The Environmental Consequences of China’s Growth
SCIENTISTS AGREE THAT climate change is now occurring at a faster rate than was predicted just a few years ago. A tipping point may soon be reached where averting catastrophic changes may be next to impossible. However, we have at last reached a tipping point in terms of public recognition of the problem. In February, 86 evangelical Christian leaders announced their backing of a major initiative to fight global warming and issued a statement calling for immediate action. The media is now catching on and belatedly catching up. I was happy to see a recent *Time* magazine cover story on global warming. The article frankly acknowledged the basic science and offered a strong critique of the Bush administration’s lack of action on global warming.

The support of evangelical Christians is a political breakthrough, which I expect to be pivotal in influencing Republican congressional leaders. Evangelicals represent about 40-50 percent of the Republican base. If this group demands action on climate change, the Republican Party won’t be able to ignore it.

The basis for this change of heart on the part of evangelical Christians is rooted in the notion of creation care. As the Rev. Rich Cizik, Vice President of Governmental Affairs for the National Association of Evangelicals has said, “I don’t think God is going to ask us what we did with what he created...This is God’s world. When we destroy or deplete it, we violate his will.”

“The Great Warming,” a movie on the science of global warming and its impacts on people around the world, is emblematic of the growing movement that pairs religious leaders with environmentalists. Friends of the Earth and several religious organizations including The National Council of Churches and The Coalition on the Environment and Jewish Life sponsored the movie, which premiered in New York City on March 24. Rev. Cizik was interviewed in the movie.

In the State of the Union address, President Bush voiced his concern about our dependence on fossil fuels. Unfortunately, for his first five years as president, Bush has promoted maximum fossil fuel dependency. Furthermore, his budget calls for cuts to key programs that encourage alternative energy.

As the largest global warming polluter, the United States has an obligation to lead the world in implementing clean energy solutions. Regrettably, U.S. institutions and companies have provided a model for development that encourages dependence on fossil fuels, levels forests, and pollutes. China is now copying this exploitation model. This issue’s cover story deals with the efforts of Chinese companies to gobble up the natural resources of Africa in the same way the U.S. and key U.S. companies have plundered continent after continent for oil, minerals, and timber.

Institutions like the World Bank and the U.S. Export-Import Bank have perpetuated this development model by financing oil, mining and gas projects. Only a miniscule portion of their spending is devoted to clean energy. In April, Friends of the Earth’s case against the U.S. Export-Import Bank, which charges the Bank with failing to assess the climate change impacts of the projects it finances, will be heard in federal court.

Given the public awareness and concern that is developing on global warming, I hope to see rapid changes, at all levels of government, become more feasible. Stay tuned for in-depth coverage in our summer issue.

*Brent Blackwelder*
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The Environmental
OPEN ANY NEWSPAPER in America these days and there is bound to be an article chronicling the amazing story of China’s rapid economic growth. At its current growth rate, China is expected to bypass Japan as the world’s third largest economy by 2020.

But although its economic growth has been astounding, it has also been very uneven, with about 800 million rural poor excluded from the benefits. As a result, millions have migrated to cities in search of work, creating a pool of 100-150 million underemployed in China’s cities. The combination of underemployment and social inequality has created serious social tensions in the country. Despite these tensions, China’s economy shows no signs of slowing down.

Unfortunately, China’s growth has also created an environmental crisis, marked by unchecked industrial pollution and acute public health impacts. The country’s own State Environmental Protection Administration reported that breathing the air in China’s most polluted cities is the equivalent of smoking two packs of cigarettes a day, and according to some sources, the water in five of China’s biggest river systems cannot be touched, let alone drunk. And, as China increasingly looks beyond its borders for the natural resources that will fuel its growth, it is also contributing to environmental impacts globally.

As the world hits its ecological limits, China will increasingly compete with the U.S. and the rest of the world for limited natural resources.

China and Conflict Commodities
To help fuel China’s growth, Chinese companies are actively purchasing timber, oil, gas and mineral assets around the world. Western companies have already acquired much of the world’s most lucrative and accessible natural resource concessions, so Chinese companies have been forced to seek out riskier opportunities in politically unstable or frontier areas.

For example, China National Petroleum Corporation (CNPC) is a key developer of oil fields in Sudan, a country that many Western companies have avoided for political and economic reasons. Sudan’s oil revenues, which are estimated to generate about $1 million in revenues per day, play a critical role in bankrolling the civil war and genocide that has been wracking the country for more than 20 years.

In Liberia, former President Charles Taylor liquidated the country’s timber resources to finance his own armies, as well as mercenaries in Cote d’Ivoire and Sierra Leone. Hungry for timber, China became a major buyer of Liberian wood products, and in 2001 China’s wood purchases represented a staggering 58 percent of Liberia’s total exports. The revenues from this “conflict timber” (continued on page 6)
financed Liberia’s ongoing civil war, which ultimately killed 250,000 and displaced one million people.

A Fearful U.S. Response?
As the world hits its ecological limits, China will increasingly compete with the U.S. and the rest of the world for limited natural resources. In particular, Africa (which by 2010 will account for about 30 percent of the global growth in oil and gas production) will likely become an “important battleground of influence between China, the United States and India as they struggle to ensure the motor of their future economic growth does not run out of fuel” (Financial Times, March 1, 2006). The social, economic and geopolitical implications of China’s growth are already creating a spike of anti-China sentiment among U.S. politicians and the public. As Chinese companies have become increasingly involved in some of the most environmentally and socially harmful projects around the world, the Chinese government has been accused of supporting dictatorships, fueling conflict, and running roughshod over the environment.

A steady increase in oil prices has led some American commentators to blame China for gobbling up the world’s resources. However, we should remember that China and its companies are not unique. Examples still abound of how U.S. companies such as Freeport McMoran and Newmont Mining harm local communities and the environment abroad. Many American companies, including Amerada Hess and ExxonMobil, refuse to even disclose their tax and royalty payments to national governments – the very revenue that is supposed to deliver social and economic benefits to poor countries.

And China’s oil consumption is still only a fraction of that in America; while there is one car for every two Americans, there is currently only one car for every 70 peo-

CASE STUDY  Conflict, Corruption and China in the Nigerian Delta

Nigeria is the largest oil producer in Africa, exporting approximately 2.5 billion barrels of oil a day, making it the 11th biggest oil producer in the world. Beyond its current production, Nigeria still has large deep water oil deposits that are being explored. And, even more significant than its oil deposits, it has massive natural gas reserves. As the world’s fossil fuel discoveries steadily decline, the importance of Nigerian oil and gas potential is rapidly increasing.

But Nigeria and its people have not benefited from its natural resource wealth. Instead, 60% of its population live on less than a $1 a day and suffer from the toxic pollution left behind in the wake of oil extraction. The country has long been plagued with conflict, corruption and brutal paramilitary operations. Civil conflict in Nigeria has escalated recently as armed groups have taken hostages, demanding oil companies pay reparations for decades of environmental degradation and calling on the Nigerian government to ensure equitable distribution of oil revenues.

While this conflict has oil giants such as Shell reconsidering its investments, China has not been deterred by the increasing violence in the region. China eager to fuel its expanding economy with oil, has just recently paid $2.3 billion for a stake in a Nigerian oil field and gas field project.

China has also become one of Nigeria’s main suppliers of military hardware to the Nigerian government, which has requested assistance in addressing armed conflicts in the region. Initially, Nigeria had turned to the United States for military help. According to The Financial Times, however, U.S. diplomats were hesitant to contribute military supplies, citing concerns over the alarming level of human rights violations and corruption within the Nigerian security forces. The Chinese government had no such qualms.
ple in China. In fact, American consumerism may be fueling much of China’s aggressive resource extraction activities around the world. For example, a significant portion (about 40 percent, according to some estimates) of the wood imported into China is not consumed by Chinese citizens. Instead, it is eventually exported in the form of cheap picture frames and other items sold at Wal-Mart and similar stores.

**What We Can Do**

There is no doubt that we will continue to read more about China in our daily newspapers. Abroad, there are concerns about human rights and environmental protection as Chinese companies look to developing countries for natural resources. And finally, there is the question of whether China will turn from economic powerhouse to political superpower.

But rather than fear China’s rise, we can and should learn from it: as a global community, how many resources can we continue to extract from the environment, and how much pollution can we put into the environment, before the ecological systems on which all life depends start breaking down? The idea of “ecological space,” a concept pioneered by Friends of the Earth International, posits that every person on earth has the same right to live on this planet, and the same right to (although not the obligation to) consume an equal but limited share of our earth’s resources. The trick for China, as it grows, is to find ways of living and thriving within its ecological space. And the trick for us, as Americans, is to do the same by learning to live with less stuff while maintaining or improving our quality of life.

That is not to say that the U.S. should ignore the real problems posed by China’s growing role in the international economy. But some of these problems stem more from economic globalization than the activities of one country. The solution should lie in creating global trade and financing rules designed to protect the environment and human rights. As U.S. companies and banks invest increasing sums in China, we should make sure that they do so responsibly and with environmental and social concerns foremost in their minds. And as individuals trying to make a difference, we should pass up those cheap picture frames at Wal-Mart – not because we are anti-China, but because we want to create sustainable societies, live within our ecological limits, and support close-knit local economies.

In many respects, it’s not about “saving the world from China,” but saving the world from what Lester Brown (in his new book *Plan B, 2.0*, reviewed in last month’s *Friends of the Earth Newsmagazine*) described as the Western economic model: the fossil-fuel-based, auto-centered, throwaway economy. “If it will not work for China,” Brown states, “it will not work for India.” Nor will it work for any country on our planet, including our own.
Against All Odds
How one man risked his life uncovering evidence that led the UN to impose timber sanctions on Liberia

On April 24th Friends of the Earth partner Silas Siakor received the 2006 Goldman Environmental Prize, the world’s largest prize for grassroots environmentalists.

By David Rothschild

“OUR STRUGGLE FOR THE environment is not about trees. It is a campaign for social justice and respect for human rights. It is about our right to have a healthy and safe environment.” — Silas Siakor, February 2006

Liberia is one of the poorest countries in the world. But with recent events, the tide may be turning. Only three years ago, the brutal Charles Taylor regime ruled Liberia using death squads, quashing any opposition and sacking the country’s natural resources. Under Taylor, millions of dollars from the sale of illegally logged timber and diamond mining funded armed militias and fueled the civil war. Silas Siakor uncovered evidence that Taylor was using the profits of unchecked, rampant logging to pay the costs of the vicious civil war, and fed the information to the United Nations Security Council, leading it to ban the export of Liberian timber. These UN sanctions helped force Taylor out of power in 2003, and in January 2006, Liberia inaugurated Ellen Johnson-Sirleaf, Africa’s first democratically elected female president. Siakor played a key role in this extraordinary outcome in a corner of the world that in recent decades has not had its fair share of success stories.

The Pygmy Hippo and the Oriental Timber Company

Liberia’s 11.8 million acres of forest (twice the size of Vermont), are home to nearly half of Africa’s mammal species, including the West African dwarf crocodile, the zebra duiker, Jentink’s duiker, the pygmy hippopotamus, and the largest forest elephant population in West Africa. Illegal logging during the civil war left Liberia with only 31 percent of its original forest cover, threatening both the animal species and the people who depend on the forest. Then-President Taylor raided the valuable hardwood forests by awarding the largest logging concessions in the country to his favored company, the Oriental Logging Company. The company’s private militia committed egregious human rights abuses including rape, beatings and indiscriminate destruction of entire villages.

Siakor’s first conservation efforts began in 1997 when he and his brother Ronnie reorganized the Save My Future Foundation (SAMFU) to promote environmental sustainability throughout Liberia. Projects included protecting sea turtles along the coast, wetlands preservation and preparing inventories of forest species. As the blatant destruction of the forests became more apparent, Siakor began to focus on rampant illegal logging. In 2002 he began working with the Sustainable Development Institute (SDI), a new organization begun as a project of SAMFU. In 2004, SDI became an accredited independent organization and Silas became director. Presently, he is coordinating Liberian civil society’s participation in the forest sector reform mandated by the UN Security Council, and is working with President Johnson-Sirleaf’s government to establish a workable forest management plan.

From Sea Turtles to UN Sanctions

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While Africa is rich in oil and natural gas resources, Africans have gotten very little out of extraction deals. Pictured here is a gas station in Liberia where gas is dispensed from glass jars through a plastic tube.

Siakor and his wife Jacqui.

While Africa is rich in oil and natural gas resources, Africans have gotten very little out of extraction deals. Pictured here is a gas station in Liberia where gas is dispensed from glass jars through a plastic tube.
Siakor was undeterred by Taylor’s death squads and the Oriental Logging Company’s militias. He collected hard to get evidence of falsified logging records, illegal logging practices and human rights abuses in logging operations. To document the blatant illegal exporting, Siakor monitored three shipping ports, collecting data on 80 percent of the logging exports from those ports. Observing the ports from the tops of nearby buildings, talking with port workers, and hiring others to monitor with him, he found that the actual exports greatly exceeded official reports. In one port, Siakor exposed evidence that the Oriental Timber Company exported nearly $19 million worth of timber, and was receiving and unloading arms shipments.

Siakor worked with Friends of the Earth and other international organizations to get the evidence to the UN Security Council, leading them to ban the export of Liberian timber, part of wider trade sanctions that remain in place today. Arthur Blundell, Chair of the UN Panel of Experts on Liberia, said “The evidence Silas Siakor collected at great personal risk was vital to putting sanctions in place and cutting the links between the logging industry and conflict.”

**Giving Voice to Forest Communities**

Seen as one of the most influential grassroots leaders in Liberia, Siakor has done more than provide evidence to the UN. Since Taylor’s removal, Siakor has focused on ensuring that Liberia’s vast forests are protected by sustainable timber trade policies, recognizing that the timber trade will inevitably play a role in the country’s post-conflict economy. He has organized workshops and written proposals that outline forest sector reform priorities, emphasizing transparency, civil society input and sustainable forest management. He has worked consistently to give a voice to the local communities that suffered under Taylor’s regime by creating and nurturing Liberia’s first Forest People’s Congress, helping local people engage in the post-conflict rebuilding process.

**From the Forests of Liberia to the International Criminal Court**

In December of 2005 Siakor traveled to New York to urge the UN Security Council to maintain the sanctions until the corrupt logging companies that operated under Taylor are removed, the forestry sector is reformed, and a workable forest management plan is in place. The UN sanctions have had a huge impact. In her first presidential order after being sworn in, President Johnson-Sirleaf cancelled all of Liberia’s forest concessions and vowed that no new forest use agreements will be issued until a wide range of reforms have been implemented. The Oriental Timber Company now has no claims to any of Liberia’s forests. Furthermore, the head of the Oriental Timber Company is now in The Hague facing charges of crimes against humanity before the International Criminal Court. Indeed, in Liberia the tide may be turning.

In April 2006, Siakor traveled to California and Washington D.C. to receive the $125,000 Goldman Environmental Prize, the world’s largest prize for grassroots environmentalists. Currently, he is continuing his work collaborating with the new government to reform Liberia’s forest sector. Odds are Silas will succeed at this too.
IN BRIEF

Nation’s First Clean Fuels Standards for Ships

Bluewater Network’s advocacy was instrumental in the adoption of a new California regulation that directs ships to switch to cleaner fuels in back-up engines when they are within 24 nautical miles of the coast. Ships use back-up engines mainly to produce on-board electricity when docked. This regulation will cut ship’s in-port air pollution by 75 to 80 percent beginning in 2007. It will apply to the 1,900 oceangoing vessels that make 10,000 stops at California ports each year.

This is the first time that a state has regulated fuels on foreign-flagged ships. Campaigner Teri Shore helped convince the directors of the California Air Resources Board to support the regulation in the face of strong shipping and oil industry opposition. These “SUVs of the seas” will now burn cleaner fuels in California waters, and fewer people will get sick or die prematurely because of poor air quality.

Georgia Report Identifies Strategies for Improving Environment

With help from Friends of the Earth, the Georgia Conservation Voters Education Fund released Greening the Budget 2006: Ten Policy Recommendations to Protect the Environment & Public Health in Georgia in January 2006. This report highlights ten strategies for improved funding of state environmental programs. The strategies include cutting subsidies for polluters, reallocation of resources and tax incentives. The report found that although Georgia’s state budget has grown by 11.5 percent the Environmental Protection Division’s budget has been cut 50 percent during the same period. With a more sensible allocation of resources and incentives for good environmental “behavior,” the state of Georgia could make vast improvements in enforcement of environmental regulations. See the report at: www.protect-georgia.org

Friends of the Earth’s Southeast Tour

Friends of the Earth continued to build support for rail transportation with the second leg of our Whistle Stop Tour. Transportation Coordinator Colin Peppard traveled southward in February, meeting with local groups, transportation officials and the media. Most importantly, he was able to speak with rail users and see firsthand what kind of service is provided. The trip began in Philadelphia and looped back to D.C. through Charlotte, Atlanta, Columbia, Raleigh, and Richmond.

During the course of the trip, Colin saw both the good and bad sides of sustainable transportation. In Charlotte, N.C., he saw the massive economic development that is accompanying the construction of a new light rail system. Outer urban neighborhoods of this growing city are experiencing an economic rebirth because of the line, slated to open in 2007. However, the Amtrak trains on which Colin traveled were frequently hours late. The poor on-time performance was due to freight train traffic, and clearly showed the need for the rail legislation Friends of the Earth is pushing in Congress. Among many other reforms, the bill sets up a fair process for allocating track rights to Amtrak. In spite of unreliable schedules, Colin was heartened to see that the trains were packed with riders traveling throughout the Southeast. Join Getting There, a new Friends of the Earth blog on rail transit: blog.foe.org/getting_there.

Gas Flaring in Nigeria

Last year we reported on a major victory for Friends of the Earth in Nigeria (known locally as Environmental Rights Action) when Shell Petroleum Development Company of Nigeria (Shell) was ordered by the Federal High Court of Nigeria to stop gas flaring in the Niger Delta. Gas flaring – the burning off of excess gas that escapes as oil is extracted – is a common practice in Nigeria, totaling more than half of all the greenhouse gases emitted in Africa. Approximately $2.5
IN BRIEF

Billion worth of gas is burned off through flaring every year in a country where many people live on less than $1 per day. After the ruling, Shell filed an appeal to the court challenging the validity of the judgment, claiming a violation of the legal process. Communities will be back in court in March to present written briefs, at which point a judge will determine if the case can move forward. Shell has had a controversial environmental and social record in the Niger Delta for many years, including close ties to corrupt regimes. The company was recently ordered to pay local communities $1.5 billion in compensation for years of environmental pollution and degradation. To read more about Shell and Friends of the Earth Nigeria, please visit: www.eration.org/modules/Publications/docs/shellreport.pdf

Legal Victory: Renewable Fuel Goals for Government Fleet!

A federal judge recently ruled in favor of Friends of the Earth and the Center for Biological Diversity, finding that the Department of Energy had violated the Energy Policy Act by failing to set a realistic goal for reductions in U.S. gasoline usage. The court also ordered the Department of Energy to determine whether it was necessary to require private and municipal fleets to purchase alternative fuel vehicles when adding new cars to their fleets to help meet that new goal. Alternative fuel vehicles include cars powered by ethanol, natural gas, batteries, hydrogen, and liquefied petroleum gas. After the first Gulf War, President Bush signed the Energy Policy Act into place to help wean the United States off its dependence on foreign oil. Bluewater Network – a division of Friends of the Earth spearheaded this case.

World Heritage Sites Threatened By Climate Change

The United Nations Educational, Scientific and Cultural Organization (UNESCO) met in Paris in March to discuss how global warming is harming several World Heritage Sites – those places around the world that have received special designation from the United Nations for their significance to our natural or cultural heritage. Friends of the Earth-Nepal and several other groups have filed petitions to UNESCO, raising concerns about the threat climate change poses to glaciers on Mount Everest in Nepal, the Waterton-Glacier International Peace Park in Montana and Canada, the Peruvian Andes, the coral reefs off the coast of Belize, and the Great Barrier Reef off the coast of Australia. UNESCO is meeting to investigate the claim.

Local children stand with water containers while gas is flaring in the background at a Shell oilfield in the Niger Delta.

Planning a Spring Wedding

ARE YOU OR A MEMBER of your family planning a spring wedding? Create a wedding gift registry with the I Do Foundation’s partner stores and up to 8% of your gift purchases will be donated to Friends of the Earth. Partner stores include both on-line stores (amazon.com) and retailers such as REI, Linens-n-Things, Macy’s, and many more. Go to www.idofoundation.org to start your gift registry. Once you are registered, you can use the easy online process to register with any of their partner stores and select Friends of the Earth. Friends of the Earth will receive a portion of every gift purchase.
Drowning the National Park Service

By Carl Schneebeck, Public Lands Campaign Director

THE WARNING SIGNS have been there since President Bush took office. Back in April of 2001, Grover Norquist, the president of Americans for Tax Reform and a strong supporter of the Bush administration told The Nation his goal was to get government “down to the size where we can drown it in the bathtub.” Since then, the Bush administration’s scheme to undercut critical and successful government services has become crystal clear. Their sights are now set on our national parks. But instead of being upfront with the public about their intentions, the administration is using covert methods to strip down the National Park Service. The bathwater in Grover’s tub is running.

The first sign of stealthy manipulation came in the form of a rewrite of the National Park Service (NPS) management policies that reinterprets the governing statutes of the agency in such a way as to abandon its 90-year duty to conserve and protect the parks. Past changes to the management policies have been made in consultation with career Park Service employees and the public, but the first version of this rewrite was drafted behind closed doors by Deputy Assistant Secretary of the Interior Paul Hoffman, an exile to Dick Cheney and a former president of the Cody, Wyoming Chamber of Commerce. When the draft was leaked, former Park Service employees and national environmental groups attacked the rewrite for a variety of reasons, including that the plan loosened restrictions on off-road vehicle use, air pollution and grazing. The Park Service then released another version, which still threatens the mission of the agency and the very resources the agency is entrusted with protecting.

In order to ensure that these proposed policies are interpreted in keeping with the administration’s philosophy, Park Service Director Fran Mainella issued a memo to NPS employees last October requiring that all new mid-level managers be approved by a political appointee. In

New management plans for the national park system threaten the wildlife, air quality, and natural beauty of parks like Yellowstone National Park.
what amounts to a loyalty oath, all candidates for management positions within the agency must have “the ability to lead employees in achieving the ... President’s Management Agenda.” President Bush claims he has no litmus test for Supreme Court nominees, but the administration now has one for National Park Service managers.

Mainella also issued “Director’s Order 21” last fall, outlining new fundraising guidelines for the parks that would allow in-park displays to acknowledge corporate donors providing that the signs are “appropriate, tasteful and unobtrusive.” Many park advocates are concerned that the order will allow the corporate foot in the door for a more commercialized park system. Will we one day be visiting the “Marlboro Great Smoky Mountains?”

Finally, the president proposed an $89 million budget cut for the park system earlier this year. This shortfall promises to make corporate sponsorship (and influence) an even more enticing funding alternative for parks that are facing maintenance backlogs, hurricane recovery costs, and enforcement needs.

Through all of this, the administration has catered to the motorized recreation industries by working to allow more motorized vehicles in parks already dealing with lax enforcement and damage from existing uses. For example, the administration has proposed new rules that would allow jetski use at three park units. They would also continue to permit snowmobiles in Yellowstone National Park, despite overwhelming public support to ban them and several studies that show that even “cleaner and quieter” machines cause damage to park resources.

Meanwhile, the management of off-road vehicles in the park system has been so poor that the Bluewater Network division of Friends of the Earth filed a lawsuit last fall to protect the parks from this harmful use. Before filing the lawsuit, we convinced the Park Service to conduct an internal survey. The survey revealed that several park units are allowing off-road vehicle use where it is not legally permitted. The survey also revealed widespread damage from illegal off-road vehicle use to park units such as Mt. Rainier, Joshua Tree, and the Appalachian Trail. It also showed that parks lack the necessary resources to monitor illegal use and enforce park restrictions.

All of these actions add up to a methodical effort by the administration to erode the founding principles of the national parks by giving preservation a backseat and encouraging the privatization and commercialization of these national treasures. For nearly a century, the National Park Service has successfully preserved our national heritage and provided ample opportunity for Americans to enjoy our national parks. Rather than enhance this popular and successful government service, the Bush administration is turning it on its head.

Fortunately, the public isn’t standing for it. In late February, tens of thousands of comments flooded the Department of the Interior opposing the proposed management policies, more than 5,000 of them from Bluewater and Friends of the Earth members. Whether these will have an immediate impact on the administration remains to be seen, but one thing is certain: friends of the national parks will continue to fight the implementation of these damaging new rules.

A Special Kind of Election!

ARE YOU A MEMBER of Working Assets? Then take a moment to vote for Friends of the Earth! Voting is easy. Simply go to: www.workingassets.com/vote.

By filling out the Working Assets 2006 Donations Ballot, you can vote to allocate this year’s funding to Friends of the Earth. The distribution of funds is determined solely by how many votes each group receives. The more votes we get, the more funding we get. It’s that simple.

Working Assets offers long distance, wireless and credit card services that donate a portion of customers’ charges to progressive organizations, at no extra cost.

Since 1985, Working Assets has raised over $50 million for worthy groups like ours.

If you’re not a Working Assets member, join today by going to www.workingassets.com so you can help increase donations to Friends of the Earth. Thanks for participating!
Annual Meeting of the Membership, Election of Board Members

FRIENDS OF THE EARTH will host its annual board meeting, Monday, June 26 at 12:30 p.m., in the Washington, D.C. office. Jayni Chase and David Zwick are running uncontested for the two open slots on the Friends of the Earth Board of Directors. Members may cast votes at the annual meeting. If you would like to attend, contact Lisa Matthes at lmatthes@foe.org or by phone at 202-222-0730. Members may also vote by proxy ballot. To do so, copy or clip the mailing label from this newsmagazine and mail your vote to Board Election, Friends of the Earth, 1717 Massachusetts Avenue, NW, Suite 600, Washington, DC, 20036 or fax 202-783-0444.

Jayni Chase, Founder and CEO, Center for Environmental Education

Jayni is the founder of The Center for Environmental Education, an international online environmental education resource center for K-12 educators. She is the author of Blueprint for a Green School, a comprehensive environmental education resource guide. Jayni has served on numerous boards including, the Antioch New England Institute, Mothers & Others for a Livable Planet, Global Green USA, the Rain Forest Alliance, Californians Against Waste and the Coalition for Clean Air. She is a member of the National Resources Defense Council Advisory Board. In 2004 she received an honorary Masters degree in Environmental Studies from Antioch New England Graduate School for her work in the field of environmental education. Jayni is the recipient of numerous awards including recognition from the NRDC, The Environmental Media Association, the Crittenton Center, the Rainforest Alliance and The U.S. Environmental Film Festival. In 2005 she shared the celebrity Fight Night Humanitarian Award with her husband Chevy Chase. In 2004 Jayni received the Audubon Women in Conservation Award and in 2005, the Thorne Ecological Institute’s Environmental Award. Jayni currently serves as Chair of the Development Committee for the Friends of the Earth Board of Directors.

David Zwick, President, Clean Water Action

David’s work over the past 20 years has focused on helping grassroots citizen organizations form and continue to grow. He is the President of Clean Water Action and the Executive Vice President of the Clean Water Fund. He is the author of Water Wasteland, which helped shape the Clean Water Act, and co-author of the bestseller, Who Runs Congress. He holds a Juris Doctor from Harvard Law School. David currently serves as Treasurer for the Board of Friends of the Earth.

World Famous Photographer Uses MissionFish to Help Friends of the Earth

WORLD RENOWNED photographer Pierre Toutain-Dorbec has teamed with MissionFish to help Friends of the Earth. Pierre has generously made several beautiful photographs available for auction on eBay, with part of the proceeds of the sale going to Friends of the Earth. Just go to www.missionfish.org and type in ‘Friends of the Earth’ to see the photographs Pierre has made available for sale.

If you are like Pierre and wish to help, please consider following his example. Millions of people conduct business on eBay every day, and if you are a seller, you can use MissionFish to designate part of the proceeds of your sale to benefit Friends of the Earth.
By Sara Zdeb, Legislative Director

BIG OIL COMPANIES ARE rolling in record-breaking profits, with no end in sight. In 2005, the world’s largest oil companies reported a combined $111 billion in profits. ExxonMobil recorded a staggering $36 billion in 2005, a 43 percent increase over the previous year and the biggest profit posted by any company, ever.

At the same time, the federal government continues to lavish billions in handouts to the same big oil companies. Recently, a stunning new example of this largesse came to light: the same oil companies whose profits are skyrocketing are drilling for oil and natural gas in publicly-owned waters in the Gulf of Mexico without paying any return to the federal government.

Oil companies who drill off our coasts normally pay royalties, or a percent of their revenue, back to the federal government. The government reinvests these royalties into important programs such as the Land and Water Conservation Fund, which funds recreation and conservation opportunities. Royalties are also used to pay down the national debt and provide funding to oil-producing states.

In 1995, Congress responded to then record-low oil prices by passing a law intended to spur domestic oil and natural gas production. The law allowed the Interior Department to relieve oil and gas companies drilling in deep waters in the Gulf of Mexico of their obligation to pay royalties. It applied to drilling contracts negotiated between 1996 and 2000.

The law included a critical safety valve: if oil and natural gas prices rose above a certain amount, royalty relief would end. In a bureaucratic blunder, Interior Department officials awarded offshore drilling leases in 1998 and 1999 that didn’t include this safety valve. Due to lag time between when leases are awarded and when drilling actually begins, production from the 1998 and 1999 leases is just now coming on line. And with oil and natural gas prices now at all-time highs, oil and gas companies drilling in the Gulf are projected to generate more than $65 billion in revenue over the next five years—royalty free.

According to the Interior Department, taxpayers will lose out on as much as $9.5 billion in royalties that the oil industry should be paying.

The oil industry’s greed doesn’t end there. Not content with the billions in royalty-free profits it stands to make from the 1998 and 1999 leases, the oil industry is arguing that the Interior Department lacks authority under the 1995 law to require royalty payments for drilling approved in leases awarded in 1996, 1997 and 2000. Just this March, oil company Kerr-McGee filed a lawsuit against the Interior Department. If successful, their suit could exempt the oil industry from paying as much as $28 billion over the next five years—and force the government to refund more than half a billion in royalties that oil companies have already paid.

Luckily, members of Congress including Reps. Ed Markey (D-Mass.), George Miller (D-Calif.) and Sens. Dianne Feinstein (D-Calif.) and John Kerry (D-Mass.) have introduced legislation that would close this royalty loophole. The bills would prevent future drilling contracts from awarding royalty relief when oil and natural gas prices are high, and would instruct the Interior Department to renegotiate the 1998 and 1999 leases that are currently allowing royalty-free drilling.

Take Action!

Contact your senators and representative and urge them to end Big Oil’s royalty rip-off by co-sponsoring H.R. 4749 (in the House) and S. 2314 (in the Senate). Go to www.foe.org to send an email directly to your elected officials, or call the Capitol Switchboard at 202-224-3121.

Big Oil’s Royalty Rip-off
HAVE YOU EVER FELT LIKE you wanted to help an organization, but that you could not write one single large check? If so, you might consider donating on a recurring basis one small amount at a time. You can set up monthly, quarterly or annual recurring donations. To set up a recurring donation, go to: www.foe.org/contribute or call Rosemary Greenaway at 1-877-843-8687 x722.

Another way to do this is through networkforgood.org. It’s very simple. You identify an organization that you would like to support. Then you can set your donation amount, frequency of the donation, and your donation preferences. Networkforgood.org allows you to keep track of all of your online donations, review charities you have supported over time, and print an annual record of charitable giving for tax preparation.

You can also use Networkforgood.org to create a list of your favorite charities and share these with friends and family. They can then make a charitable gift in your name for birthdays, anniversaries, or other special occasions in lieu of a traditional gift. Just remember to include Friends of the Earth as one of your favorite charities!

A copy of the latest Financial Report and Registration filed by this organization may be obtained by contacting us at Friends of the Earth, 1717 Massachusetts Ave. NW Suite 600, Washington DC 20036-2008. Toll-free number: 877-843-8687. Or, for residents of the following states, by contacting any of the state agencies: CALIFORNIA – A copy of the Official Financial Statement may be obtained from the Attorney General’s Registry of Charitable Trusts, Department of Justice, P.O. Box 903447, Sacramento, CA 94203-4470 or by calling 916-445-2021. FLORIDA – A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE, WITHIN THE STATE, 1-800-435-7352. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL OR RECOMMENDATION BY THE STATE. Florida registration # CH980. KANSAS Annual financial report is filed with Secretory of State #328-204-7. MARYLAND For the cost of copies and postage: Office of the Secretary of State, State House, Annapolis, MD 21401. MICHIGAN MICS 10926. MISSISSIPPI – The official registration and financial information of Friends of the Earth, Inc. may be obtained from the Mississippi Secretary of State’s office by calling 1-888-236-6167. Registration by the Secretary of State does not imply endorsement by the Secretary of State. NEW JERSEY INFORMATION FILED WITH THE ATTORNEY GENERAL CONCERNING THIS CHARITABLE SOLICITATION MAY BE OBTAINED FROM THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY BY CALLING 973-504-6215. REGISTRATION WITH THE ATTORNEY GENERAL DOES NOT IMPLY ENDORSEMENT. NEW YORK Office of the Attorney General, Department of Law, Charities Bureau, 120 Broadway, New York, NY 10271. NORTH CAROLINA FINANCIAL INFORMATION ABOUT THIS ORGANIZATION AND A COPY OF ITS LICENSE ARE AVAILABLE FROM THE STATE SOLICITATION LICENSING BRANCH AT 1-888-830-4999. THE LICENSE IS NOT AN ENDORSEMENT BY THE STATE. PENNSYLVANIA – The official registration and financial information of Friends of the Earth may be obtained from Pennsylvania Department of State by calling toll-free within the state 1-800-732-0999. Registration does not imply endorsement. UTAH – Permit #485. VIRGINIA State Division of Consumer Affairs, Department of Agriculture and Consumer Services, P.O. Box 1163, Richmond, VA 23218; 1-800-552-9963. WASHINGTON – Charities Division, Office of the Secretary of the State, State of Washington, Olympia, WA 98504-0422; 1-800-332-4483. WEST VIRGINIA West Virginia residents may obtain a summary of the registration and financial documents from the Secretary of the State, State Capitol, Charleston, WV 25305. Registration does not imply endorsement.

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We don’t inherit the Earth from our parents, we borrow it from our children...

For more information on bequest giving or a brochure on how to make a will, call Rosemary Greenaway toll-free at 877-843-8687, x722 or email rgreenaway@foe.org.

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