its subsidiaries. Ruag Holding, with production facilities in Switzerland, Germany and Sweden, is Europe's largest manufacturer of small caliber munitions. As a result, it shares in the responsibility for the deaths of the more than 1,000 people who lose their lives through the use of small arms every day. Ruag's formula for success also includes the production of particularly brutal weapons, deliveries in war zones, and collaboration with participants to a conflict. All this does not seem to trouble the federal government, which is at once both owner and principal client of Ruag.*

### **Irresponsible corporate behaviour**

Within the U.N., the Swiss Federal Council vocally supports stronger controls on small arms and expresses shock at published numbers of fatalities caused by them. The fact that the nation's own armaments firm sells small caliber arms on a large scale and makes healthy profits in the process is ignored or repressed. Instead of expanding its business in the public sector, Ruag has stuck with its successful formula and expanded by purchasing additional munitions factories in Austria, Sweden and Germany. This expansion puts the corporation at the peak of European small caliber production and places Switzerland in the shameful situation of being the world's second largest munitions exporter. That Ruag presents itself on its Web site as an environmentally responsible firm – citing its production of lead-free munitions out of pure respect for nature – is difficult to surpass in terms of cynicism.

In 2003, Ruag furnished both American and British forces with weapons systems that were deployed in the Iraq war. British troops were equipped with Ruag hand grenades for use in crisis areas. Without precision-machined components from the Swiss company, the U.S. Navy's F/A-18

Super Hornet strike aircraft would not have been operational. Ruag also delivered Maverick air-to-surface missiles to the U.S. military.

The production of cluster bombs – devices that separate into hundreds of small “bomblets” before impact – is another point of criticism. Ruag has worked closely with Israel Military Industries (IMI) on cluster bomb development. IMI conducted tests in Lebanon on August 25, 2006. Ruag promotes this novel munition with the advertising slogan “Like a Hailstorm.”

### **Consequences**

- More than 1,000 people die every day through the use of small firearms. (Source: Oxfam International, 2006)
- Cluster bombs cause immense suffering, even years after their use. Unexploded bomblets remain as duds that have an enormous potential for civilian casualties, similar to that of anti-personnel mines, which are now outlawed.

With the export of munitions and the development of especially brutal weapons, the state-owned corporation makes healthy profits while Switzerland cites its neutrality.

### **Current status and demands**

On the occasion of the third review conference on inhumane conventional weapons in Geneva, Switzerland and over 20 other signatories supported a political statement on cluster munitions and reaffirmed their determination to find an international solution to the problem. But despite Switzerland’s outward display of goodwill, nothing has changed: Ruag Holding hardly reacts to the protests of various interest groups, it shows no interest in discussions, and it continues with its pure profit-oriented strategy. That a state-owned corporation can get away with this here at home is noteworthy and scandalous.

The GSoA wishes to call the attention of the Swiss people to the not only socially incompatible but also deadly products of Ruag. In concrete terms, the GSoA calls on Ruag Holding to:

- guarantee that exported munitions will not appear in conflict areas.
- immediately halt the production and sales of cluster bombs.
- discontinue all cooperation with countries that violate international law.
- convert from armaments production to production for the public sector.

### **Further Information:**

- [www.amnesty.org](http://www.amnesty.org) ( <http://web.amnesty.org/library/Index/ENGA300082006?open&of=ENG-390> )
- [www.gsoa.ch](http://www.gsoa.ch)
- <http://gfbv.ch> ( <http://gfbv.ch/pdf/02-04-050.pdf> )
- [www.globalsecurity.org](http://www.globalsecurity.org) ( [www.globalsecurity.org/news/2003/030403-fa-18ef-01.htm](http://www.globalsecurity.org/news/2003/030403-fa-18ef-01.htm) )
- [www.iansa.org](http://www.iansa.org) ( [www.iansa.org/un/un-small-arms-report-feb2005.pdf](http://www.iansa.org/un/un-small-arms-report-feb2005.pdf) )
- [www.oxfam.org](http://www.oxfam.org) ( [www.oxfam.org/en/news/pressreleases2006/pr060619\\_arms](http://www.oxfam.org/en/news/pressreleases2006/pr060619_arms) )
- [www.stopclustermunitions.org](http://www.stopclustermunitions.org)
- [www.ruag.com](http://www.ruag.com) ( [www.swissmun.ch/d/press/presstext3.htm](http://www.swissmun.ch/d/press/presstext3.htm) )
- FACTS Nr.13, April 03
- FACTS Nr.15, 7. April 04, S.38