



## **Rainforest Action Network - the inspiring group bringing corporate America to its senses**

**Described as a 'mosquito inside a tent', the Rainforest Action Network is forcing corporate America to change its destructive practices. Nicola Graydon meets this inspiring group of activists.**

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The last five years have seen three of America's largest financial institutions - Citibank, Bank of America and JPMorgan Chase - coming out with environmental policies: both publicly and in documents they can be held to.

In May last year the board of JPMorgan Chase announced that they were going to lobby Washington about global warming. In September they used the brutal hurricane season - which cost approximately \$200 billion in damages - to warn US clients that global warming poses financial risks.

Then, in November, it seemed as though the unthinkable had happened: Wall Street was turning a shade of green that was not solely linked with a dollar bill.

The financial pages of American newspapers began buzzing with the news that Goldman Sachs had called on the Government to introduce mandatory regulations to confront climate change, saying that 'voluntary action alone cannot solve the problem'.

In a carefully worded Environmental Policy Framework the company also acknowledges that 'diverse, healthy natural resources - fresh water, oceans, air, forests, grasslands and agro-systems - are a critical component of social and sustainable economic development' and that as a leading global financial institution they 'take seriously our responsibility for environmental stewardship.' Blink.

It continues: 'We will work to ensure that our people, capital and ideas are used to help find effective market-based solutions to address climate change, ecosystem degradation and other critical environmental issues, and we will seek to create new business opportunities that benefit the environment.' Blink. Blink.

Finally, amidst a raft of other promises, aims and objectives, the company commits to establishing and funding a Centre for Environmental Markets.

If this is for real (which it seems to be) then it is in no small way attributable to a diminutive nonprofit organisation. The Rainforest Action Network (RAN) - started by Randy 'Hurricane' Hayes in 1985 - occupies two floors of a non-descript office block in downtown San Francisco, employs just 28 members of staff and is trying to save the planet on donations of \$2.4 million a year.

Six months ago they received a call from the communications director at Goldman Sachs wanting to talk. They were interested, he said, in coming up with an environmental policy and needed advice. For Mike Brune, executive director at RAN, it was the turnaround they'd been looking for. 'It was the first time a Fortune 500 company had come to us,' he says, 'instead of us chasing them.'

RAN, through their recent campaign, Jumpstart Ford, is demanding that the car company raise fuel efficiency to 50 miles a gallon fleet average by 2012.

### **Secret of our success**

According to Hayes, the methodology of their campaigns has its roots in the Burger King Boycott of 1986. 'We contacted Burger King and told them that the beef they were importing from Central America was directly responsible for pristine rainforest being felled to make way for cattle farms.

'They didn't respond. We got the classic corporate cold shoulder. So we hit the streets with the basic formula of grassroots action - combining non-violent civil disobedience with a lot of colourful street theatre, including a life-size paper- mâché cow with two people inside that was being fed rainforest leaves and defecating huge Styrofoam whopper burgers.'

It took 18 months of lunchtime demos outside Burger Kings around the country before the company cancelled a \$35 million contract for rainforest beef with Costa Rica. 'The cattle industry was shell-shocked,' grins Hayes, 'and the campaign triggered a worldwide focus on the significance of the rainforests.

In their next breakthrough campaign against DIY giant Home Depot in 1999, they had activists turn up at stores carrying clip boards and dressed in white coats with 'Old Growth Inspectors' written on the back, and leaked in-store intercom codes were used for customer announcements such as 'Attention all shoppers. The wood in aisle 2D is ripped from the heart of the Amazon. Do be careful of any spilt blood on the floor as we do our bit to destroy the earth.' Approximately a year later, Home Depot told its suppliers it wouldn't buy wood unless it was FSC (Forest Stewardship Council) certified, slashed imports from both Indonesia and Gabon - both notorious for illegal logging, and helped broker a deal between loggers and environmentalists in Chile to prevent the felling of native forests.

'Much more effective than a bunch of hippies saying "Please stop logging",' grins Hayes.

'They're such a major buyer it effects far greater change; there were ripple effects across the whole industry.' Several huge US retailers followed suit including Office Depot and giant stationers Lowe's.

Leverage from Home Depot was also partly responsible for the permanent protection of 35 per cent of pristine rainforest in British Columbia. 'It was a milestone for RAN,' says Brune, 'but the issue is not over. We only have protection for a third.'

### **A change of direction**

RAN began their Global Finance Campaign because they needed to find ways of being more effective. 'We began to realise that it was just too much hard work getting what we wanted directly from the logging companies or extraction industries,' says Hayes.

'Whether it's hydroelectric dams in the Amazon or pipelines in Peru, the developers have to get their money from somewhere, so if we could get the banks to stop funding the bad and start funding the good then we could get some real leverage.'

They started with Citigroup - the world's largest financial institution - in 2000. Citigroup is perhaps their longest and most challenging campaign to date. It took over four years to bring the company to one bended knee, and they used every single trick in their non-violent toolbox of persuasion.

The campaign was personal from the start. In 2002 on the eve of the Johannesburg Summit on Sustainable Development, they targeted CEO, Sandy Weill. He was in Europe eating breakfast when he opened a copy of the International Herald Tribune that contained a full page 'Wanted' advertisement with his photograph next to George W. Bush and John Wolfensohn, president of the World Bank, labeling him an environmental villain.

Two years later, Weill was confronted by students protesting his bank's record during a talk he was giving at his alma mater Cornell University, to which he had given a personal donation of \$100 million. Days later a devastating ad campaign began that had celebrities like Susan Sarandon and Ali McGraw cutting their Citi credit cards in half on television to the sound of chainsaws. Over 20,000 people cut up their credit cards and sent the plastic shards back to the company. This coincided with some financial scandals and plummeting share prices.

Citigroup raised the white flag by agreeing to stop arranging financing for a pipeline project in Peru as long as RAN agreed to a moratorium on their activities. And within a year of the agreement Citi had broken off an historic relationship with one of the most notorious illegal loggers in South East Asia - Rimbunan Hijau from Malaysia - which was embroiled in human rights abuses and rainforest devastation in Papua New Guinea.

'Is Citigroup a good ecological force in the world? No, it's not,' says Hayes. 'But do we have them looking seriously at decreasing how much harm is being done and increasing funding for renewable energy and certified logging? Yes, we do.' Now Citigroup has five members of staff who exclusively deal with environmental research and decision-making in the deals that they do.

## **A mosquito in the tent**

Fortune magazine compared RAN to 'a mosquito in the tent', and they've never allowed their size to dictate the size of their targets. Burger King, Home Depot, Kinko, Lowe's, the giant loggers Boise Cascade, Mitsubishi, Citigroup, Bank of America, JP Morgan Chase have all capitulated (at least, in part) to RAN's demands for environmental responsibility, and this is creating a ripple effect throughout corporate America as associated suppliers and sister companies follow suit.

It is a testament to the formula that RAN has never once lost a campaign, a remarkable record given the limitations of their size and budget. Why have they been so successful?

'We're very tenacious,' says Brune. 'Once we sink our teeth into a company, we don't let go. We're also very creative and we don't go it alone. We have relationships with various other grassroots organisations which all come on board.'

'Also public opinion is on our side. There may not be many groups confronting corporate America right now but, on the streets, there's a profound dissatisfaction with the administration and a hunger to hold corporations accountable.'

Hayes continues, 'There are plenty of trans-nationals that know we can damage their brand; that we can reach their employees and shareholders and say, "Did you know your company is involved in destroying the rainforests or the destruction of indigenous peoples? Is this what you want from your company?"'

Both Brune and Hayes enjoy the stunts and the notion of being 'barbarians at the gates' but, uniquely for most radical organisations of their ilk, they are also willing to work with corporations and advise them on policy and celebrate corporate leadership where they see it. It's a strategy that undermines the critics who claim that RAN is an inherently anti-capitalist, anti-business organisation.

'Far from it,' says Ilyse Hogue, director of the Corporate Campaign. 'We forget corporations are made up of human beings, many of whom have children and who are as concerned with the future of the planet as we are. Also, the people at the top of these companies don't get there by accident: they are some of the brightest, most creative minds in business, so we often find that once we've alerted them to the actualities of the issues, the brutal facts, many of them can become very motivated.'

'I think what we do really well is command the attention of decision makers.'

Hayes always insists on the involvement of the CEO and when any other lesser beings are presented RAN will walk away from the table: 'If it's a question of getting things done, we have to have support at the highest level.'

Goldman Sachs is blessed with CEO Hank Paulson, who also happens to sit on the board of Nature Conservancy. 'He's our most committed chairman to date,' says Hogue. 'There's a real interest there, it just took him a while to realise that both the roles he held were interlinked.'

Goldman Sachs were also quite badly burned by a grass roots campaign in 1998 when they were involved with PetroChina, where they were taken on by Tibet activists and labour unions.

But Hogue insists their enthusiasm is also an indication of how new values and ethics are transmitting through the sector. 'Goldman Sachs have a serious reputation for anticipating trends in the market place so they've been watching what's going on. The thing is that having an environmental policy is no longer revolutionary; it's expected at this point and this is a company that likes to be ahead.'

But how can they be sure that companies are not simply paying lip service to eco-ethics for some good PR and to keep RAN off their backs? In other words, how do they know that when they give glowing praise to a multinational for going green that they will stick to their word when all agreements are entirely voluntary and non-binding?

'It's true that when the spotlight moves from one company to another, the pace of implementations usually slows,' says Brune, 'so our challenge is to continue to act as task masters and continue to persuade and push and threaten and reward and motivate them to implement their policies in good faith.'

He admits it can be overwhelming to hold all of them accountable at once, but claims broad partnerships with other NGOs - Forest Ethics, EIA, BankTrack,, WWF and Friends of the Earth to name a few - means that if a company is slacking someone will pick it up.

For example, Brune recently received a report from EIA about corruption and illegal logging in Honduras by a supplier to Home Depot, so RAN will now approach Home Depot with the report and push them to either engage with the company to improve practises or drop them altogether.

Hogue mentions that they are currently concerned with Bank of America's activities in the Canadian boreal forests and is talking about re-starting the campaign against the bank. 'We're having doubts about their engagement. They've committed to stop funding that would degrade intact forests and specified the boreal, but we don't even think they've done a full mapping of their impact on the area. It's their first project and they've hardly moved forward at all.'

Hogue believes that publicity about a company's green shift acts as an incentive on implementation because they have to stick to their word, but she admits that they are taking a risk when they publicly congratulate a company. 'It's a risk of faith when we are moving from enemy to friend. Our personal integrity is involved so we make those judgements very carefully. The only thing that brings comfort is knowing that if a company doesn't honour their commitments, we'll resume a very public and aggressive campaign.'

And Bank of America is, she says, the exception to the rule. In most cases companies have responded well, using RAN as a resource and being transparent about progress at quarterly meetings when RAN gives them a matrix of goals and time lines. Citibank has begun holding yearly meetings when the CEO briefs the company on past progress and

future commitments. 'It's a real indicator of intentions when the CEO is really engaged.'

Their success in the financial sector has persuaded them to attempt another seemingly Sisyphean campaign. Last year RAN began a campaign against Ford Motor Company as their first step to bringing about the end of the combustion engine.

### **Jumpstart Ford**

RAN director Jennifer Krill explains why an already over-stretched organisation should consider taking on the most iconic of America's car manufacturers. 'Since 1985 we've been fighting an oil pipeline somewhere. Oil doesn't just come from deserts, it comes from rainforests too. Nigeria should be a pristine rainforest, Columbia, parts of Brazil, Venezuela have all lost forests to oil extraction.'

'In the best case scenario we might chase a company out of a project; for example we got Oxidental Petroleum out of Columbia but a Latin American company took over - and we considered that a victory. We had to start looking at the deeper, more intrinsic causes of the oil chain of destruction. And that leads to us tackling oil consumption.'

Krill predicts that Jumpstart Ford will be their biggest, and possibly most influential, campaign to date. And she's in no doubt that they will, eventually, win their case.

'The challenge is not whether we will succeed, but are we going to succeed in time?'

She says. 'We're talking about deep, entrenched issues here, beginning with America's addiction to oil. Cars account for more than 40 per cent of our oil consumption and transportation as a whole accounts for a huge 70 per cent. America has five per cent of the world's population, and consumes over 25 per cent of the world's oil.'

'And this addiction has massive side effects: oil consumption is the single biggest contributor to global warming and climate change; exploration and extraction has resulted in wholesale destruction of rainforests and fatal pollution as the result of spills and toxic waste. Finally, it erodes our national security and Americans are beginning to make the connection between our dependence on foreign oil and some of the terrible things that are happening around the world.'

Krill considers 2005 to be a turning point in the American psyche: with crude reaching a new high of nearly \$US70 a barrel, ordinary people are feeling the pinch at the pump and are, for the first time, making the link between oil dependence and the devastating war in Iraq.

'People are demanding fuel efficiency above safety technology,' claims Krill. 'Toyota Hybrids are outselling gas-guzzling Hummers by four to one. Consumers are really beginning to wonder whether or not we can afford what is a very dirty habit. But Ford is in deep denial.' She laughs, and starts talking the 12-Step language of Alcoholics Anonymous. 'They haven't yet reached the first step of realising their own addiction to oil. They've admitted that climate change is a problem, but that's like admitting alcoholism is a problem. We're not expecting Ford to go cold turkey; but they need to admit they have a problem and start taking steps to do something about it.'

RAN has targeted Ford because Ford's vehicles have had the worst average fuel economy of all the major US automakers for the last five years. 'Ford is the worst of a bad bunch. They may not be the biggest and General Motors produces more smog-forming pollutants, but Ford's terrible record on fuel efficiency speaks for itself.'

RAN has already given Ford their benchmark demands: Fuel efficiency of 50 miles a gallon fleet average by 2010, and zero emissions across the board by 2020. 'We're asking a lot,' Krill admits, 'but it isn't rocket science. They have the technology, they just claim it's too expensive and that consumers won't support it.'

Meanwhile, Ford claims it's doing all it can to be environment friendly. They point to the launch of the first hybrid SUV on the market; the Escape has been widely advertised in mainstream newspapers and green, alternative publications like Mother Jones and the Sierra Magazine. Krill snorts with derision: 'They made 20,000 of these cars. How many Mustangs do they make a year? How many Explorers do they sell every year? 600,000? 800,000?'

'No wonder they say the technology is too expensive or they don't have the market - 20,000 is a derisively small number in an industry where profits require economies of scale.'

RAN believes that Ford is using the new Escape to give the company a green tinge without any real commitments to change. 'If you were to listen to Bill Ford,' says Mike Brune, 'you would think that he had just come from a RAN training camp. What he says is fantastic and what he actually does is abysmal. His leadership has actually led to a decrease in fuel efficiency.'

But RAN is stepping up the campaign exponentially. In early April last year there were 160 demonstrations on one day; they aim to double the number in the autumn. Some dealers have practically joined the activists, writing into head office telling the suits, 'We can't sell vehicles that are gas guzzlers any more. Our market share is decreasing, we feel as though we're driving in reverse.'

On July 4th, RAN's 'Declaration of Independence from oil' campaign received a broad media profile with its picture of the Statue of Liberty wearing a gas mask and surrounded by clouds of pollution (another one with the statue with a gun at her head in the shape of a petrol pump nozzle was shelved) and by the end of year profits had taken a hit.

'We'd love to count Bill Ford as a true ally,' continues Brune, 'a leader who will transform his company and promote American innovation and ingenuity to promote clean jobs, clean air and a healthy planet. We want to see the Ford of the future selling even more cars because they are innovative, green cars and Ford was the first to start producing them voluntarily - ahead of the game.'

Krill continues: 'I think that was another reason we approached Ford. Henry Ford gave birth to the American auto industry at the turn of the twentieth century. We are hoping that his descendent Bill Ford can display similar vision and courage. He's the most powerful man in the auto industry right now; the ball is in his court. But we need more

than just rhetoric. We need timelines and targets. Real commitment.'

'There are positive signs,' she admits. 'The hybrid Escape is out of the door; it's a union-made, fuel-efficient SUV - the first on the market. Problem is, they only made 20,000 of them.'

### **No permanent victories, only permanent failures**

David Brower, founder of the modern ecology movement, said there were no permanent victories, only permanent failures. In other words, once a forest is felled, a valley damned, a water meadow built on, it's all but impossible to bring them back.

The activists at RAN constantly live in the midst of limitations. Although delighted with the Goldman Sachs deal, Hogue is frustrated by how far they still have to go, 'Every time we achieve an agreement we learn from it. We should've pushed Citibank much harder on climate change, for example, but then we did get Morgan Chase to take a lead on that. But we're still waiting for a bank to categorically refuse money to a client because they're not playing their role in responsibility. Imagine if Citibank or Goldman Sachs said to someone like Exxon Mobile, "Actually, until you get serious about climate change; stop promoting junk science and move more towards renewables, we can't give you any money. Now that would be something."

'But we recognise obvious constraints limiting what any CEO can do: ultimately it's a business, so they have to show returns and look at the bottom line. All we can do is push them beyond the existing infrastructure of decision-making and show them how, within their realm of influence - which is huge - they can maximise the potential of the financial marketplace in making the world a safer place.'

'We're not looking for these guys to save the world, but we are asking them not to be part of the problem and hopefully come up with some solution.'

Brune points out that RAN is essentially doing the job that government should be doing and that, although they may be helping to reduce the ecological footprint of corporations, they haven't begun to approach the issues related to corporate power. 'We are making progress where government has failed; the challenge over the next decade is to light a fire under our political leaders to do their jobs.'

Climate, he says, could be the lighter fuel. 'It's pushed us into a new realm,' he says, 'as the walls between the economy and ecology have started to crumble.'

For now the political establishment seems only to be interested in muzzling criticism.

### **Home of the brave**

When Boise Cascade, the huge logging giant, sent a letter to RANs funders claiming, according to Brune, 'that we were an anti-capitalist, anti-American, anti-business, illegal, immoral, radical, dangerous, socialist, communist, pot-smoking, draft-dodging bunch of hippy freaks', the vast majority of their donors were supportive. In fact, many doubled their contributions, writing to Boise and saying something along the lines of 'if RAN had

made the largest logger of old growth forests that upset, then they must be doing a good job.'

However, RAN is now under investigation from Congress. The House Ways and Means Committee have subpoenaed them to hand over every document and piece of footage relating to every protest they've done since 1993 in order to investigate whether they are entitled to their tax-exempt status. RAN handed over hundreds of documents and video footage on May 31st. They're waiting to see if they will be called to testify.

They're doing it from the standpoint that non-violent civil disobedience is a law breaking activity and therefore shouldn't be funded by tax-exempt donations,' says Hayes, who points out that RAN has always been publicly and emphatically against property damage or violence. 'However, if it were the case that what we're doing is illegal, then they'd have had to shut down the churches of Martin Luther King and the civil rights movement.'

The subpoena has taken a fair amount of time and money to comply with, especially as RAN took the precaution of removing every name and face from the material to protect members from the possibility of a witch hunt.

'We decided to comply because we're proud of what we do, but it's been a distraction,' Brune admits. 'We can only hope it might be an opportunity to raise issues that the administration continues to ignore.'

Hayes considers it a very worrying development. 'What happens if they manage to revoke our tax-exempt status? It's a direct attack on NGOs that would irrevocably weaken any critics of the administration who are exposing the social and environmental costs of capitalism.' It is ironic that, at a time when Wall Street may be waking up to the value of environmental sustainability, Washington is seeking to muzzle one of its prime advocates.

For the time being, Brune admits, all they are managing to do is apply 'band aids on a gaping wound' but insists that working with - as well as against - corporations is the only way forward.

'Citigroup alone could be transformative in illegal logging globally,' he claims. 'They alone could bring about better mining standards and they could be a catalyst for evaluation risk and carbon exposure. And that is only one company. Add JP Morgan and Home Depot and we are seeing real results.'

Hayes admits they're ambitious but they have to be in order to, as he puts it, shift the 'fundamental architecture of the economy'. They talk about the Great Ecological U-Turn espoused by the late David Brower, founder of the modern ecological movement, who believed that at a certain moment - when we were looking over the abyss - there would a quantum shift in thinking that would bring about profound systemic change to the way we deal with food, energy, transport and manufacturing, changes that would then bring about an ecologically sustainable society in our lifetime. Hayes admits they've only taken baby steps towards that goal.

'We haven't had sufficient effect yet. I don't need to tell you that we are in real trouble. It's

a triage mentality right now. The next few decades are going to be full of chaos and increasing social and ecological turmoil, but we have to have a plan commensurate with the scale of the problem. We can't afford to have slow solutions to fast problems and that's what we've seen in the last few decades of environmentalism: it's been a heroic effort, but the incremental changes just haven't worked.

'Ultimately we have to ecologise capitalism, but for now if we can dramatically decrease the capital going into illegal logging and gas guzzling cars then we can at least buy some time for deeper change.'

'So we hit the streets with two people inside a life-size paper-mâché cow that was being fed rainforest leaves and defecating huge Styrofoam whopper burgers.'

### **CAMPAIGN METHODOLOGY**

RAN applies a basic good cop/bad cop methodology to their campaigns that goes something like this:

1. Write a letter to the CEO and Board of Directors alerting the company to the fact that their company is causing serious ecological and/or social damage.
2. Write another letter alerting them to the fact that RAN will begin a consumer campaign against the company if they do not receive an adequate response.
3. Begin a letter-writing campaign to the company; post a notice on the website about the specific damage the company is causing.
4. Step up the campaign: take ads in major newspapers personally accusing the CEO of being an 'environmental villain'. Disrupt AGMs. Hang banners from tall buildings highlighting environmental crimes. Mobilise campuses and grass roots organisations to organise boycotts of the company's products and services. Organise high media profile demonstrations.
5. Write a letter to the company listing what they need to do to end the campaign and suggest that they meet with members of RAN to thrash out an environmental programme.
6. If there is still no response, step up the campaign with every non-violent tool in the toolbox and continue to do so - relentlessly - until the company raises the white flag.
7. Organise a meeting and, if the response seems genuine, call off the campaign and advise the CEO and Board of Directors on a far reaching, long term environmental policy.
8. Publicly congratulate the company for becoming environmental leaders.
9. Continue to monitor company progress and if the company reneges on agreements, begin the campaign all over again.

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