



MONUMENT TOPPLED
Tough line against Klaus Schwab:
Borge Brende, Peter Brabeck,
Thomas Buberl (from bottom left)

THE REBECCA-PLOT

WEF Anonymous attackers shoot at Klaus Schwab and blackmail the organization. But the two strong men on the Board of Trustees turn against the founder. Anatomy of a tragedy.

by DIRK SCHÜTZ

TThere should really only be one question in this drama, which has turned into a tragedy of global proportions: Who is Rebecca?

On Wednesday, April 16, two days before Good Friday, 23

members of the WEF Board of Trustees received an e-mail at 5.05 a.m. that was nine pages long when printed out. Subject: «Governance failures and abuses of power at the WEF». The sender: Rebecca.a.staedler@gmail.com. It was another

email that the members of the Foundation Board had received in recent months from a certain Rebecca. The accusation was always the same: The culture in the 1000-employee organization was rotten - and founder Klaus Schwab was responsible.

A CASE OF BLACKMAIL

But this letter was particularly vehement. «We, a group of current and former employees of the World Economic Forum, write to you once out of a deep sense of responsibility and distress.» The letter of accusation was not only aimed directly at the founder and included his wife Hilde for the first time. It also contained an ultimatum: if the senders did not see «a meaning-

ful response and clear accountability from Klaus Schwab, including his resignation by Wednesday, April 23», the documentation would go public (see page 43). A case of blackmail.

Behind Schwab and the entire organization lay a grueling eight-month investigation, triggered by an article in the Wall Street Journal in June 2024, in which a large part of the Rebecca Group's allegations were laid out for the first time. The investigation cleared the WEF and exonerated the founder: «It did not find the forum had committed any legal violations» and «did not substantiate allegations of misconduct against founder Klaus Schwab», a statement had said. Now the anonymous enemy has attacked once ►

Illustration: kornel.ch for BILANZ

► again - with the ultimate demand for his resignation.

For the 87-year-old, it was clear that charges had to be brought against the attacker, otherwise Rebecca, connoted in Hebrew as the «captivating one», would continue to paralyse the organization. The state authorities had stronger investigative tools than the WEF-mandated companies. Before receiving the letter, he had spoken on the phone with Foundation Board member Thomas Buberl, head of the French insurance giant Axa and, as head of the Audit and Risk Committee, already responsible for the last investigation. The two had arranged to talk again on Saturday.

40 PERCENT IRRELEVANT

But this did not happen. After consulting with his three fellow committee members, Buberl decided to initiate an independent investigation. In view of the «breadth, specificity and corroboration presented», there was no alternative but to proceed with «the highest degree of independence, transparency and urgency», he wrote to the entire Board of Trustees, including Schwab and CEO Borge Brende, at 13.56 on Thursday - just 33 hours after receiving the anonymous letter.

He had already awarded the mandate: It went to the Zurich law firm Homburger, which had already led the first investigation together with the Washington D.C. based law firm Covington & Burling. Schwab and the Board of Trustees were not questioned, but merely informed of the new investigation.

Schwab was furious: who was the enemy here? He, who had founded the Forum 55 years ago with his own capital and at great risk and had forged an organization that was unique in the world and financially

SCHWAB WAS FURIOUS: WHO WAS THE ENEMY? HIM, WHO HAD BUILT UP THE WEF? OR ANONYMOUS SNIPERS?

flourishing (see page 39)? Or anonymous snipers who continued their character assassination campaign against him, even though the accusations had already proven to be unfounded the first time?

Moreover, the situation was hardly as clear-cut as Buberl made it out to be. The letter was perfectly worded in dignified business English. But on closer inspection, the gloss faded. It contained eleven accusations, many of which concerned alleged failures to combat sexual harassment and discrimination. But Schwab had already been acquitted of these. Around 40 percent of the content was irrelevant to the investigation.

Of the rest, the first point alone could have made Buberl and his fellow committee members suspicious: Schwab had manipulated the WEF's Global Competitiveness Report to give certain countries an advantage. In one specific year, for example, he omitted the report after a country complained. Schwab launched the report in 1979 and, of course, there were repeated adjustments to the methodology, but it had not failed once until 2019. It was only discontinued with Covid because the pandemic distorted the parameters.

ONLY A JACKET BUTTON

The other accusations could also have been refuted with little effort: Schwab paid for his own books in full via the Forum, the expansion of the Metaverse tech platform was approved by the Board of Trustees, and the Villa Mundi on the WEF site, which was acquired by the WEF in 2018, was not Hilde Schwab's private property, but a listed apartment that was intended as a home for Schwab's successor and was never used privately by the Schwab couple. The accusation that Schwab had instrumentalized the WEF staff in order to receive the Nobel Prize was downright abstruse. If it were true and the plan had worked, it would have been commendable - the prize would have been an ornament for the organization.

Even an anecdote that had been circulating at the WEF for decades found its way into the bizarre smorgasbord: when

NEW STRONG MEN

Axa boss Thomas Buberl (o.), former Nestlé Chairman Peter Brabeck (li.) and WEF CEO Borge Brende pushed for Schwab's removal from power.



**55 YEARS OF WORLD
ECONOMIC FORUM**
The married couple Klaus and Hilde Schwab forged an organization that was unique in the world.



the founder's jacket button - not his trousers, as he claimed - was torn off at a conference opening in Paris in the 1970s (!), he asked a member of staff to sew it back on, but not in his hotel room. The long-serving employee always told the story quite cheerfully.

SELF CONFESSED WORKAHOLIC

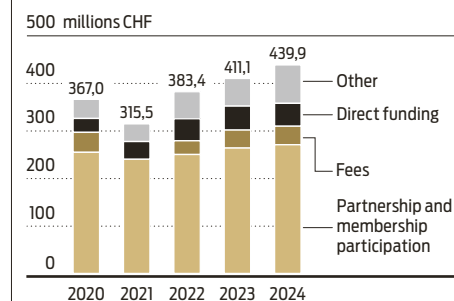
The financial accusations were the main thing that remained: The WEF had paid «hundreds of thousands of dollars» over the years for Hilde Schwab's health insurance, for example, and she had accumulated «several million dollars» in flight costs on the WEF's account over the «last decade». The fact that Schwab had waived health insurance claims and that his wife was never formally employed, but instead made her 50 percent workload available to the Forum free of charge for 55 years, could have been found in the HR system.

In her role as head of the Social Entrepreneurs Foundation, she sometimes ac-

companied her husband on trips abroad, but flight costs of this magnitude were absurd. Above all, Schwab had instructed his meticulous assistant to list all private expenses in detail and report them with a six-monthly statement. They went to the audit department - which was formally

Well positioned

The WEF is on solid financial footing: The sources of revenues.



Figures as of June 30. Source: WEF Annual Report

under the control of the man who so relentlessly demanded the investigation: Audit and Risk Committee head Buberl.

Schwab was even more diligent than many company bosses: when he flew to the Seychelles after a conference in Dubai in February, for example, it was booked as a private flight, even though he was almost exclusively working on the island - he was a self-confessed workaholic. Even the massages, after long days of meetings in New York or Singapore in the spa and not in the hotel room, were clearly billed as private.

WAIVING 5 MILLION

What's more, all his companions confirm that Schwab was not driven by money. After he took over full management of the Forum in 1998 following his retirement as a professor in Geneva, he agreed a salary with the Board of Trustees which, in his view as a public service representative, was based on the salary of the head of the Swiss National Bank: CHF 980,000 per ►

► year. For his development work, the committee led by the then Nestlé CEO Helmut Maucher awarded him a one-off payment of five million francs (see page 43). He never claimed it.

When Tel Aviv University awarded him the prestigious Dan David Prize in 2004, he put the prize money of 1 million dollars into the development of the «Young Global Leaders» - most of the prize winners kept the money. The accusations seemed petty at best. «I would put my hand in the fire for Klaus Schwab», emphasized former Deutsche Bank CEO Josef Ackermann, Vice Chairman of the Foundation Board until 2014, on the SRF programme «Gredig direkt».

BROKEN RELATIONSHIP

In a functioning board, the strong men Schwab, Buberl and Vice Chairman Peter Brabeck would have worked out a joint approach and perhaps even made the blackmail public. But this did not happen: 52-year-old Buberl, who had risen to the top of AXA from the German provincial town of Wuppertal with great ambition, launched the investigation at lightning speed, and he must have been aware of the consequences. Internal information from the Board of Trustees had repeatedly been leaked to the Wall Street Journal in recent months, so it was inevitable that this investigation would also end up there immediately - with devastating consequences not only for Schwab's reputation, but for the entire WEF.

Because the stakes were very high. Schwab was a driving force, ideas machine, networker and figurehead - with an influence that often went unrecognized. For example, Schwab arranged the trade talks between US Treasury Secretary Scott

THE GREAT DO-GOODER SCHWAB BECAME THE VICTIM OF A HATE CAMPAIGN WITH A GLOBAL DIMENSION.

Bessent and Chinese Vice Premier He Lifeng in Geneva at the beginning of May. He used an intermediary to bring Trump to Davos via video message three days after his inauguration. In an increasingly fragmented world, the WEF is predestined to play a mediating role like no other institution. The West is flying apart. But the WEF is blowing itself up.

Certainly, in times of excessive compliance, both Brabeck and Buberl would have been considered biased in an investigation if they had first discussed the matter with Schwab, and Accenture boss Julie Sweet, who had already supported Buberl in the first investigation and was rewarded with a seat on the committee, urged the strictest implementation of the rules. But of course the experienced corporate leaders Brabeck and Buberl could have ignored the lawyers' concerns; in view of the immense reputational risk for Schwab and the entire organization, the principle of proportionality always applies.

Moreover, Schwab himself filed charges against the Rebecca Group - that should have been proof enough that he had nothing to hide. «It seems to me that the Board of Trustees has opted for a very confrontational approach,» emphasized the legendary lawyer Peter Nobel in the Swiss weekly «Schweiz am Wochenende» after Schwab's resignation, before the WEF founder hired him. «It would have been advisable to talk to Klaus Schwab in advance.» But Buberl and Brabeck chose not to take this obvious step, and there was a particular reason for this: their relationship with Schwab had broken down.

SHAKESPEAREAN DIMENSION

It is a drama of Shakespearean dimensions full of ambition, envy, lust for revenge - and hatred. This is what makes the Schwab case so special: «Committed to improving the state of the world» is the motto that the great do-gooder carried around the planet. But then he became the victim of a hate campaign on a global scale. «There are a lot of angry people who want to destroy his reputation», says an ex-WEF Executive Board member.

In 2019, the American Cheryl Martin left the WEF. Schwab had appointed the chemist and former top employee of the US Department of Energy as head of the Center for Global Industries in 2016. But he was dissatisfied with her performance. Employees noticed that Martin often sat in the office crying in the evenings. This revealed Schwab's tough side, which he charmingly covered up to the outside world like so many successful company leaders: he was very demanding, sometimes erratic, and led his



WEDDING IN THE SERTIG VALLEY

From first employee to wife: Hilde and Klaus Schwab at their wedding ceremony in 1971.

MODEST BEGINNING

The first event in Davos in 1971 - Klaus Schwab at the WEF 2025.



team with a firm hand. If a meeting was scheduled for 15 minutes, he would stand at the door once the time was up as a sign of departure - appreciation was thin on the ground. He was a driven man for the Forum, and his employees gave him credit for that. But many suffered. Many frustrations had built up during his long time in office.

AGREEMENT WITH LAGARDE

Martin left the WEF in a huff - and since leaving, many employees noticed that leavers systematically received Linked-In re-

quests from the Wall Street Journal asking to speak confidentially about working conditions at the WEF. The New York office in particular, which had swollen to more than 100 employees, was a rich source - the staff were younger and less loyal, staff turnover was higher, and the lofty moral standards

of the forum increased the fallout in the new age of me-too.

The ongoing succession debate also fueled resentment. What was only known in the closest circle of the Board of Trustees: Schwab had planned to step down at the 50th WEF in 2020 - and a woman was chosen who had already closely accompanied him on the Board: Christine Lagarde, then still head of the IMF in Washington. The Frenchwoman agreed, and even the apartment for her was already being planned: the living quarters of the Villa Mundi.

RISK OF LEAKS

But then, in July 2019, the French President appointed Lagarde to head the European Central Bank. The one-off term of office was eight years. Schwab discussed an earlier exit with Lagarde, somewhat after five years. But this could not be binding. He was in a dilemma: he had found his successor but could not communicate the solution, not even to his oversized Board of Trustees. The risk of leaks was too great. Meanwhile, institutional pressure was mounting: the WEF had been declared an interna- ►

OPPONENTS

American chemist Cheryl Martin left the WEF in a huff - and later criticized it harshly. Fake news from Russia: alleged death threats from the Russian president.

Putin Declares 'Globalist Terrorist' Klaus Schwab Is a 'Legitimate Military Target'

Fact checked

December 13, 2023 • Baxter Dmitry • 11 Comments

Photos: zVg, Screenshot X, CH Media, Keystone, Imago

START POST-PONED

Christine Lagarde was due to succeed Schwab at the 50th WEF in 2020. But then French President Emmanuel Macron appointed her to the post of head of the European Central Bank.



► tional organization in 2015 and Schwab had installed a CEO in the Norwegian Borge Brende. Now the Board of Trustees, previously more of a decorative body than a supervisory body, was also to be professionalized, including a succession solution. One member in particular pushed forward: Thomas Buberl.

He joined the Audit and Risk Committee shortly after taking up his post in 2020, and in his second year he moved up to the steering committee: The six-member Governing Board, which also included Roche Vice President André Hoffmann alongside Schwab and Brabeck. For some, he was a fresh, sharp broom that revamped the backward corporate governance. For others, he was an ambitious man with an excessive thirst for power. Tensions rose and the annual strategy meetings in Geneva at the end of August were no longer a showcase for Schwab.

THE FLIP SIDE OF HOSTILITY

But he still had full power: every member of the Board of Trustees was chosen by him, and everyone knew that the prestigious mandate was linked to the position - anyone who lost their job had to go. From Ackermann to ex-EU President José-Manuel Barroso to World Bank CEO Jim Yong Kim: they were all no longer invited after losing their position. Schwab usually also cut personal ties. He made only one exception - and this man knocked him off his pedestal: Nestlé grandee Peter Brabeck.

It was oversized egos that landed hard, and many cultivated a grudge against Schwab. Frustration also built up among the next generation of Young global leaders. Buberl was also one of them in his younger years, but was then no longer invited due to lack of space, like almost all of the more

IT WAS OVERSIZED EGOS THAT LANDED HARD. MANY CULTIVATED A GRUDGE AGAINST THE FOUNDER KLAUS SCHWAB.

than 1,400 alumni today. One of them was the Englishman Mark Turrell, who attacked the WEF so violently with his «Undavos» initiative that he was removed from the alumni mailing list. For institutional reasons, Schwab sowed more hostility among the global alphas than anyone else. That was the downside of his global success.

Corona added a new dimension. The pandemic was the biggest stress test for the WEF since it was founded. Schwab fought obsessively for his life's work: he had a TV studio set up right next to his office on the first floor of the glass building and was in daily contact with heads of

state, specialists and sponsors. Although the 2021 event was canceled and only a rump Davos was held in May 2022, the major sponsors, especially the US corporations, remained on board.

The consistently restless Schwab organized the perceived upheaval in his own way: he published the book «The Great Reset» - and incurred a new level of internet hatred: He became the clandestine Lord of Darkness, striving for world domination. Grotesque videos and social media posts circulated: Schwab wanted to implant microchips in all citizens or was planning the mass extermination of humanity. The WEF had to deploy its own communications team to deal with the denial of deliberately disseminated false reports. The senders could not be fully traced, but the traces always led in the same direction: Russia.

INCREASING PRESSURE

After Putin's attack on Ukraine, the pressure increased - to the point of physical threats. Schwab cut all ties to Russia in Davos. For the globalization haters in Moscow, this made him even more of an enemy.

«Putin calls the global terrorist Schwab a legitimate military target», according to a website called «The People's Voice» from December 2023 (see page 40). Although Reuters denied the report, the approach



HEAD OFFICE IN COLOGNY
The WEF headquarters close to Geneva.
Right: The adjoining Villa Mundi.

was in line with the textbook of Russian troll factories.

Shortly after an interview in which Schwab had spoken about his long relationship with Putin, he was spotted in New York. «You can kill him now» was the message in anonymous calls. Schwab withdrew the comments. Security was increased. In the days after the departure of Schwab, ac-

cording to the German magazine «Spiegel», the oligarch Konstantin Malofeyev openly welcomed the resignation, calling Schwab «a main ideologue of globalism».

The final act of the tragedy began with the WEF 2023. The Wall Street Journal had not yet published anything, but now two other publications fired back: the US portal Politico addressed «frustration over the

lack of a succession plan among employees and sponsors» in an analysis. And the London Guardian reported on an anonymous group of «current and former employees» who complained about Schwab's lack of succession planning and alleged power-grabbing - Rebecca showed her face for the first time. The pressure in the Geneva glass building increased.

BOMBSHELL

In the fall of 2023, not only former but also current employees received inquiries from the Wall Street Journal. In the media department, this was attributed to the change of editor-in-chief: the more tabloid-savvy Englishwoman Emma Tucker, previously at the Sunday Times, had taken over the top job. In spring 2024, the Forum received an official list of inquiries on the topic for the first time. The article hung over the WEF like an inevitable bombshell. Only the timing of the drop was unclear.

It came on June 29 with the title «Behind Davos: Claims of a toxic workplace.» Cheryl Martin, who had left the forum five years earlier, came forward as a key witness for the allegedly toxic work culture. Several women spoke anonymously ►

INFLUENTIAL

Roche Vice-Chairman André Hoffmann and the former head of the Swiss National Bank, Philipp Hildebrand, who was newly elected to the Board of Trustees, keep in touch with the founder Schwab since his resignation. She called for a hard line against the founder: Accenture boss Julie Sweet.

Photos: WEF, Samuel Schalch, Bloomberg, Keystone

RESOLUTION

of the Executive Board of Foundation of the World Economic Forum, Cologne
made this 19th day of March, 1999

7. In addition to any salary and pension payment as described above Prof. Klaus Schwab shall receive an additional payment of CHF 5'000'000.00, payable in up to 5 instalments and not later than on April 1, 2003. This payment is in compensation for the special efforts and relatively low salary in building up the World Economic Forum since 1971.

In light of this, we feel compelled to set a deadline for accountability. If we do not see a meaningful response and clear accountability from Klaus Schwab, including his resignation, by Wednesday, April 23rd, we will have no choice but to share the aforementioned documentation and additional evidence with senior journalists at reputable news outlets. It is essential that the truth is brought to light and that those responsible are held accountable.

EXCERPTS FROM DOCUMENTS

Not driven by money: Schwab voluntarily renounced five million Swiss Francs that were awarded to him in 1999.

Blackmail: The anonymous attackers gave the WEF an ultimatum for Schwab's resignation.

► about incidents they had experienced as harassment, some dating back to the 1980s. Some of the complaints were justified: The internal authorities had not always acted with the necessary severity. But these were hardly more than isolated cases - 3,500 people had left the WEF since it was founded, more than 600 since 2020 alone. The article was surprisingly thin for the fact that the leavers had been systematically contacted for five years, as Brabeck and Buberl must have known: Anyone who undertook this kind of research at global corporations such as Nestlé or Axa would find just as many borderline cases - at the very least. But the WEF was a global institution with lofty moral standards and nervous sponsors, especially from the USA, and the accusations came from the favorite newspaper of the local business scene. A non-reaction was unthinkable.

NOTE OF PROTEST

Now something interesting happened: the Brabeck - Buberl duo used the incident to gradually disempower the founder. A four-member special committee was appointed. Formally, Schwab was still Chairman, but de facto Brabeck and Buberl took over power, spurred on by the fact that Schwab had resigned from his position as Executive Chairman a few weeks earlier and the work of the Board of Trustees was to be redistributed among four committees. They were able to fill these positions.

The investigation report was not distributed to the Board of Trustees for fear of leaks, and Schwab never got to see it either. But the acquittal was complete, and Brende informed the sponsors. However, the employees noticed how little he stood in front of the founder. The fact that the HR mechanisms had not always worked properly was also primarily his responsibility.

PURGE

Long-standing WEF key figures Jeremy Jurgens and Saadia Zahidi were removed from their positions after the first investigation. Schwab protested. This led to a break with Brabeck.

HE WAS NO LONGER ALLOWED TO ENTER HIS OFFICE OR USE WEF RESOURCES. HIS COAT WAS STILL HANGING IN THE OFFICE.

Nevertheless, the Board of Trustees tasked him with a reorganization: the American Jeremy Jurgens, commercially the most important man as the person responsible for contracts with the major US multinationals, was pushed aside, as was long-time Schwab confidante Saadia Zahidi.

Schwab found out about these plans by e-mail and wrote a note of protest to Brabeck: there was a threat of the Forum being weakened. The Vice President brusquely rejected him. He was told to say in a confidential circle that he had been «dismissed». It was the definitive break. Apparently, Buberl even asked Schwab to resign immediately at the end of March - wouldn't an interim President Brabeck be a good solution? Schwab, visibly worn down, was so accommodating that at the beginning of April he internally announced the date of his planned departure for the first time: 2027 - the end of Lagarde's term of office.

However, the leadership duo Brabeck-Buberl was slowed down: the Swiss foundation supervisory authority had objections to the restructuring of the Board of Trustees - it registered twelve reservations. Particularly serious: CEO Brende was to join the new governance committee - a rookie mistake. Schwab had only learnt of this via unofficial channels. This was the topic he wanted to discuss with Buberl on Easter Saturday. But then the Rebecca email arrived on Wednesday - and Buberl immediately launched an investigation.

RESIGNATION ON SATURDAY

Close combat ensued. Schwab wrote Buberl an accusatory letter on Friday in which he asked him to withdraw the investigation within 24 hours. As justification, he could refer to the criminal complaint he had filed against Rebecca. The Wall Street Journal portrayed this complaint as a threat against the Board of Trustees, which was simply not accurate. Buberl forwarded the letter to the Board of Trustees, although it was only intended for him, and announced his resignation on Monday if the situation was not clearly resolved in his favor.

On Saturday morning, Brabeck called an extraordinary meeting of the Board of Trustees - if it did not take place by Monday, he would also resign. Schwab wanted to postpone the meeting until Friday. He did not want to bow to the Rebecca ultimatum of Wednesday.

He gave up on Saturday evening. He had no verbal contact with Buberl during these fateful days, but another member of the Risk Committee and another

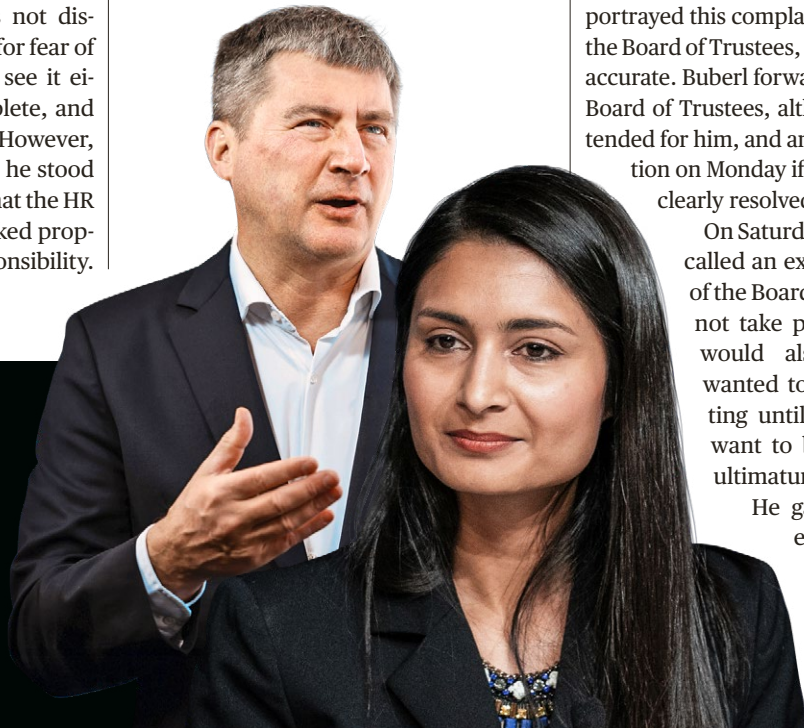
other close member of the Board of Trustees got in touch and talked him down. He had already announced his resignation, they said, and to prevent damage to his life's work, he should bring it forward. Schwab informed Brabeck of his immediate resignation by letter. He was no longer present at the meeting on Sunday evening and the Board of Trustees formally approved the investigation. Schwab had never put forward his point of view. Things got heated the next day: Brabeck informed him via WhatsApp that he was not allowed to enter his office or use any of the Forum's resources due to the ongoing investigation. His coat was still hanging in the office.

DISRESPECTFUL APPROACH

The eternal alpha Brabeck is back on the big stage as WEF Chairman at the age of 80. Should the damage to Lagarde's image be too great, Buberl would have an option for the Chairman's chair - he could not have succeeded the larger-than-life Schwab directly, but he could have succeeded Brabeck, and as non-executive Chairman he could even keep his well-paid Axa CEO post. And Brende finally steps out of the shadow of his father figure.

Everything now hinges on the investigation. The election of Philipp Hildebrand to the Board of Trustees was arranged by Schwab after consultation with the Swiss government. The former head of the Swiss National Bank is to maintain contact with Bern. Together with Roche Vice Chairman Hoffmann, he is Schwab's contact to the Board. If the investigation finds no violations, an honorable farewell at the next Davos meeting would be conceivable. But even if some of the petty accusations are confirmed: In view of Schwab's lifetime achievements, they will never justify such a disrespectful approach.

And Rebecca? Although Schwab resigned before the ultimatum, the accusations ended up in the Wall Street Journal. She accomplished her mission: Schwab's monument toppled, the WEF's reputation damaged, its future uncertain. Now the Geneva public prosecutor Olivier Jornod, the recipient of Schwab's criminal complaint, must clarify her identity. Given the professionalism of the campaign, it seems unlikely that only embittered WEF employees are behind the conspiracy. Who else? Vindictive circles from the past? Conference rivals? Or even powers from Moscow? The story is not yet finished. ■



Photos: Bloomberg, PD