



Offsetting Resistance

The effects of foundation funding
and corporate fronts from the
Great Bear Rainforest to the
Athabasca River

*by Macdonald Stainsby
and Dru Oja Jay*



Steven Kallick
Director, Pew Boreal
Campaign (Seattle)

- Pew's Boreal Campaign
Co-ordinator for 12 years



Tzepporah Berman
Founder, ForestEthics &
Director, PowerUP Canada

- Former Greenpeace
organizer
- Co-founded ForestEthics
- Initial GBR negotiator



Larry Innes
Director, Canadian Boreal
Initiative (Ottawa)

- Administered \$26 million
in grants to Canadian
environmental and
community groups



Michael Marx
Director, Tar Sands
Coalition (San Francisco)

- Co-founded ForestEthics
- Directed GBR campaign
- Director, Corporate Ethics

Some of the key players in the tar sands coalition. Only Tzepporah Berman agreed to be interviewed.

Notes on the anticipated response

This is not the first time either of us have written about this subject. There have typically been two responses from the chief operatives working for groups funded by the Pew Trusts: those they write to us, and those they write to others, without our knowledge.

Their direct responses have mostly been silence, with one exception. After the publication of an article in the *Dominion* entitled "Can Pew's Charity Be Trusted?", Larry Innes responded by asking "why did you bother interviewing me at all if you were simply going to recycle [previously published criticisms]?" A second email, obviously sent after Innes had taken a close look at source material Dru had cited, pointed out one quote that had been misattributed. Dru thanked him for pointing out the error, and corrected it.

For this publication, interviews were requested from Steven Kallick, Larry Innes, Michael Marx and Tzepporah Berman. Only Berman agreed to be interviewed (see: "A Place at the Table").

Marx responded: "Our policy is not to discuss who our funders are, how much they have contributed, or where we've allocated that funding. As you can imagine, oil interests and those who represent them are eager to create a diversion away from the destructiveness of their tar sands operations towards these kind of side issues. I assume that's not your intent at all, but any public disclosure that potentially reached the conservative press would damage our efforts to reform and slow the expansion of tar sands operations. I hope you can understand the strategic importance of keeping this information confidential." We offered to interview Marx without discussing funding sources, but he did not respond.

Director of the Pew Environment Group's International Boreal Conservation Campaign Steven Kallick wrote that he asked his

"home office and they turned down this request. That's a rarity." He added that our previous lack of interviews with people who were funded by Pew "made the *Dominion* seem more like a blog of personal opinion than a legitimate publication operating under the accepted rules of journalism." (Interviews were requested with several Pew-funded NGOs, but none responded.) Innes took a less confrontational approach, noting that he was "once bitten, twice shy" about being interviewed, and noted that his principle objection to Dru's original piece was a matter of framing, and who was presented as an expert.

That was the full extent of the direct communication. The behind-the-scenes messaging was much more extensive. In a private email acquired by the *Dominion* through a circuitous sequence of forwards, Kallick cast aspersions on work published by both of us. The 1500-word email refers to us as "scoundrels," compares us to Karl Rove and refers to "completely false and defamatory" claims which "bring shame on the field of journalism". Kallick did accurately point out one error that appeared in one article published in *Vue Weekly*: the fact that while Sunoco is the source of Pew's endowment, it is no longer a direct source of its funding. We regret that error. Kallick makes several similar false allegations, and misrepresents facts, as we will explore in what follows.

We will publicly retract any factual error that we have made in this report, if it is pointed out to us.

In the mean time, we suggest a skeptical approach to claims about our work coming from employees of the Canadian Boreal Initiative, Pew Environment, or similar groups. If you receive such back-door criticisms, please verify the facts before repeating them. We welcome an open debate about the issues raised here.

Authors' Preface

Alberta's Tar Sands gigaproject is the largest industrial project in human history. It is also the most damaging. This much has come to the attention of a significant number of people, and opposition is growing. In this context, a coalition of large Environmental Non-Governmental Organizations (ENGOS) have moved quickly to set the agenda for how to oppose the tar sands.

Opposition to the tar sands is the most powerful in communities which are already directly affected by the destruction caused by tar sands strip mining, in-situ operations and infrastructure such as pipelines, refineries and ports. While everyone on the planet is and will be affected by the vast development of the tar sands, the people who face epidemics of cancer and auto-immune diseases, who now hesitate to harvest food from their traditional lands, who are afraid to drink the water or go for a swim—these are the people most motivated to stop the gigaproject right now. For downstream and downwind communities, stopping the tar sands is literally a matter of life or death. In the case of First Nations, their demands carry a significant legal weight as well: it is only by violating their self-determination that tar sands development can continue. Tar sands development is always immoral and often outright illegal. It is a threat to human and animal life. Affected communities can prove it.

From a pragmatic and moral standpoint, affected communities deserve the support of anyone opposed to the tar sands. From these same standpoints, their claims deserve to be prioritized over more abstract policy proposals.

But abstract policy proposals, coupled with secret powerbrokers, hidden funding sources are precisely the agenda that the emerging North American Tar Sands Coalition—a grouping of ENGOS and corporate fronts—is advancing. The coalition is led by front groups Canadian Boreal Initiative (CBI) and ForestEthics (FE). Their approach is one of collaboration with the industry causing the destruction. Their explicit strategy is to find “common ground” between First Nations, conservationists, government and industry. This agenda is backed by millions of dollars from US-based foundations like the Pew Charitable Trusts, a multi-billion dollar foundation with close ties to US oil giant Sunoco. Money is distributed to groups who sign on to the priorities set by those in charge of the coalition.

Rather than backing the just demands of those directly affected, the funding is used to exploit their vulnerability and distract their efforts.

The “low-hanging fruit” strategy of the main groups in the coalition is such that even if their campaigns are wildly successful, they would not result in an end to the toxic pollution, the strip-mining and in-situ developments and their devastating effects. The coalition's emphasis also places the rights of affected communities in a position that is subservient to larger concerns, effectively separating

the pollution of local ecology and water as it is experienced by the people who live on the land from abstract notions of carbon emissions and offsets.

The organizations pushing this framework have a track record. Many of those who have worked inside foundation-driven coalitions in the past use words like “backstabbing,” “setback” and “sellout” to describe the end results. Then as now, their work is shrouded in secrecy. Coalition members are in many cases required to sign non-disclosure and confidentiality agreements.

Affected communities deserve the support of anyone opposed to the tar sands... their claims deserve to be prioritized over more abstract policy proposals.

Some of the leading partners and funders of the coalition are closely tied to the same operations that leech millions of litres per day of toxic water into the Athabasca river and pollute the air and water across all of Turtle Island.

The lack of transparency, the power of millions of dollars in funding, and the ties to oil companies are alarming in and of themselves. Combined with the unprecedented threat to ecology and humanity posed by the tar sands, an open and informed discussion is urgently needed. With this report, we hope to significantly further this discussion.

If growth continues apace, the tar sands gigaproject will be second only to the combined total of all coal fired plants from Alberta to Arizona in contributing to climate change, second only to the Amazon Rainforest basin in terms of rapid deforestation, and it poses an immediate threat to fresh water supplies, threatening human health in literally hundreds of communities in both Canada and the United States.

According to the “North American Tar Sands Coalition”, the plan for the tar sands campaign is emerging along the same lines as the “Great Bear Rainforest” deal, and include many of the same players and tactics. In what follows, we will discuss the track record of the organizations that are now involved, what is known about the secretive Tar Sands Coalition, and what can be done to stop tar sands extraction.

Macdonald Stainsby & Dru Oja Jay

*July 2009, Si'yi yen (Texada Island), Coast Salish Territory
mstainsby@resist.ca / dru@dru.ca*

This is an independent publication of the authors. For more information about the tar sands, visit oilsandstruth.org and dominionpaper.ca/tarsands

A Place at the Table?

The Great Bear Rainforest and ForestEthics

Nuxalk Nation hereditary chief Qwatsinas (Ed Moody) explains that logging was causing concerns for his people on the Central BC Coast around Bella Coola, and that resistance began because “In the boom of the 1960’s and 1970’s, a rush [for logging companies] to get all the timber they could” was already underway. In response, “There was action with the hereditary chiefs and the elder people, and eventually the band council.” In 1994, the Nuxalk Nation invited Environmental Non- Governmental Organizations (ENGOS) large and small into their territory to see large scale clearcut logging then well underway.

“We sat down and discussed the pros and cons of any kind of relationship, and we set up a protocol and signed a protocol agreement.” The alliance with Greenpeace and smaller ENGOS Forest Action Network, People’s Action for Threatened Habitat and Bear Watch, says Qwatsinas, “started out really basic. The key people signed the agreements and we had our goals and our objectives and what we want to do to protect the environment.”

“That was the common goal between the environmentalists and ourselves as the First Nation, the Nuxalk, still had the outstanding issue of the land question. There had been a process developed in British Columbia called the BC Treaty Process. We could see that it wasn’t what we wanted because it was very limited, was kind of corrupt and really bent towards the industry.”

“Finally, we just got tired of [the government consultation mechanisms] and went out to King Island and Pod Creek... that’s where the beginning of time starts for our people. That was pretty well the final predicament that allowed us to [start supporting direct action]. Nothing was happening and nothing was changing and the logging was still going on. So we gathered together and went out there and set up the road blockades.”

By 1997, the invited ENGOS began blockades in concert with the host Nation. Their direct actions disrupted logging on and off until the year 2000. A boycott campaign targeted those who bought the harvested trees.

In 2000, The Rainforest Solutions Project (RSP)—comprised of Greenpeace, Sierra Club BC, Rainforest Action Network and, for the first time as a separate entity, ForestEthics—declared an end to blockades and began closed-door negotiations with the BC Government and logging companies. With the sudden about-face of Greenpeace and other large groups, and the attendant drop in funding, the blockades ended. The smaller groups and First Nations were

sidelined, in violation of the protocol agreements they had initially signed.

Suddenly a new group, ForestEthics, was effectively leading negotiations. ForestEthics, Qwatsinas explains, wasn’t involved in the resistance to logging in the rainforest. Key Greenpeace organizer Tzeporah Berman, famous for her role in the protests around logging in Clayoquot Sound, left to become a key negotiator for ForestEthics.

“What it did was quash any attempt to fully protect the Great Bear Rainforest... It became a negotiating table and really that table couldn’t make any demands that other groups wanted. It couldn’t meet anything that met the standards of what other people or other communities wanted.”

The Valhalla Wilderness Society was one of the smaller ENGOS sidelined in the negotiations initiated by the RSP. Director Anne Sherrod says that a significant development in the Great Bear Rainforest negotiations was the disappearance of traditional mechanisms of accountability. “The Great Bear Rainforest was the the first place where private collaborations between government, industry and a few environmental groups were able to gain pre-eminence over a public planning process.”

“Backroom negotiations between the Rainforest Solutions Project and the logging companies,” Sherrod explains, “determined the main parts of the deal. The planning tables didn’t object because they were dominated by timber interests.”

Qwatsinas says that the “table” where negotiations took place kept environmental groups quiet. “It was just like a public gag-order. You couldn’t bad-mouth the logging companies, you couldn’t bad

“It was just like a public gag-order. You couldn’t bad-mouth the logging companies, you couldn’t bad mouth the logging practices or you couldn’t bad mouth the products or the type of logging or you couldn’t bad mouth the marketing.”

mouth the logging practices or you couldn’t bad mouth the products or the type of logging or you couldn’t bad mouth the marketing.”



Qwatsinas was arrested at Ista in 1995, 1996 and 1997, during a direct action campaign to stop logging on Nuxalk lands. First Nations were ultimately sidelined during secret negotiations.

"It was a big, a huge stumbling block for the groups to even try to deter development activity in the Great Bear Rainforest."

The Valhalla Wilderness Society and several other environmental groups, says Sherrod, "had been working in coastal campaigns for ten or fifteen years before ForestEthics and the RSP existed." These groups were ultimately betrayed by the RSP, whose members reneged on protocol agreements.

"We welcomed the arrival of ForestEthics' market campaign, but we were also very wary of these groups representing our issues in private negotiations. They had little, if any, experience working on the mid and north coasts. In the interest of working together, we all signed a protocol agreement that held them to a certain

"A lot of it was really hush-hush, it was kept really quiet... Nothing was happening and logging activity just kept on going."

level of protection in whatever agreements they made at the table, and to open information flow with us. But they just violated the agreement behind everyone's back."

Sherrod adds: "When our input was ignored and we saw atrocious things being accepted as 'Ecosystem-based Management', we disassociated ourselves from it."

Qwatsinas says that the agreement lacked basic mechanisms of accountability or transparency.

[confidentiality] agreement."

When asked about the violation of the protocol agreement, Tzeporah Berman responded, after a long pause: "It's been a long time, and I don't recall the specifics of a protocol agreement we signed with the Nuxalk." Berman said she understood that Qwatsinas and others were unhappy with the deal.

Berman says she is still happy with the deal, despite the compromises. "No one was stopping other groups from blocking logging roads," she explains. "We made a strategic decision that we thought would protect the most land."

"What we say to our critics is, if you can get a better result, do it."

Qwatsinas says the end result was a failure to protect the Great Bear Rainforest. "What it did was quash any attempt to fully protect the Great Bear Rainforest..."

It became a negotiating table and really that table couldn't make any demands that other groups wanted. It couldn't meet anything that met the standards of what other people or other communities wanted."

The way negotiations were set up "really limited what the grassroots people could do," says Qwatsinas. "Internationally or nationally [calling off direct action] sort of highlighted the Great Bear Rainforest agreement and really said it was going to save the Great Bear Rainforest. It hasn't. They're still logging the Great Bear Rainforest, they're still developing the coast now."

Low-hanging Fruit and Offsets

The collaborative approach to conservation

Groups like the Canadian Boreal Initiative and ForestEthics tout their method of finding consensus between corporations, First Nations and conservationists as a way of protecting huge areas of land. Critics call it the “low-hanging fruit” strategy. It’s a reference to the fact that land which corporate “partners” will agree to protect is usually land they do not want access to. The CBI, for example, plans to protect “at least 50 per cent” of Canada’s boreal forest. Critics say that since the boreal forest is largely untouched, this amounts to opening up of what remains of the first 50 per cent across all of Canada’s boreal forest with what the CBI calls “leading-edge sustainable practices”.

“It’s one thing,” CBI Director Larry Innes told the *Dominion* in an interview in 2007, “to walk in as an environmental group and another thing to walk in as an environmental group, shoulder to shoulder with First Nations and industry representatives and saying, ‘we’ve got a solution.’”

According to *Fort McMurray Today*, ForestEthics campaigner Gillian MacEachern “said her group is not saying stop oil sands development, just do it better in the transition. ‘We want to see government investing and building that shift very quickly, and decreasing the amount of fossil fuels we need to use while at the same time cleaning up the tar sands.’”

Land-use planner Petr Cizek (see page 9) argues that there is no scientific basis for protecting 50 per cent of the Boreal Forest across the board in northern Canada – some regions may require more land protection and some may require less land protection, depending on the circumstances. The David Suzuki Foundation, he points out, did not endorse the “Boreal Conservation Framework” promoted by the CBI specifically due to its lack of scientific foundation. The free-market environmentalist Larry Solomon has also noted that since resource extraction in the north is not currently economically viable, that future development of the 50 per cent left over would either rely on economic subsidies or on much higher commodity prices.

“There is a perception that offsets have been used to gain access to pristine or highly valued areas.”

The Boreal Conservation Framework also mandates to “support the use of policy tools such as... conservation offsets to facilitate voluntary stewardship by industry.” This “offset” strategy has



* The WWF was given \$1.6 million from the Pew Foundation in 1999 “to protect at least 20 million acres of boreal forest wilderness in the Yukon and Northwest Territories of Canada” over four years. To date, the NWT Protected Areas Strategy (PAS) has permanently protected 1.3 million acres near the Sahtu (Great Bear Lake). The expansion of the Nahanni National Park Reserve added approximately 6.2 million acres. The expansion was granted as a part of negotiations with the Dehcho First Nations. CPAWS supported the expansion, but it was not a part of the PAS campaign. If the Nahanni is included, the PAS has met 37.5 per cent of its goal.

recently been elaborated in a 40-page document entitled “Catching Up: Conservation and Biodiversity Offsets in Alberta’s Boreal Forest,” sponsored by CBI, the Pembina Institute and the Alberta Research Council. After acknowledging the financial contribution of \$44,000 from tar sands developer Nexen “to contribute to the costs of this document”, the authors of the document explain “the basic idea”:

“Impacts associated with the disturbance of ecosystems and habitat loss are mitigated through either restoration or conservation of substitute forest areas so that no net loss of critical habitat is maintained in perpetuity.”

Though never quite explained as such, the idea behind offsets is simple: if an oil company wants to strip mine or contaminate an area of a certain size, then it must buy an area of equal size and

protect it. This is based on the premise that all land will eventually be developed if it is not protected. Therefore, when land is destroyed, and an equivalent amount of land is protected, there is “no net loss” of ecology. Critics observe that companies are unlikely to buy land that contain valuable resources for offset purposes, meaning that offsets end up protecting land that isn’t likely to be developed.

The authors of the report seem to acknowledge these concerns, noting, in a sidebar titled “CAUTION!,” that according to some “public perceptions,” offsets “are a licence to destroy habitat and avoid requirements to explore alternative options for mitigation.”

“In other cases there is a perception that offsets have been used to gain access to pristine or highly valued areas.” The report’s authors conclude that offsets are only “part of a package” that includes “effective land-use planning.” Stopping the development from happening is not mentioned as “part of the package”; mining and in-situ drilling are accepted as inevitable.

According to “Catching Up,” it is not just by preserving pristine land that offsets can be acquired. “Conservation banks,” which are one of the more strict types of offsets presented in the report and workshop, can also be created through “restoration or enhancement of disturbed habitat” or “creation of new habitat.” In other words, boreal forest which had been strip mined for tar sand could be “restored”, and then sold as an offset.

The permanence of offsets is also left in question by the report. “Duration of offset obligations and permanent versus temporary offsets” and “time lags between offset creation and benefits” are listed under “issues that must be resolved for successful program implementation.” In other words, it has not yet been decided whether land protected as an offset will be permanently protected. A possible scenario under anything but the most strict version of the offset program now on the table would be that an exploration company could offset strip mining by buying an unexplored area. After trees had been planted on the mined area, it could then be counted as an offset for the development of the land that was initially designated as “protected” to offset its destruction.

The report mentions that land in Alberta is “jurisdictionally complex,” with Treaty Lands overlapping with Crown Land and private land. However, a presumption of Alberta’s jurisdiction over traditional lands of Dene, Cree and Metis populations is upheld implicitly, and Treaty Rights are not explained or elaborated.

If previous deals made by ForestEthics and the Canadian Boreal Initiative are any indication, the final step of the “collaborative” strategy involves closed-door negotiations between government, industry, and representatives from the inside track of the “coalition.” First Nations and conservation organizations not self-selected as willing collaborators will likely be sidelined, along with the general public.

Cizek says that the endgame of closed-door negotiations is

“exactly where they went with the Great Bear Rainforest in British Columbia, that’s exactly what’s been going with the Protected Areas Strategy in the Northwest Territories and it has likely been going on elsewhere.”

If we extrapolate from the previous behaviour of the same groups, says Cizek, “it would seem to be very clear that where they are going with the tar sands campaign is to bring about some sort of moderate reforms on tar sands expansion using conservation [boreal] offsets where they are exchanging protecting certain lands in exchange for developing certain lands along with their so-called

“The added icing on the cake is that as corporate partners of CBI you have Nexen, Suncor... The tar sands companies that are corporate partners of CBI get a boost as sort of leading ‘green companies’ and gain greater social license and competitive advantage.”

greenhouse gas mitigation nonsense where they are saying that so much forest won’t be disturbed, and trying to find a way to get carbon credits for that. So basically, that’s what we can expect.”

“The added icing on the cake is that as corporate partners of CBI you have Nexen, Suncor... The tar sands companies that are corporate partners of CBI get a boost as sort of leading ‘green companies’ and gain greater social license and competitive advantage.”

Cizek argues that history, rather than personality, should be the guide to action. “Rather than hypothesizing about people’s motivations, why don’t we examine based on past experience what it is that they do?”

According to their web site, the CBI has signed agreements with the following groups:

**Athabasca Denesuline First Nations
Cree Nation of Mistissini
Bâtirente
Forest Products Association of Canada
GeoConnections
Government of Newfoundland and Labrador
Government of the Northwest Territories
Ivey Foundation
Little Red River Cree Nation
Mushkegowuk Environmental Research Centre
Mining Association of Canada
Moose Cree First Nation
Northern Nations Alliance
Prince Albert Grand Council**

The Slow Road to Conservation

Northwest Territories Protected Areas Strategy

Testimony from Petr Cizek:

Starting in 1999, the Canadian Parks and Wilderness Society (CPAWS) and the World Wildlife Fund (WWF) obtained the first of their multi-million dollar grants from the Pew Charitable Trusts and initiated the implementation of the so-called Northwest Territories Protected Areas Strategy (PAS) with the Federal Government and the Territorial Government. For a number of years, I was perplexed at how soft the approach of CPAWS and WWF was. I did a little bit of work for both organizations, mainly WWF, specifically developing a series of map products and atlases with an aim to identify a comprehensive network of conservation areas which was intended by this Protected Areas Strategy and which neither of these organizations were promoting at that time.

The Canadian Boreal Initiative didn't show up on the scene until some years after that, in 2003. In 1999, there was a big grant that went to not only CPAWS and the WWF in the Northwest Territories but also to CPAWS in the Yukon.

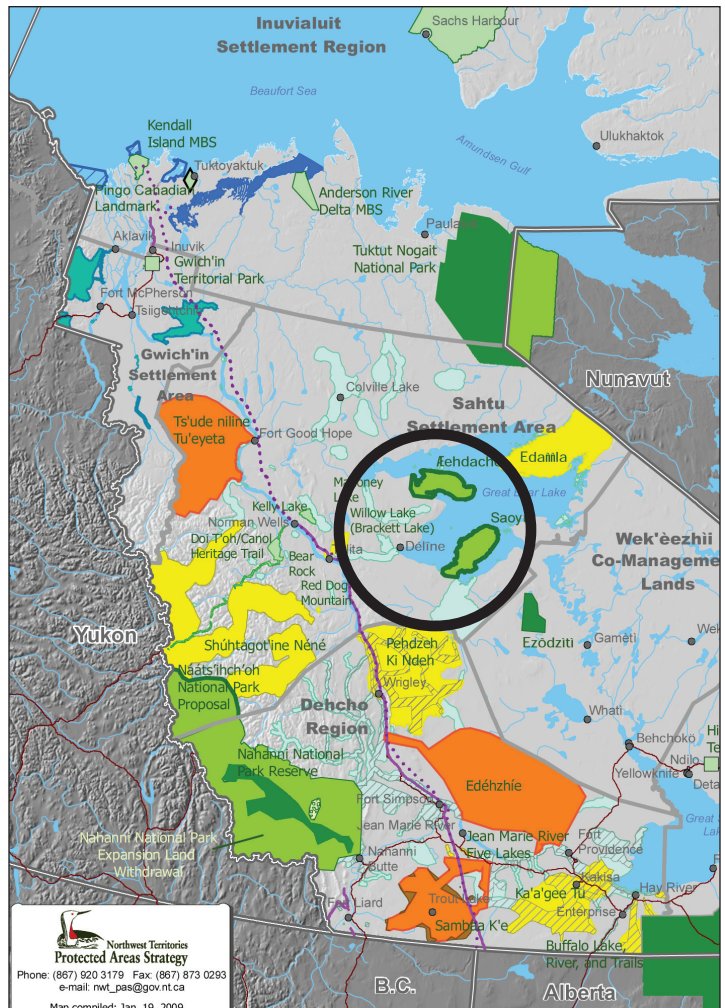
The PAS is a creature of the WWF. In 1996 the World Wildlife Fund threatened to go to court over the approval of the first diamond mine in the Northwest Territories, and settled out of court for the PAS. The PAS was a joint Federal-Territorial-First Nations and Environmental organizations initiative to set up a network of conservation areas that were in the Northwest Territories. Industry was at the table as well. So this was a partnership of all the different sectors.

As part of the original grant in 1999, CPAWS and WWF promised something like 4 million acres to be set aside in four years. Of course, they never came close to achieving this.

There's a process in the PAS to do a so-called resource assessment for each area, which includes a non-renewable resource assessment—outlining the areas with high mineral, oil and gas potential which should be considered for exclusion from the conservation areas.

In what I saw—starting in 1999, on until about 2005 when I discovered the connections to the Pew and how it all works based on the experience in the United States in the 1980's—my main point of perplexion was that neither CPAWS nor WWF were interested in actually nominating a network of areas. Part of the PAS was the notion that candidate areas were supposed to be nominated by First Nations, by the communities. For some reason, WWF and CPAWS weren't even making suggestions.

If you go to the Protected Areas website you'll still see only a handful of areas that have even been proposed. Only one has achieved permanent protection, two tiny peninsulas on Great Bear Lake—which were in play before the PAS.



In ten years, the only areas that have been protected by the NWT Protected Areas Strategy are two peninsulas on the Sahtu (Great Bear Lake), shown within the circle above. The area is approximately six per cent of the 20 million acres the original grant aimed to protect. At the current rate, it will take 167 years to achieve the original goal of 20 million acres protected.

Again, the areas of high non-renewable resource potential will have been excluded from each site. There are a handful of sites that have been proposed that are in various stages of 'nomination', some are just proposed, and some have what are called 'interim land withdrawals' which are temporary freezes on mineral staking and oil and gas exploration.

If you look at the map, there are only a handful of sites. This is not even close to being 'ecologically representative' and this is ten years later.

Continued on page 22

ENGOs vs. Corporate Fronts

Defining the difference

There are two distinct ways that large environmental organizations are structured. Traditional ENGOs usually begin with some sort of grassroots mandate. As time goes on, many ENGOs become bureaucratized, as their activities become increasingly centred around maintaining funding to pay for salaries and office space rather than whatever pressing issue led the group to form in the first place. To varying extents, established ENGOs still have mechanisms that keep them accountable to a grassroots membership or base of support.

Corporate front groups are distinguished by their lack of any such mechanisms. Corporate fronts are created to meet a political need, and are accountable only to those who provide the funding.

Petr Cizek is a respected independent environmental consultant who worked for many years with several different First Nations at the community level, most notably in the Northwest Territories. He is also a long-time critic of the influence of groups he calls corporate fronts.

“Basically the front groups have no formal organizational structure. They’re not registered as a non-profit or a charity. They have no boards of directors, they are not accountable to anyone except their funders.” The funders of front groups include, says Cizek, the Pew Charitable Trusts, “often in coordination with other very large American foundations, such as the Rockefeller, Ford, Hewlett, etc.”

“The basic issue isn’t whether or not compromises are made in these campaigns—the issue is to what extent any of these compromises are based on open and transparent negotiations that are based on some kind of democratic participation of members of these organizations. What we have is an extremely high-level, elite-based system which is designed and functions to spread green ideology, greenwashes with very little substance behind it,” states Cizek.

Valhalla Wilderness Society director Anne Sherrod says the art of closed negotiations have been pushed forward by the foundation-backed conservation group ForestEthics.

“To all appearances,” says Sherrod, “ForestEthics runs a real market campaign against logging old-growth forest, and may run a good public campaign on the issues such as protecting the endangered mountain caribou. But this market campaigning and public outreach all has one endpoint: FE engaged in private negotiations with the logging companies and government.”

	democratic elections	foundation funding	member funded	corporate funded	corporate partnerships	grassroots origins	registered non-profit	registered charity	industry collaboration
Pembina Institute	X	✓	✓	✓	✓	✓	✓	✓	✓
Canadian Boreal Initiative	X	✓	X	✓	✓	X	X	X	✓
ForestEthics	X	✓	X	✓	✓	X	✓	X	✓
Greenpeace	X	X	✓	X	X	✓	✓	X	✓
Sierra Club	✓	✓	✓	X	X	✓	✓	✓	✓
Environmental Defence	?	✓	✓	✓	✓	✓	✓	✓	✓
Ecojustice	X	✓	✓	?	X	✓	✓	✓	?
World Wildlife Fund	X	✓	✓	✓	✓	✓	✓	✓	✓
Tar Sands Coalition	X	✓	X	X	X	X	X	X	✓

The structural elements of some of the key groups in the tar sands coalition. The Tar Sands Coalition and CBI are projects of the Tides Foundation and Ducks Unlimited, respectively, which have charitable status. ForestEthics does not technically exist in Canada, but is a 501c3 non-profit in the US.

“I lay the responsibility for this on governments. From the outside, these talks look very much like the multi-interest public planning processes that BC had in the 1990s and early 2000s. Indeed, the public may get some façade of public process, while deals are being cut behind the scenes. But in the end, the public right of participation and free access to information are bulldozed.”

“In the mountain caribou issue, environmental groups had to sign confidentiality agreements to become privy to these secret talks. Everyone who cares for land use, democracy and protection of nature in BC should be scared that the BC government ever said, as it did at an Inland Rainforest conference here in New Denver, that ForestEthics and its ally Wildsight were the only environmental groups to which it would talk.”

“I ask again as I have asked before, since when did a government go around praising an environmental group that is waging a boycott against the BC forest industry, as ForestEthics claims to do?”

Negotiated Surrender

Outcomes for the Nuxalk and the Rainforest



Clearcutting in the Great Bear Rainforest.

The Great Bear Rainforest agreement has been promoted as an environmental success story, but critics of the process tell a different story. They note that, negotiating in secret, the Rainforest Solutions Project (made up for ForestEthics, Sierra Club BC, Greenpeace, and at the time, the Rainforest Action Network) originally accepted a deal that protected less than half of the 44-50 per cent recommended by scientists. One experienced observer says it should have been possible to achieve 40 per cent protection based on the recommendation. It was only when First Nations—excluded from negotiations—raised objections based on land use plans that the fully protected area was increased by about 2.1 million hectares.

“Backroom deals can never be trusted; if the intent behind them is good, there won’t be a need to keep things secret from the public and the broader environmental movement.”

Valhalla Wilderness Society Director Anne Sherrod says that the lack of public input is a crucial concession. “Both in the Great Bear Rainforest and in the mountain caribou recovery plan, the private collaborative partnership between government, industry, First Nations and ForestEthics and its coalitions has gone on for years,” says Sherrod. “We have seen these partnerships result in issues

of huge importance regarding public land and resources being taken out of public view for years; participation by confidentiality agreement in the mountain caribou plan speaks for itself.”

Independent activist Ingmar Lee was campaigning in Germany to extend the boycott of BC forest products in 2003. Those he was trying to influence told him they had received notice of a deal that had already been worked out for the GBR. Lee explains, “This deal had never been publicly announced. It was sort of like an inside, advance notice deal that had been sent out to industry and everything like that, well ahead of the first official announcement that they had achieved this ‘great victory’ in the Great Bear Rainforest.” At that point, the only numbers available were scientists’ recommendations that 44-50 per cent of the forest be completely protected.

By 2006, the area to be fully protected had dropped to 21.2 per cent as advanced by the now ForestEthics-dominated RSP. The new figure had no scientific backing as a benchmark for preserving the intact ecosystem of the Central Coast; the David Suzuki Foundation did not endorse the proposal. A new “Ecosystem-Based Management” (EBM) plan was required to be “phased in” by 2009.

While policymakers haggle over definitions, logging has sped up, unopposed by blockades or disruptions.

The Rainforest Action Network (RAN) disassociated itself from the Great Bear Rainforest deal after it was announced. It no longer promotes the deal as a “victory”.

“[Commenters] who stick up for the plan really need to stop saying that people opposed to it wanted it all to be protected,” says Sherrod. “A 17-member scientific panel composed of industry, government, and environmental scientists, recommended 44-50% full protection. When I started out as an environmentalist, you could not find ONE scientist that would dare recommend that. With 17 scientists saying it, the RSP had a straight shot at getting something like 40%. Their protocol agreement with the other groups had set 44-60% as the goal. Instead, in the private deal with industry, they settled for 21.2% full protection and 11.8% partial protection. It was the First Nations’ land use plans that pushed the full protection up to 28%, plus about 5% protected from logging but not from mining.”

“The Valhalla Wilderness Society accepted that level of protection at that time because the government, First Nations and RSP partners promised that a good Ecosystem-based Management plan would regulate logging in an ecologically responsible way,” says Sherrod. “But that too was developed in private confabs between government, First Nations and the RSP. It emerged in a form that was grossly inadequate and totally non-binding on logging companies. Believe me, we have learned why activists of many kinds worked hard in the past for open public process. Backroom deals can never be trusted; if the intent behind them is good, there won’t be a need to keep things secret from the public and the broader environmental movement.”

The deal, some say, has been a disaster for the ecosystem of some of the most important temperate rainforests left on the planet.

According to journalist and activist Zoe Blunt, the implications of the deal go beyond logging.

“In 2006, the final agreement was announced with fanfare by a provincial government eager to paint itself Green after years of cutting park budgets and opening wilderness areas to development and logging. However, the Great Bear Rainforest agreement only commits to a “conservancy” designation for 32 per cent of the land – part of which is open for mining and all of which may be open to roads, hydroelectric projects, tourism and other uses.

“The parties pledged to base the agreement on the best independent science available,” Blunt continues, “and the province requisitioned a scientific review of the central and north coast flora and fauna to make recommendations about habitat protection. In 2005, the Coast Information Team found that a minimum of 44 to 50 per

cent of the land area would have to be set aside to save ecosystems and wildlife. The decision to protect only 32 per cent may end up sacrificing the survival of the spirit bear.”

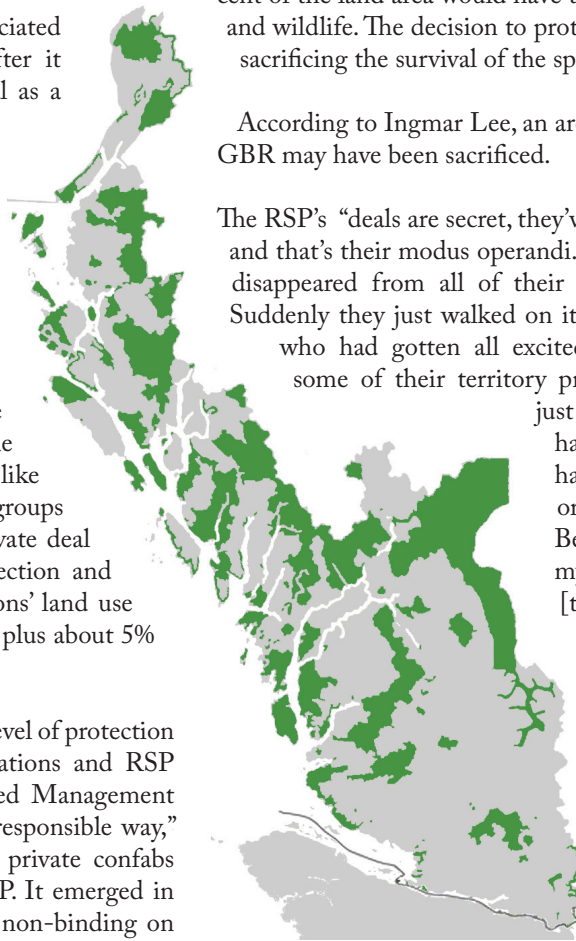
According to Ingmar Lee, an area far more vast than 70% of the GBR may have been sacrificed.

The RSP’s “deals are secret, they’ve got confidentiality agreements and that’s their modus operandi. But suddenly Sierra Club [BC] disappeared from all of their Vancouver Island campaigns.... Suddenly they just walked on it. They abandoned the Quatsino who had gotten all excited that they were going to get some of their territory protected and [Sierra Club BC] just abandoned it. What the hell happened?... It was clear to me they had sacrificed Vancouver Island in order to get mileage on the Great Bear Rainforest. Subsequently my suspicions were confirmed by [the Rainforest Action Network].

RAN admitted... It was on their website for awhile that they found it really regrettable that Vancouver Island had to be sacrificed to the Great Bear Rainforest deal. So you must understand that the pathetic 30% protection that this magnificent, intact tract of primeval temperate rainforest was only part of the sacrifice.”

“One of the worst and most disgusting aspects of the whole Great Bear Rainforest deal was just how many

times it has been strung along like these Fake Enviro’s, ForestEthics being the worst of them [...] they have been just groveling for [BC



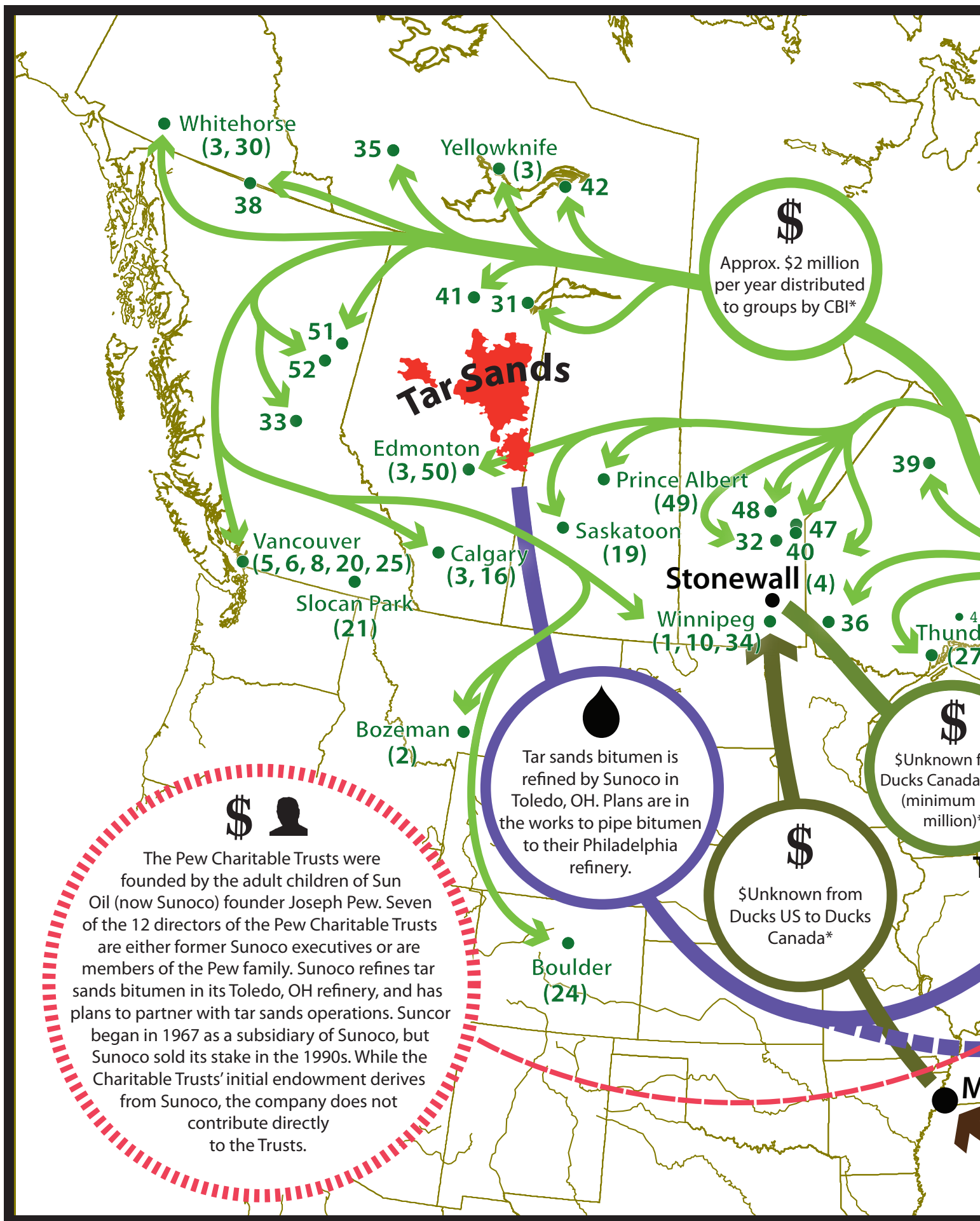
The areas of the Great Bear Rainforest fully protected by the deal cut by ForestEthics, Sierra Club and Greenpeace.

“I want everyone to know that issues where people are dying of cancer from serious pollution is no place for this kind of thing. Open public process is your best friend in situations like this. Insist on it.”

Premier Gordon Campbell’s signature over the years and Gordo strung it along until like a month before the [May 2009 provincial] election and then finally endorsed it.”

After Campbell’s signature put the Great Bear Rainforest deal to paper, a press conference and photo op was held with (among

Continued on page 24

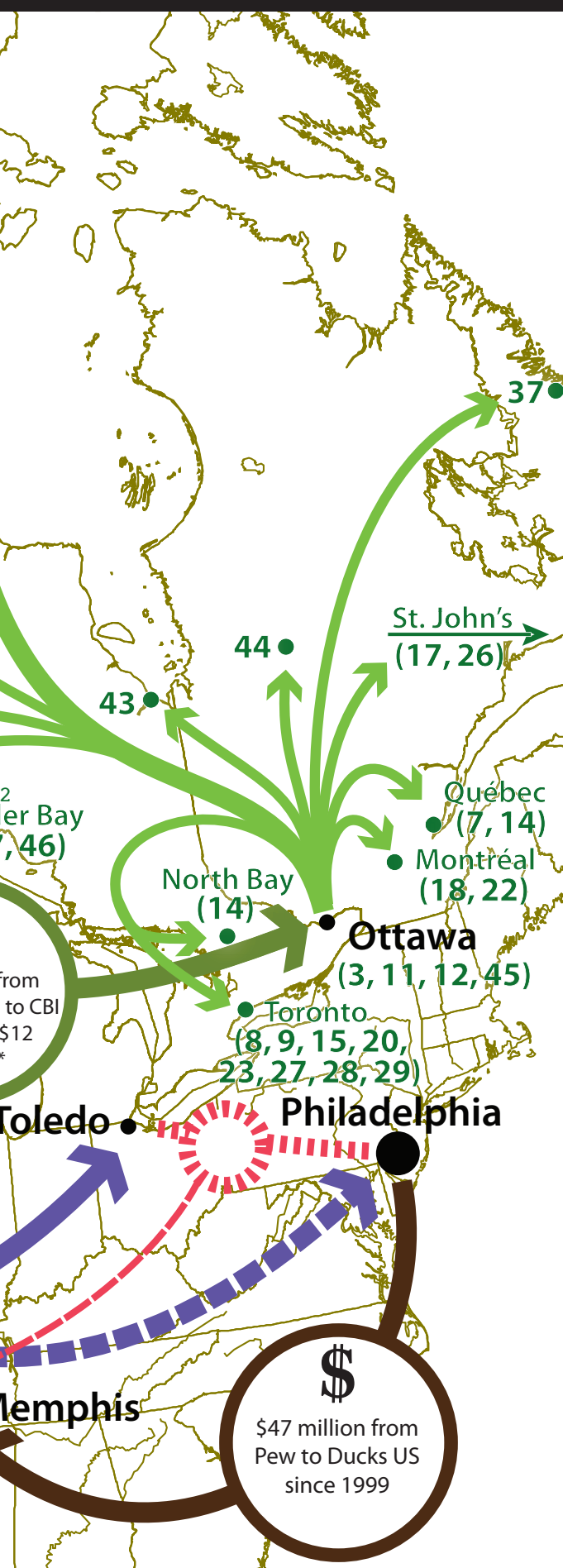


The Tar-Funding Cycle

Through the Canadian Boreal Initiative, the Pew Charitable Trusts distributes approximately \$2 million per year* to Canadian environmental groups and First Nations. The money enters Canada via Ducks Unlimited, and ultimately comes from the Pew Charitable Trusts. Despite some protestations to the contrary, the Pew has deep ties to Sunoco, the company that originally established Suncor, and is currently expanding its tar sands refining operations. The groups listed below have received unknown amounts of funding from the CBI.

1. Boreal Forest Network
2. Center for Science in Public Participation
3. CPAWS
4. Ducks Unlimited
5. David Suzuki Foundation
6. Ecotrust Canada
7. Fondation de la faune
8. ForestEthics
9. Forest Stewardship Council of Canada
10. Manitoba Wildlands
11. Miningwatch
12. Nature Canada
13. Nature Conservancy of Canada
14. Nature Quebec
15. Ontario Nature
16. Pembina Institute
17. Protected Areas Association of Newfoundland & Labrador
18. Réseau Québécois des Groupes Ecologistes
19. Saskatchewan Environmental Society
20. Sierra Legal Defense Fund
21. Silva Forest Foundation
22. SNAP
23. The Sustainability Network
24. The Wild Foundation
25. Western Canada Wilderness Committee
26. Western Newfoundland Model Forest
27. Wildlands League
28. Wildlife Conservation Society
29. World Wildlife Fund
30. Yukon Conservation Society
31. Athabasca Chipewyan First Nation
32. Bloodvein First Nation
33. Carrier Sekani Tribal Council
34. Centre for Indigenous Environmental Resources
35. Dehcho First Nations
36. Grassy Narrows First Nation
37. Innu Nation
38. Kaska Dena Council
39. Kitchenuhmaykoosib Inninuwug First Nation
40. Little Grand Rapids First Nation
41. Little Red River Cree First Nation
42. Lutsel'ke Dene First Nation
43. Moose Cree First Nation
44. Mississini Cree First Nation
45. National Aboriginal Forestry Association
46. Nishnawbe Aski Nation
47. Pauingassi First Nation
48. Poplar River First Nation
49. Prince Albert Grand Council
50. Treaty 8 First Nations of Alberta
51. Treaty 8 Tribal Association (BC)
52. Moberly Lake, BC

* \$2 million per year is the figure volunteered by Larry Innes of the CBI in a 2007 interview with the *Dominion*. Since the CBI is not an organization but a project of Ducks Unlimited, no verifiable figures are available concerning its operations, outside of the funding the Pew provides to Ducks Unlimited. Pew did give \$12 million in 2004 that was earmarked explicitly for the CBI, but what additional amount has gone to the CBI is unknown.



Funder-driven outcomes

The structures and methods of ForestEthics

ForestEthics is registered as a non-profit and is similar in appearance to most ENGOs. However, both in origin and structure, many who have worked with ForestEthics suggest that there is something qualitatively different about the group.

According to ForestEthics' web site, "Our roots go back to the founding in March 1994 of the Clayoquot Rainforest Coalition (CRC)." In 1999, the CRC became a registered charitable organization in the United States. In 2001, they became ForestEthics.

According to ForestEthics co-founder Tzepporah Berman, 80 per cent of ForestEthics' funding comes from foundations, while around 20 per cent comes from "high donors".

The organization does not have a "formal membership," Berman said in an interview, but reports to its board of directors.

According to Berman, ForestEthics has also done consulting work for corporations, "as long as the company wasn't a target or a potential target" of a campaign, ensuring that ForestEthics "wouldn't compromise anything by doing business with them."

According to Berman's recollection, ForestEthics receives money from the the Toronto-based Ivey Foundation, the Rockefeller Brothers Foundation, and the Wallace Global Fund, among many others. Repeated requests for a full list of foundations from ForestEthics staff members who Berman suggested contacting went unreturned. ForestEthics is also funded by the Pew-backed Canadian Boreal Initiative, and frequently work closely with them, though the size of the grants are unknown.

Publicly available tax forms say that ForestEthics had revenues of US\$2.8 million in 2007, of which \$400,000 came from consulting fees. The organization does not provide annual reports past 2005 on its web site.

"I wouldn't advise anyone to work with ForestEthics because of what happened with the Great Bear Rainforest agreement. If you leave the onus on some group then there's nothing you can do about it later."

Long time BC environmental activist Ingmar Lee believes there are issues of transparency in FE's structures.

"None of these groups have any kind of democratic structure. This is an American organization with its Canadian branch. Everything



Tzepporah Berman with Paris Hilton. ForestEthics' approach relies on high-profile campaigns, often involving celebrities.

that ForestEthics has ever done has involved secret backstabbing negotiations behind closed doors with these horrible governments. Whether it's the Great Bear Rainforest, or the Mountain Caribou or the boreal forest or now the [Enbridge Gateway] Pipeline, you can be sure ForestEthics is in there, they are profiting from it."

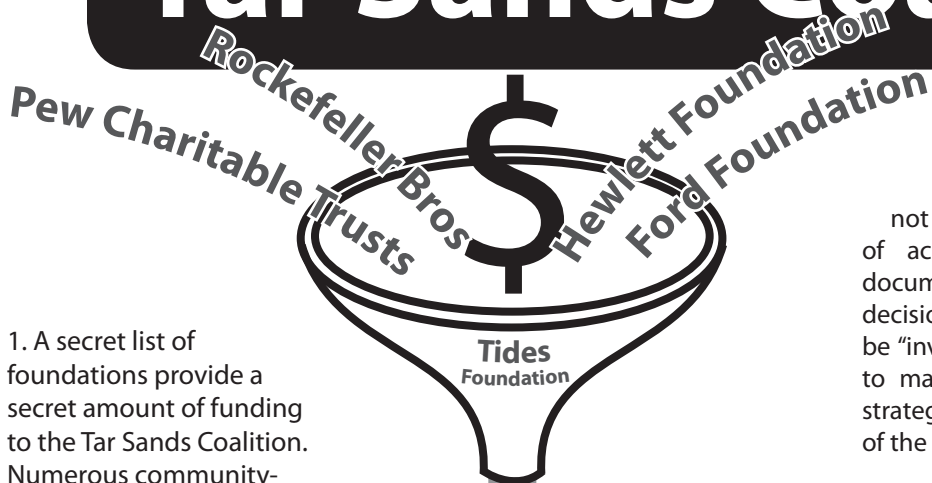
FE employees in Canada do not work for the Canadian branch, but are in fact contractors from the US working within Canada. Legally, ForestEthics does not exist outside of the United States.

Independent environmentalist and former Parks Canada employee Michael Major explains what FE is by law, and how they circumvent democratic process.

"FE is a US 501C3 so it must publicly report all of its revenue and

Continued on page 22

The secret structure of the Tar Sands Coalition



The North American Tar Sands Coalition, which has no official organizational structure, is not incorporated, and has no mechanisms of accountability. According to internal documents acquired by the *Dominion*, the decisionmaking structure is intended to be “invisible to the outside.” But the power to make funding decisions and formulate strategy is concentrated in precisely the part of the structure that intends to be “invisible.”

1. A secret list of foundations provide a secret amount of funding to the Tar Sands Coalition. Numerous community-level groups have been referred to the coalition when seeking funding. Foundation funding for tar sands work is effectively not available except through the coalition.

Tar Sands Campaign Steering Committee

Makes “all funding decisions,” explicitly intended to “remain invisible to the outside.”

Lead coordinator

Controls funding, strategic direction and employees.

Deputy coordinators (US & Canada)

Michael Marx

The Lead Coordinator of the coalition is ForestEthics co-founder and current Corporate Ethics director Michael Marx. At ForestEthics, Marx coordinated the groups involved in the Great Bear Rainforest negotiations. At Corporate Ethics, Marx’s crowning achievement was a campaign that led to “high level discussions with Wal-Mart senior executives that helped to launch Wal-Mart’s environmental initiative.”

Estimated
\$5-7 million
since 2008

2. The “invisible” steering committee controls funding to ENGOs and groups and sets strategy.

3. The coalition’s media coordinators “develop messaging” and “direct media opportunities to the appropriate groups.”

Media and “the Outside”

Media Coordinators

Set messaging, direct media to selected groups.

Dan Woynillowicz

Deputy Coordinator, Canada. Woynillowicz is a Senior Policy Analyst with the Pembina Institute. Pembina receives money from Nexen and Suncor, among others.

Kenny Bruno

Deputy Coordinator, USA. Formerly with the Rainforest Action Network and Greenpeace, Bruno now works with Oil Change International.

Pembina Institute • Environmental Defense-Canada • ForestEthics • Ecojustice • Greenpeace • Sierra Club • Canadian Boreal Initiative • World Wildlife Fund • (and anyone else who wants funding...)

Member ENGOs

Pew's Oil Connections

"The only connection between Pew and Sunoco or Suncor is historical... a majority of the current Pew board members are now members of the public at large, not the founding family."

—Pew International Boreal Conservation Campaign Director Steven Kallick, in a private email

"If Mr. Wooster had done his homework, he would know that the chairman of the Pew board is J. Howard Pew II. His brother, J.N. Pew IV, MD, is also a director. In fact, there are six descendants of the founders currently serving on our board. 'No ties'? I don't think so!"

—Pew Charitable Trusts President and CEO Rebecca W. Rimel, in a letter to Foundation Watch Magazine

"President Obama was elected by appealing to global warming alarmists, among other groups on the left. Will he cave in to their demands to leave untouched the vast oil sand deposits in Alberta that could provide millions of barrels of oil to fuel economic growth in both countries for decades to come? Development of Alberta's energy sector would be led by U.S. companies, too, thereby boosting growth on both sides of the border."

—The Heritage Foundation, recipient of \$350,000 from Pew in 2006

\$5.6 billion
in assets

\$140 million
in grants, annually

Seven out of twelve directors of the Pew Charitable Trusts are either former employees of oil giant Sunoco, or the heirs of its founder, J. Howard Pew.

The following groups either receive bulk funding from the Pew, or act "in partnership" with the Pew:

The American Enterprise Institute
The Heritage Foundation
The Rand Corporation
The Brookings Institute
Council on Foreign Relations
Peter G Peterson Foundation
Blackstone Group
B'Nai Brith/Anti-Defamation League

Some of the more recognizable names associated with these groups:

John Bolton
Richard Holbrooke
Madeleine Albright
Donald Rumsfeld
Condoleeza Rice
Henry Kissinger
Francis Fukuyama
Douglass Feith

Board of Directors

R. Anderson Pew

Heir to Pew/Sunoco fortune, former Sunoco executive, former Sunoco director

Robert H. Campbell

Former CEO & President, Sunoco

Ethel Benson Wister

Heir to Pew/Sunoco fortune; director, Glenmede capital

Mary Catharine Pew, M.D.

Heir to Pew/Sunoco fortune

J. Howard Pew II

Heir to Pew/Sunoco fortune; director, Glenmede capital

J.N. Pew IV, M.D.

Heir to Pew/Sunoco fortune; director, Glenmede capital

Sandy Ford Pew

Heir to Pew/Sunoco fortune

Susan W. Catherwood

Former director, Exelon (electric, natural gas, nuclear; CEO is Sunoco director)

Aristides W. Georgantas

Director, Glenmede capital; former executive, Chase Manhattan Bank

Rebecca W. Rimel

Former physician; President and CEO, Pew Charitable Trusts; served on President Bush's council on Service and Civic Participation

Robert G. Williams

Former employee, Markel Corporation, former director, Girard Bank

Gloria Twine Chisum

Former lab director, US Navy; former director, Meritor Savings (now defunct)

The Pew funds Canada Canadian Boreal Initiative

The Canadian Boreal Initiative (CBI) is funded by grants from The Pew Charitable Trusts. The CBI is a project of Ducks Unlimited Canada, which receives money directly from oil companies and other industrial operators.

Land-use planner Petr Cizek notes that the CBI has evolved quickly in a few years.

“At one point they were calling themselves the Canadian Boreal Trust. They hired a person named Cathy Wilkinson—who is a former federal climate negotiator involved in the Kyoto negotiations—to set up this Canadian Boreal Initiative.”

“The first whack of cash— about \$1.7 million— were provided to Canadian Parks and Wilderness Society and the World Wildlife Fund in 1999.” This began, Cizek explains, the new client-funder role they have been playing ever since.

“All the money goes through Ducks Unlimited. All the money goes to Tennessee first [The DU-USA head office], and then it goes to Winnipeg,” to the Ducks Unlimited Canada head office. “CBI doesn’t exist as an organization— it’s not registered as anything, it’s not a non-profit, it’s not a charitable organization— it’s not a legal entity.”

While CBI is officially funded by the Pew Charitable Trusts, the actual organization that it is a part of is Ducks Unlimited Canada. Ducks Unlimited has accepted millions of dollars in contributions from extraction companies like Syncrude, Suncor, Al-Pac, and related industrial operators like Enbridge, CN and Inland Cement. It is impossible to know whether this money makes its way to CBI (and thus to countless ENGOs, First Nations and others who are fighting these same corporations), because all the money goes to the same organization.

“The Modus operandi of the Pew or for that matter these other large or gigantic multi-billion dollar foundations in the United States is to fund mainstream large environmental organizations which generally have no members, but are private non-profit charities—you know, that are basically non-democratic.”

Cizek challenges the fact that CBI lists their own employees as deceptive.

“All these people who are allegedly staffers are all on contract, they are basically consultants and their paycheques come from Ducks



Signatories to CBI’s Boreal Conservation Framework.

Unlimited. If you get a grant from the CBI, the cheque will come from Ducks Unlimited.”

Cizek calls attention to CBI’s connections to US oil company Sunoco via its funders, the Pew Charitable Trusts.

“So we know that Sunoco currently refines tar sands oil. And they are about to do more refining. So, on one hand these people are running the Pew Charitable Trusts and their front groups the International Boreal Conservation Campaign out of Seattle and the Canadian Boreal Initiative out of Ottawa that claims to be concerned about the tar sands but won’t go out and actually use the word moratorium.”

“The outcome is this: The Modus operandi of the Pew or for that matter these other large or gigantic multi-billion dollar foundations in the United States is to fund mainstream large environmental organizations which generally have no members, but are private non-profit charities—that are basically non-democratic. Well, not accountable to any members in any case. They are accountable to their board which is a private, self-creating board. So based on past experience, the idea is to bring about very moderate reforms through the “low-hanging fruit” strategy, through closed door negotiations.”

In a 2007 interview with the *Dominion*, Larry Innes explained, with some candor: “We’re accountable to those people who write us a cheque every year. If we don’t achieve the kind of goals that they’re interested in spending their money on, the funding stops.”

Impacts of Pew Funding

What others are saying

“The Western Canada Wilderness Committee ended up not taking the money from Pew Charitable Trust. We gave it back because Pew wanted to run our organization and our board of directors. I have two close friends who did work for them and got totally over-ruled in their campaigns and ended up taking a leave of absence from environmental work because they were so hurt by some of the “methods” of persuasion from Pew.”

—Sue Fox, Western Canada Wilderness Committee, in a comment posted to www.dominionpaper.ca

“While the proliferating campaigns do involve grassroots groups, in every instance of which I am aware the campaign is in reality implementation of a wilderness strategy formulated by a small group of professional environmentalists working for the Pew Charitable Trusts... Pew professionals advise each campaign, helping develop campaign plans that are then funded by the foundation. The unwritten rule is that if you want funding you must adopt the Pew approach....

There is little opposition to Pew’s dominance; most members of western wilderness campaigns are not aware that strategy and tactics are controlled by Pew. Even Oregon Natural Resources Council, which once challenged the political wisdom of the eastern environmental establishment and thereby created (with help from other grassroots groups) the Ancient Forest Movement, has become meekly subservient to Pew’s views on how to save western wilderness. Consequently, Oregon’s Democratic Senator, Ron Wyden, is proclaimed an environmental hero for sponsoring additions to the Mt. Hood-Columbia Gorge Wilderness Areas and

“Did the Pew family one day just turn over a new green leaf? Or are they nothing more than Big Oil’s strategy to create weak ‘enemies’ by propping up moderates?”

avoids pressure to stand up for the largest complexes of roadless lands in the region--the Greater Kalmiopsis and the Klamath’s vast roadless areas. Similarly, Washington’s Senator Murray, a Democrat, has a bill to designate 106,000 acres of wilderness near Seattle. Three million acres in Washington State are eligible for wilderness designation.

In the short-run Pew’s strategy will garner additional success as more modest wilderness bills pass into law. The price for these victories may include development of larger, more ecologically important natural areas. But more is at stake. Movements are by their very nature not controlled or controllable, that is, they are by definition grassroots. Because distinctions between grassroots and hierarchical, and between movements and interest groups have been blurred, however, silent control by those with will and money becomes possible while diversity and democracy suffer.”

—Felice Pace, “How the Pew Charitable Trust is Smothering the Grassroots Environmental Movement,” published in *Counterpunch*

“Big Industry has given up its 20th century tactics of demonizing enviros for a whole new strategy. Why should industry play the villain when it can green up its image by hand-picking the conservation groups asking the least and give them fat foundation grants, a seat at the bargaining table, and all the (corporate-owned) media money can buy. Once in a while, Industry throws them a bone—like postponing drilling the Arctic Refuge or setting aside a minuscule “rocks and ice” wilderness area on unloggable land. All that’s asked in return is a promise from the enviro-lites not to challenge the root cause of nearly every environmental problem: corporate rule—leaving genuine solutions like real campaign finance reform, ending corporate tax subsidies, stopping private land clearcutting, or canceling the federal timber sale program off the table.

For a perfect specimen of corporate-funded environmentalism look no further than Pew Charitable Trusts, a \$5-billion foundation/organization founded by the children of Joseph N. Pew, CEO of Sun Oil Company (Sunoco), which has made tens of millions of dollars worth of grants to middle-of-the-road environmental groups.... An environmental foundation backed by Big Oil money? Does that mean the Pew family one day just turned over a new green leaf? Or are entities such as Pew nothing more than Big Oil’s strategy to create their own weak ‘enemies’ by propping up the moderates?”

—Josh Schlossberg, “A Bias for Life” published in *Counterpunch*

“The necessity of buying liberals impressed itself on the [Pew] family rather late, in the 1980s. But since then it has more than made up for lost time. Today, Pew Charitable Trusts (now seven in all) represent one of the

largest donors to the environmental movement, investing about \$20 million a year. But this does not tell the full story of coercion through money. At the head of the Pew environmental sector sits Joshua Reichert. Reichert and subordinates Tom Wathen and John Gilroy allocate Pew money, such as the \$1.5 million spent in 1995-6 to buy off vigorous defenders of the Endangered Species Act and ensure a revised and neutered law. They also help direct the donations of other foundations mustered in the Environmental Grantmakers Association, which collectively doles out more than \$350 million a year. Pew never goes it alone. It always works in coalitions with these others, which means no radical opposition to its environmental policies can get any money. (Notable exceptions include the Turner Foundation, and smaller opponents of the Pew Cartel such as Levinson and Patagonia).

Meanwhile, the Pew Trusts’ endowment is wisely invested in the



Over 3 million acres in Washington State are eligible for wilderness status, but under the influence of the Pew Environment Group, only a tiny fraction has been proposed for conservation.

very corporations that a vigorous environmental movement would adamantly be opposing. In its initial National Forest Campaign, Pew demanded that recipients of grant money agree to focus their attention on government actions; corporate wrongdoers were not to be named. This extreme plan was modified after some recipients balked.

The Charitable Trusts' money increases with the fortunes of timber firms, mining, oil and chemical companies and arms manufacturers. The annual yield from these investments far exceeds the dispensations to environmental groups. Take just one of the seven Pew trust funds- the Pew Memorial Trust. This enterprise made \$205 million in "investment income" in 1993 from such stocks as Weyerhaeuser (\$16 million), the mining concern Phelps Dodge (\$3.7 million), International Paper (\$4.56 million) and Atlantic Richfield, which is pushing hard to open the Arctic to oil development (\$6.1 million). The income yield from rapacious companies accruing to Pew in this single trust is twice as large as its total grants, and six times as large as all of Pew's environmental dispensations."

– Alexander Cockburn and Ken Silverstein, *Washington Babylon*, published by Verso in 1996 (Pew has since changed its investment practices, and maintains a more balanced portfolio today.)

The question is, "How in the face of nearly unlimited gas and oil industry money can we ever hope to stop tar sands production?" We are confident that this can be accomplished through the strategy outlined below. [...] We will not make the decisions to slow and clean up the tar sands – those in positions of authority will

[...] It is critical that the campaign have some type of coordinating structure to insure [*sic*] that all groups and strategic tracks are connected. This coordinating structure also needs some authority to direct funds to high priority activities quickly. While NGOs generally prefer a network structure that allows for maximum

"Pew never goes it alone. It always works in coalitions with these others, which means no radical opposition to its environmental policies can get any money."

communication, and minimal centralized control, foundations investing most heavily in the campaign have a vested interest in exercising some control over the process. [...] The Coordination Center *shall remain invisible* [original emphasis] to the outside and to the extent possible, staff will be "purchased" from engaged organizations. [...] The Tar Sands Campaign Steering Committee will consist of the Overall Coordinator, U.S. and Canadian Coordinators. Their job is to constantly refine campaign strategy, insure [*sic*] coordination within and across work groups and borders, as well as to help raise funds and make all funding decisions."

– Michael J. Marx, PhD, "Tar Sands Campaign Strategy 2.1" October 2008. In the document, marked "confidential" which was leaked via internet, Marx lays out the framework for the operations of the North American Tar Sands Coalition, funded by numerous foundations, including Pew.

Future Destruction

Projects to watch out for



From left: The Sverdrup Basin and the Mackenzie Gas Pipeline; the Enbridge Trailbreaker project would mean a \$1 billion expansion to Suncor's (formerly PetroCanada's) Montreal East refinery; Kinder-Morgan will bring tar sands crude to this Burnaby refinery; Nexen's Long Lake in-situ tar sands extraction operation, one of the largest currently in operation.

The Sverdrup Basin (Nunavut)

Located in the Arctic Ocean, the Sverdrup Basin is estimated to contain at least 17.1 trillion cubic feet of natural gas. The proposed Mackenzie Gas Project (MGP) will deplete the three anchor fields in the Mackenzie Delta after an estimated 20 years of operations. The Sverdrup Basin could provide a new supply of gas. Canadian Oil Sands Trust, majority owner of the Syncrude consortium, purchased 927 billion cubic feet of natural gas in the Sverdrup Basin for \$219 million in 2005 and currently holds a lease to that massive undeveloped gas deposit. The Sverdrup basin could end up fueling the long-term growth of the tar sands, which needs an ever-increasing supply of natural gas to expand its operations. No ENGO's or corporate fronts have yet publicly campaigned on this connection, despite the ominous impacts on the Arctic and the likelihood that it would facilitate both the tar sands and further climate change, while making the MGP economically viable.

Kinder Morgan TMX (Expansion & Northern Leg)

Many front groups and ENGOs have positioned themselves to lead the fight against the Enbridge Gateway Pipeline, which would move tar sands bitumen to Kitimat to be put on oil tankers. To date, ForestEthics, Pembina, Wilderness Committee, CBI, Dogwood Initiative and others have not prioritized Kinder Morgan's pipelines in their campaigns. An existing pipeline from Edmonton to Burnaby is set for expansion, while a proposed northern leg would go from Edmonton to Kitimat via Kamloops. If the Kinder Morgan pipeline is allowed, it will make oil tanker traffic on the central coast of BC all but inevitable. Industry will not build a pipeline to nowhere. The normal effects of building or expanding a pipeline also apply: large portions of Jasper National Park have already been torn up for the expansion of the existing leg.

Enbridge Trailbreaker

If completed, the Enbridge Trailbreaker Project would reverse and expand a pipeline currently flowing from Montréal to Sarnia. The Trailbreaker pipelines would bring up to 200,000 barrels per day of tar sands from Chicago to Montreal. Most of that would flow through another reversed pipeline—from Montreal to Portland, for transport to Canada's maritimes, the eastern seaboard of the US, and Texas' Gulf coast. Related plans include a \$1 billion expansion of Petro Canada's (now Suncor's) Montreal East refinery for tar sands refining, as well as possible tar sands refining in both Sarnia and along the US side of the Great Lakes in converted refineries.

Opti-Nexen Long Lake (North and South)

Opti is a Canadian subsidiary of an Israeli corporation known as Ormat, a company that has operated in historical Palestine since 1965. Ormat patented "OrCrude," a process of burning the extremely CO2 intensive "bottom of the barrel" waste from the production of synthetic oil. The Israeli government has not subsidized production of regional oil shale, which is not economical at current oil prices, so Opti set up operations in Alberta. Opti now has a partnership with Nexen, which gave the Pembina Institute \$44,000 to write a report promoting offsets (see page 6). "OrCrude," now renamed "cogeneration," is to date the most destructive process of tar sands extraction. A barrel of mined tar sands synthetic crude produces roughly three times the CO2 that regular "sweet" crude produces. In-situ tar sands extraction uses twice the energy, and this "co-generation" can produce 2-3 times the emissions on top of that. The process has recently been justified as a "cost cutting measure".



Sunoco through the ages

1886: Sun Company founded by Joseph Newton Pew.

1912: J N Pew dies; company taken over by J N Pew jr. and John Howard Pew (sons).

1920: Name changed to Sun Oil Company.

1925: Becomes public on NY Stock Exchange.

1947: J H Pew resigns as President; stays on as director. J N Pew jr. retains control of Sun Oil.

1953: Builds refinery in Sarnia, Ontario.

1967: Started up Great Canadian Oil Sands Limited in the Athabasca tar sands, known today as Suncor.

1995: Sold off tar sands assets and Suncor (as well as Canadian Sunoco service stations, etc) for \$5.1 billion. Retains Sarnia refinery.

1998: Name changed to Sunoco.

2008: Announced plans to move back into tar sands, seeking a partner for the venture. Seeking to expand Philadelphia refinery to include tar sands bitumen.

Present day: Refined tar sands bitumen and synthetic crude in Ohio refinery.

Environmentalists for NAFTA

Corporate rights agreements and Pew

NAFTA, the Security and Prosperity Partnership (SPP) and similar trade and security deals are supported by both the environmental groups and the other organizations sponsored or partnered with by the Pew Charitable Trusts. NAFTA itself was criticized by many grassroots environmentalists in the US before its passage at the start of 1994.

Environmental activists Lorna Salzman and Bernardo Issel wrote in a 2002 article, "Natural Resources Defense Council: Eco-logic or Eco-sell-out?":

The Natural Resources Defense Council (NRDC), along with Environmental Defense, the National Wildlife Federation, National Audubon Society, The Nature Conservancy and the World Wildlife Fund formed the Environmental Coalition for NAFTA. In justifying NAFTA, Katie McGintie, director of the President's Council for Environmental Quality, pointed out that "the leading environmental groups in the United States...joined the president in support of NAFTA". Those groups are certainly leaders in receipt of funds from corporations and foundations (themselves invested in corporations).

Each and every one of the coalition members today receives part or all of their funding from The Pew. The trade deals the Pew-funded organizations supported have now created unfettered access to the tar sands for American interests.

Unlike Mexico—which refused the 'proportionality clause' at the signing of NAFTA in 1994, when the original FTA was signed in 1988—Canada agreed to the clauses' inclusion. This clause states that there are no circumstances (including shortages or war) where Canada can reduce the proportion of energy exports to the United States. If over one million barrels a day are produced and 65% goes to the US (the approximate current levels), then when five million barrels a day are produced, 3.25 million barrels must be delivered to the US energy market.

The Pew Research Center is a project of the Pew Trusts and is leading a project called "The Economic Mobility Project." Included in this project as partners are the following highly placed, neoconservative think tanks:

- The American Enterprise Institute
- The Brookings Institute
- The Heritage Foundation
- The New America Foundation
- The Peter G Peterson Foundation
- The Urban Institute

With NAFTA and now the SPP, US corporations, including Sunoco, have vastly improved access to tar sands development.

Neoconservative policy makers in the US and Democratic thinkers alike have spent years talking about US energy security and for a source of oil not related to the "unstable" Middle East. With these various trade deals now in place, they have that guaranteed access in North America. So long as tar sands are produced, the same level or higher proportion will flow south. Pew backed supporters of these deals have had no small part in this reality.

“NWT Protected Areas,” continued from page 8

I kept being perplexed why these organizations are not taking a more activist role. Meanwhile more and more land was getting staked or opened up for oil and gas exploration licenses are being handed out left, right and centre. So I actually started sending out little maps to WWF showing how much land is getting staked. Finally, they did the typical thing and they gave me a pretty big contract.

The contract was to identify a network of conservation areas. So I prepared this 200 page report with dozens of maps. Based on the best available data, here are some possible areas you should be thinking of.

They asked me to do a little workshop, they called it a teach-in with the other members of the Protected Areas Strategy which included the government agencies and the other environmental groups. I spent a day doing this presentation and workshop and I got totally ripped to shreds.

They ripped apart my work on the basis of “Oh, the data isn’t good enough, how can we make these decisions”– I’ve never seen so much absolute rage in my whole life. All the participants were livid

that I had the gall to suggest a whole suite of conservation areas, when I basically said that for now this is the best available data that we have. I had basically gone through 40 years of government reports and identified sites that different biologists had considered important and digitized them into maps and so forth and said this is the best that we have for now. These are the sites you should be concerned about. There were 20 or 30 people there who tore me to shreds, and that’s when I realized what this was really all about.

There weren’t any industry people there, it was all government bureaucrats– mainly biologists– and staff of CPAWS, Ducks Unlimited, and the World Wildlife Fund.

It was creating this enormous façade to give the impression that something was going on and that there was absolute political terror at the prospect of actually implementing this so-called Protected Areas Strategy or even suggesting a real network of conservation areas.

It was after that I happened to come across an article by Felice Pace in *Counterpunch*. It was the first of the articles that described to me what had been going on in the United States and it was exactly the same.

“ForestEthics,” continued from page 14

expenditures and it must offer tax receipts for donations.” However, he says they campaign in ways that make it nearly impossible for outsiders to access information about on-going negotiations.

“They put together consortiums of foundations to fund coalitions of environmental groups because the consortium / coalition structure and strategy obscures accountability. Consortiums and coalitions are not even legal entities that can be held accountable,” says Major.

Major explains that once the structure is in place, “The coalition will have formally added smaller organizations, other ENGO’s and First Nations onto press releases, viral information and petitions– but de facto, the decisions and direction are already determined.”

“When they create a coalition it... distances the ‘member’ ENGO organizations which solely lend their name and credibility to the coalition initiative in return for some funding.”

Major sees ForestEthics as funder-driven. “The foundations used to collect, show and race ENGOs like thoroughbred racehorses but they quickly got into breeding their own to achieve more refined objectives. Funding brings the initiative and the staffers to life and keeps the coalition member ENGOs quiet.”

To date, ForestEthics is relatively secretive about their work in the Tar Sands. With funding from the Pew-backed Canadian Boreal Initiative, ForestEthics took out a full-page advertisement in USA Today. ForestEthics climate campaigner Merran Smith–the staffer most directly responsible for tar sands campaigning–initially agreed to an interview, but subsequently did not return phone calls or emails.

The campaign coordinator of the North American Tar Sands Coalition is Michael Marx, formerly of ForestEthics and currently with Corporate Ethics and Business Ethics.

Qwatsinas of the Nuxalk Nation offers a warning: “I wouldn’t advise anyone to work with [ForestEthics] because of what happened

“The foundations used to collect, show and race ENGOs like thoroughbreds, but they quickly got into breeding their own to achieve more refined objectives.”

with the Great Bear Rainforest agreement. If you leave the onus on some group then there’s nothing you can do about it later. And the type of impact that an oil spill would do, it’s just insurmountable looking at the after-effects of an oil spill in Alaska. The impact is still there today. They’re still cleaning up.”

What is to Be Done?

Questioning the burning of our movement

Your principle concern could be the destruction of a quarter of the fresh water in Turtle Island. It could be climate change and its attendant global devastation. It might be the catastrophic cancer rates in downstream communities. You might be driven to stop the second fastest rate of deforestation on the planet. Tailings ponds. Dead ducks. Temporary foreign worker programs. Housing crises. Rampant hard drug abuse. Or maybe you're most worried about the decline in oil reserves while demand continues to rise, leading to a prolonged economic crisis that undermines our ability to feed a growing population.

Wherever you place your emphasis, we can agree: shutting down the tar sands is a matter of survival. It is a question of life or death.

A fight for survival is not usually won by relying on secretive forces with questionable sources of funding and a track record of anemic backroom deals who claim to fight on one's behalf. If we're going to win, we have to take this seriously, together.

Without transparency and clear mechanisms of accountability or control, no organization can claim to represent the interests of an affected community. Historically, communities that organize themselves and connect with others are among the few who successfully win battles with powerful corporations.

There is still time to change course. This hierarchical "coalition" effort can be replaced by a horizontal network of communities, First Nations, workers rights movements and committed grassroots activists. But it needs to happen before corporate fronts gain enough traction to railroad resistance to the tar sands completely. If corporate fronts are able to make a back room deal, it will set us back several crucial years. It's a risk we cannot take.

ENGOS have a role to play, but not as a coalition that refuses to reveal who funds them, or even who is making the decisions.

Grassroots, community-rooted responses are popping up along the paths of destruction formed by the tar sands gigaproject. The map of pipelines, refineries, mines and drilling sites is also a map of our allies. The way communities are already working together points the way to an alternative to a foundation-led, top-down tar sands coalition.

To be a part of this alternative, ENGOS need to change their orientation to take their lead from community initiatives, be principled, and be accountable to community level work in an open, public way. This is, in effect, 180 degrees from the approach many ENGOS currently use: start a campaign, then ask communities to sign on.

Communities, disproportionately those of Indigenous nations



Children in Fort Chipewyan, Alberta organized a demonstration calling attention to tar sands destruction. If the tar sands are to be stopped, it will be because the demands of people whose survival is at stake are supported by a broader anti-tar sands movement.

throughout Turtle Island, will be bombarded with massive new developments from ocean to ocean to ocean. Out of straightforward self-interest, groups will choose to resist the intrusion of these projects onto their lands. To effectively resist the Gigaproject, we must tear down the wall of confusion built by tar sands producers. Together, we are stronger.

Whether the opponent is a pipeline, a refinery or a port, fights for environmental justice strengthen others, and not just in the political and moral sense. If producers cannot ship mock crude through pipelines, they cannot refine it. If producers cannot refine tar sands bitumen, they will not mine it or drill for it. Every community that acts in their own self-interest and prevents development locally contributes to the fight against the gigaproject, continent-wide. Our task is to build that network and dedicate ourselves to it: community led, democratic, in the open and fully accountable.

From Alaska to Louisiana, from Nunavut to California—all of Turtle Island is under siege with proposals for this development. As hard as the vast size of the plans for the tar sands are to comprehend, it is the size of the plans that gives us reason to believe that it is possible to stop the tar sands. "In the contradiction," Berthold Brecht said years ago, "lies the hope."

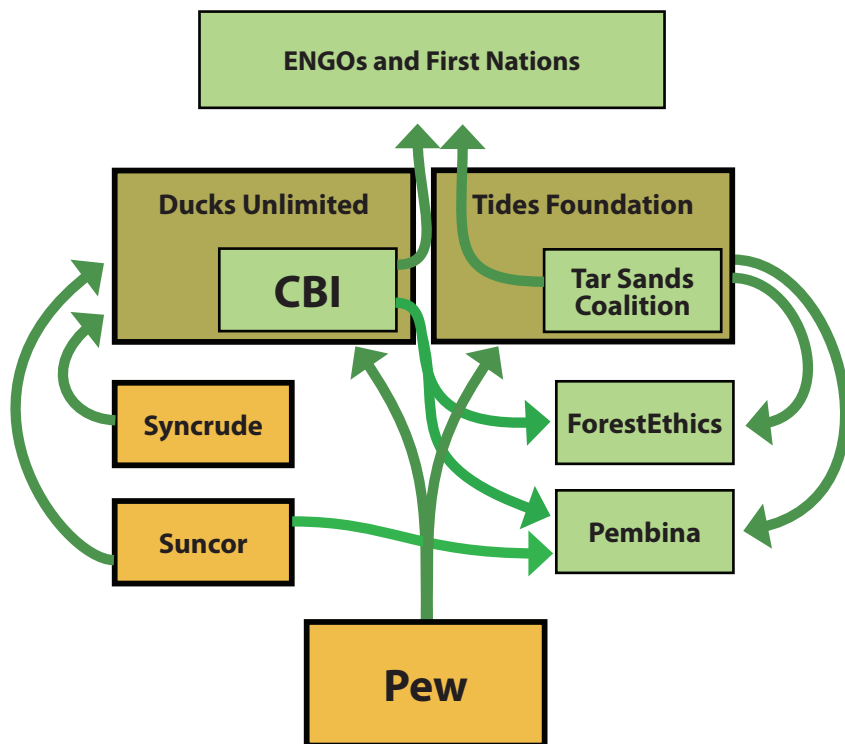
We can shut down the tar sands, we can build a world worth fighting for and we can demonstrate that world with the strength of our open, clear, democratic and non-hierarchical model. We must do it now.

Macdonald Stainsby & Dru Oja Jay



“...to acquaint the American people with the evils of bureaucracy and the vital need to maintain and preserve a limited form of government in the United States... to expose the insidious influences which have infiltrated many of our channels of publicity... to acquaint the American people with the values of a free market, the dangers of inflation, the need for a stable monetary standard, the paralyzing effects of government controls on the lives and activities of people, and to promote recognition of the interdependence of Christianity and freedom.”

—Sunoco President J. Howard Pew, writing in the Charter of the Pew Freedom Trust



Funding relationships between the Pew Charitable Trusts and selected ENGOs, corporate fronts and tar sands developers. Because the Canadian Boreal Initiative (CBI) and the Tar Sands Coalition are projects of much larger organizations (Ducks Unlimited and Tides, respectively), it is impossible to know how much funding they receive, and from where. Ducks Unlimited Canada, for example, receives hundreds of thousands of dollars in funding from Suncor and Syncrude. Without special access, it is impossible to know if CBI itself is not funded in part by that money. It is also impossible to know to what extent the \$47 million the Pew Charitable Trusts have given Ducks Unlimited has gone to CBI. The implications are far-reaching, due to the number of groups funded by the CBI, and soon by the Tar Sands Coalition.

“Great Bear Rainforest Outcomes,” continued from page 11

others) Gordon Campbell alongside Tzeporah Berman. Berman has since limited her role with FE and now directs PowerUP, a foundation-funded group advocating controversial run-of-the-river private hydro projects in British Columbia.

Because the EBM was not defined for years, companies were allowed to log, using the practice of “highgrading.”

Highgrading means to selectively take the very best trees from a forested area, leaving the rest in the hope that it will recover if left to its own devices after the healthiest trees have been cut. “Consider the years that the RSP accepted for the companies’ logging before the EBM went into effect; The result has been the highgrading of prime coastal temperate rainforest,” explained Sherrod.

She concludes that no environmental group should be allowed to negotiate behind closed doors with industry or government.

“Lastly, and this is overall what I think is the largest damage of these negotiations: No real environmental group needs to, or should, make agreements conceding vast areas of forest to be logged. Part of the shuck of this process is the pretense that environmental groups are forced to sign on the dotted line to get improvements in environmental protection. Pure hogwash. When we stand together in united resistance to environmental abuses we will gain real power to protect the environment, and we won’t have to sell out our ideals to do it. These are greenwashing deals. I am speaking out about this because there is evidence that the collaborative agreement industry may be moving to the tar sands. I want everyone to know that issues where people are dying of cancer from serious pollution is no place for this kind of thing. Open public process is your best friend in situations like this. Insist on it.”