

## **Bayer AG**

Headquarters: Leverkusen (Deutschland), with some 350 companies worldwide  
Turnover/Net profit: 2003: € 29 billion / loss of € 1.4 billion  
Branch of trade: Bayer is one of the world's largest producers of pesticides and genetically modified seeds; Bayer also produces synthetic materials, chemicals and pharmaceuticals.  
No. of employees: End of August 2004: 113,600  
CEO: Werner Wenning  
Member to the WEF: NO (in January 2004)

### **Outline**

*The list of Bayer's transgressions is long. As a significant producer of some highly toxic pesticides the corporation shares the responsibility for poisoning millions of people around the world. Through the massive sale of antibiotics for livestock breeding Bayer contributes to the development of antibiotic-resistant bacteria and thus to the spread of disease. Bayer also tolerates the use of child labour by its subcontractors and suppliers. Last but not least, the company engages in illegal price fixing.*

### **General Information on the Case**

In 1996, Bayer promised to take all its pesticides in the highest hazard class („extremely dangerous“) off the market within five years. Until now this promise has not been implemented. Terrible poisoning accidents happen again and again. Three years ago, in a village in the Peruvian Andes, 24 children died from pesticide-poisoning caused by the Bayer pesticide Folidol. The active ingredient of this pesticide landed in stores without a warning label and accidentally found its way into the milk served to the school children of Taucamarca. In India – mainly in the industrial zone of Vapi – suppliers for Bayer produce large amounts of agrochemicals banned in Europe, such as Monocrotophos. As a result of inadequate safety standards accidents are commonplace.

When it comes to procuring raw materials Bayer is absolutely unscrupulous. For many years, Bayer subsidiary H.C. Starck was the main buyer of Coltan, a mineral originating from civil war-torn eastern Congo. The UN has accused Starck and other companies of prolonging the war with their business dealings.

A study published by the Global Research and Consultancy Services of India in August 2003 showed how subcontractors of international agro-corporations like Monsanto, Bayer, and Syngenta

employ tens of thousands of children. These corporations admit „problems with child labour“ but blame their local contractors. However, the convention of the International Labour Organisation (ILO) clearly states that large corporations are responsible for their subcontractors.

Bayer has repeatedly been convicted of price fixing. In 2004, according to the US-Justice Department, the company pleaded guilty and agreed to pay a US\$ 66 million fine for its part in a price-fixing cartel with other US companies for rubber additives. For years, Bayer had also manipulated prices for prescription drugs used by Medicaid patients in the US and was forced to pay a US\$250 million penalty.

Until 2000, the cold remedy Alka Seltzer contained Phenylpropanolamin (PPA), a substance that increases the risk of a stroke. In 2004, a court in Texas forced Bayer to pay US\$400.000 in compensation to a man who six years earlier had suffered a stroke after ingesting Alka Seltzer. Bayer is also one of the leading producers of antibiotics. The massive use of antibiotics in livestock breeding is causing increased antibiotic resistance in bacteria. Baytril is a case in point. The US Health Department asked the two companies Abbot and Bayer to take this compound off the market. While Abbot complied without further ado, Bayer responded by filing an appeal.

### **Characteristics of Irresponsible Corporate Behaviour**

- Ruthlessness and greed: Production and sale of questionable and dangerous products, indirect promotion of acts of war, child labour, and price fixing.

### **Consequences**

Every year, three to five million people are poisoned by pesticides. As the world's second largest provider of pesticides, Bayer is partly responsible for these poisonings. Tens of thousands of agricultural workers die each year from the effects of highly toxic insecticides. Bayer is the number one provider of insecticides. Also, according to a follow-up study of September 2004 Bayer's suppliers still employ some 2.000 children. They suffer health damage and do not attend school. In the field of antibiotics Bayer bears a responsibility for the re-emergence of illnesses long considered eradicated.

### **Current Status and Demands**

Coordination gegen Bayer-Gefahren calls on Bayer to stop all inhuman and environmentally destructive activities and asks that the company pay compensation to people who have suffered as a result of these activities.

### **Links to the details of the nomination: [www.evb.ch/nominations.htm](http://www.evb.ch/nominations.htm)**

More information and links: [www.cbgnetwork.org](http://www.cbgnetwork.org)

The deadline for the submission of the nominations was 31 October 2004. Later developments were considered in the summaries as far as known. 2