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Sergio Ermotti
Chief Executive Officer UBS Group AG
Bahnhofstrasse 45
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SLAVERY ERA DISCLOSURE LEGISLATION TO BE ENFORCED AGAINST UBS

Dear Mr Ermotti,

I am a 70-year-old Swiss politician, historian, and political activist. I am writing to you with reference to slavery era disclosure legislation in various US states and cities, which – because of their slavery pasts – has been applied to the Swiss global financial services company UBS AG and might be applied to your bank as the legal successor of Credit Suisse again in the near future.

Allow me to address you in English since this letter is intended for wide distribution in the international media.

I should like to introduce myself with a few more details. I have an M.A. in English and History from Zurich University. Transatlantic slavery, racism and post-colonial studies have been and are my areas of interest and research fields. I have published a book on Swiss involvement in slavery and the slave trade¹ and have been a member of the St.Gallen State Legislature for ten years.² Political journeys have taken me to Haiti (Port-au-Prince, 2003), to France (Atlantic and triangular trade ports La Rochelle, Nantes, Bordeaux, 2007 and 2008), to the Senegal (Dakar and Djilor, 2005 and 2008), to French Guiana (Saint-Laurent-du-Maroni, 2013), and to Antigua and Barbuda (2019).

UBS and its involvement in slavery have once already been an issue. On November 3, 2006, the *Chicago Sun-Times* published an article «UBS acknowledges slavery ties»,³ mentioning Swiss merchant banker Jakob Laurenz Gsell (1815–1896), who had owned (and maltreated) slaves in Rio de Janeiro.⁴ Because Gsell had later founded Deutsch-Schweizerische Kreditbank, one of the predecessor banks of UBS, UBS Securities LLC became the sixth bank after *Lehman Brothers*, *JPMorgan*, *LaSalle Financial Services Inc.*, *Wachovia Corp.*, and *Bank of America Securities LLC* to acknowledge either ties to or profits from slavery and the slave trade under the City of Chicago's *Slavery Era Disclosure Ordinance*, which had taken effect on 4th February, 2003.⁵ Incidentally, Jakob Laurenz Gsell came from the same city of St.Gallen, where I was born and raised and have spent all of my life.

Now there are substantial indications that the sworn affidavit filed by UBS in 2006 in connection with the role of *UBS Securities LLC* as senior manager of an O'Hare Airport bond issue did not contain the whole truth.

Firstly, it seems that no mention was made therein of another slave-owning merchant banker from St.Gallen who in 1864 became the founder of a UBS predecessor bank (*St. Gallische Hypothekarkassa*⁶): Jakob Friedrich Billwiller (1813–1879). He owned three domestic slaves in Rio de Janeiro in 1847, whom he apparently maltreated.⁷

Secondly and most importantly, I would like to refer you to the case of Johann Ulrich Zellweger (1804–1871) from the village of Trogen in Appenzell Ausserrhoden (Eastern Switzerland), where incidentally I taught English and History at the local state grammar school 1992–2018.

In 1831, Johann Ulrich Zellweger left London, where his commercial activities had run into difficulties, for Havana. It was intended for him to be employed by his fellow citizen Heinrich Studer (1779–1831) from Winterthur, who owned a sugar plantation in the Matanzas area. However, these plans never materialized, since Zellweger learnt that Studer had died shortly before his arrival in Cuba. In the following years, Zellweger worked for a number of merchant houses founded and owned by members of the Drake family.⁸ The original family firm had been founded by James Drake (1763–1838), a shrewd trader from England, who had married into the Cuban aristocracy and become a sugar plantation owner. In 1840, Zellweger joined the executive quartet of *Drake Brothers & Co.* and worked with James Drake's son Charles, proprietor of a sugar plantation with 400 slaves, Alexander Friedrich, Charles Respinger, and José Morales. In 1842, a new partnership was formed with Johann Ulrich Zellweger, Louis Morales, and two other sons of James Drake: James Drake jun. and Louis Drake. In the summer of 1845, Johann Ulrich Zellweger retired from the company and, one year later, returned to Europe.

The Drake companies were highly profitable businesses.⁹ They flourished on the export side (two thirds of Cuba's sugar exports came from the Drakes' warehouses) and on the import side (they were the largest suppliers to Cuban plantation owners). They extended credits to the sugar-planters to finance crops, equipment and slave-owning, and they made large profits financing the slave-trade.¹⁰ Their commercial activities have been meticulously documented in

Cuban archives by Michael Max Paul Zeuske (Historical Institute, Department of Ibero and Latin American Studies, Cologne University), one of the leading scholars and authors in the field of Cuban slavery.¹¹

In 1866, Johann Ulrich Zellweger founded the private local *Bank für Appenzell A.Rh. [Ausserrhoden]*, which in 1909 merged with the national *Schweizerischer Bankverein (Swiss Bank Corporation)*¹². The latter, for its part, merged with *Union Bank of Switzerland* in 1998, thus creating today's Swiss global financial services company *UBS*. In other words: Slavery profiteer Johann Ulrich Zellweger is the founder of a predecessor bank of *UBS*.

Johann Ulrich Zellweger died in 1871 and is buried in the village cemetery of Trogen.

Let me emphasize that Johann Ulrich Zellweger was not just any tradesman from Switzerland. And his case is neither unique nor is it accidental. His systemic importance has been characterized by historian Michael Max Paul Zeuske.

*Between 1815 and 1830, Cuba became the destination of young European merchant sons longing for profits and wanting to become rich quickly with their coffee-slaves start-ups. See for example the Swiss Heinrich (Enrique) Stouder, Johann Ulrich Zellweger, Heinrich Escher Zollikofer and his three brothers (...)*¹³

So far, so *UBS*. But with the acquisition of Credit Suisse Group AG by *UBS Group AG* in 2023, the bank you have the difficult task to lead has not only – to use your own words – «embarked on the next chapter of our joint journey», but has also inherited at least three more cases of entanglement with colonial history.

The first has already been communicated to you by Shelley Moorhead of the US Virgin Islands (see his letter of 19 February 2024). In 1760, the Commission of Interest or *Zinskommission Leu*, a predecessor bank of today's *Credit Suisse*, had participated in a loan taken out by the Danish crown in order to establish themselves on the Caribbean islands of Saint Thomas, Saint Croix and Saint John (today the three main islands of the U.S. Virgin Islands). In 1768, the same *Zinskommission Leu* had granted a Danish private company set up by the Scottish brothers John and David Brown a credit, accepting slave-plantations on Saint Croix as collateral (which echoes the case of *Wachovia Bank*, whose predecessor institution *Bank of Charleston, S.C.*, had accepted slaves as collateral on loans).

The second is the fact that the above-mentioned Jakob Laurenz Gsell was also a long-standing member of the board of directors and for five years vice-president of *Credit Suisse* predecessor bank *Bank in St. Gallen*¹⁴.

The third is the colonial and slavery past of the Escher family and that fact that some of the fortune of Alfred Escher, founder of *Schweizerische Kreditanstalt*, came from the sale of the slave-plantation «Buen Retiro» in Cuba.¹⁵

You will of course be aware of the fact that the possible systemic risks for Swiss banks like *UBS* and *Credit Suisse* on grounds of their undisclosed slavery past have been made the subject of a private member's «interpellation» in the people's chamber of the Swiss Federal Parliament («Nationalrat»). On 6th March, 2018, Claudia Friedl, social-democratic MP for the canton of St.Gallen, submitted her «The Slavery Past of Switzerland and Its Banks».¹⁶

Allow me to end this letter by asking you two clearly worded questions that I would like to see answered in the not too distant future:

1) Being aware of the fact that failure to comply with Chicago's Ordinance (or any other legislation of a similar kind) threatens to deem any contract with UBS voidable on behalf of the respective US state or city, do you recognize the necessity for *UBS* to disclose their slavery ties should they ever want to do or be doing business with the City of Chicago (or any US other city or state with slavery era disclosure legislation)?

2) Are you willing to commission an independent and comprehensive historical project to address the slavery pasts of UBS, Credit Suisse and their predecessor banks?

In conclusion, I want to say this: I should very much like to see this matter looked into by you, dear Mr. Ermotti, in such a manner as to honour former Chicago Alderman and Slavery Era Disclosure Ordinance sponsor Dorothy Tillman (born 1947). She marched with Martin Luther King Jr. and was among the SCLC Field Staff to cross the Edmund Pettus Bridge in Selma, Alabama in the Selma to Montgomery marches on 7 March 1965. Her admirable efforts to expose the horrors of slavery and to further not only the national but also the international dialogue on reparations must under no circumstances be belittled by you taking this matter too lightly or not addressing it at all.

Yours respectfully,



Hans Fässler

¹ Hans FÄSSLER, *Reise in Schwarz-Weiss. Schweizer Ortstermine in Sachen Sklaverei*, Zürich 2005, with a preface by Joseph Philippe ANTONIO, Haitian Foreign Minister 2001–2004, published in French as: *Une Suisse esclavagiste. Voyage dans un pays au-dessus de tout soupçon*, Paris 2007, with a preface by Doudou DIENE (former UN Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance).

² 1984-1994, representing the Social-Democratic Party of Switzerland.

³ Frank SPIELMAN, "UBS acknowledges slavery ties", in: *Chicago Sun-Times*, November 3, 2006.

⁴ Urs Alfred MÜLLER-LHOTSKA, *Jakob Laurenz Gsell 1815–1896. Vom Unternehmer in Rio de Janeiro zum Bankier in St. Gallen – Globalisierung im 19. Jahrhundert*, Zürich 2008.

⁵ Cf. Yvette SHIELDS, "UBS Securities Acknowledges Slave Trade Ties Through an Acquired Co.", in: *The Bond Buyer*, November 7, 2006.

⁶ MÜLLER-LHOTSKA, op. cit., p. 119-121.

⁷ MÜLLER-LHOTSKA, op. cit., p. 87 / FÄSSLER, op. cit., p. 61f.

⁸ Michael ZEUSKE, "Versklavte, Sklavereien und Menschenhandel auf dem afrikanisch-iberischen Atlantik", in: Michael Zeuske, *Sklavenhändler, Negeros und Atlantikkreolen. Eine Weltgeschichte des Sklavenhandels im atlantischen Raum*, Berlin / Boston 2015, pp. 350-353.

⁹ Anna Carolina SCHÄRER, *Globale Verflechtungen und protestantische Netzwerke im 19. Jahrhundert: Der Appenzeller Unternehmer und Philanthrop Johann Ulrich Zellweger (1804–1871)*, Zürich 2010, pp. 49-53.

¹⁰ Kleinwort BENSON, *The History of Two Families in Banking*, Oxford 1979, pp. 76–81.

¹¹ Michael Zeuske, see website of Cologne University: www.ihila.phil-fak.uni-koeln.de/index.php?id=390 (accessed 19/12/2017).

¹² "Gründung der Bank für Appenzell A.Rh. in Herisau", in: *Appenzellische Jahrbücher*, Band 60 (1933), p. 26f., retrieved from: www.e-periodica.ch/cntmng?var=true&pid=ajb-001:1933:60::257 (accessed 19/12/2017)

¹³ Michael ZEUSKE, "Kaffee statt Zucker: Die globale commodity Kaffee und die Sklaverei auf Kuba (ca. 1790–1870)", in: *Saeculum*, 67/II (2017), p. 278 (translated from German: HF)

¹⁴ MÜLLER-LHOTSKA, op. cit., pp. 113-116.

¹⁵ Hans Fässler, "A Zurich monument toppled: The (post-) colonial case of Swiss industrialist and entrepreneur Alfred Escher (1819–1882)", *Atlantic Studies*, 2024. DOI: [10.1080/14788810.2024.2321413](https://doi.org/10.1080/14788810.2024.2321413).

¹⁶ See <https://www.parlament.ch/de/ratsbetrieb/suche-curia-vista/geschaefte?AffairId=20183072> (accessed 1/5/2019)