

STOP THE WAR ON THE POOR

FSC and NGOs: Environmental Mythology

By Niger Innis, Spokesman for the Congress of Racial Equality



Overview

Earlier this year the President of the Forest Stewardship Council’s (FSC) US chapter, Corey Brinkema, responded to an op-ed I had written entitled “How environmentalists rig the economy against the poor.”

Well, FSC hit back. Mr. Brinkema defended his organization as the “gold-standard for responsible forest management” and to proclaim the FSC’s social, economic and environmental credentials. But what was missing was simple: strong evidence that FSC should be held in such high esteem.

But this isn’t surprising. FSC and its radical members, including Greenpeace and Rainforest Action Network, spend a lot of time and money on campaigns that promote FSC as the only choice for anyone concerned about anything from saving trees to helping the poor.

My critique gave Mr. Brinkema the chance to re-hash the clichéd lines about FSC being the cure-all for the world’s environmental and social ills.

When confronted, “Big Green” automatically falls back on these myths.

Big Green loves to tell the world that FSC certification offers the best protection for forests. They claim FSC is the best because anything that is not FSC—including competing endorsement systems—will not guard against wood from tropical forests in developing countries.

What’s wrong with wood from tropical forests? According to Big Green, using wood from tropical forests means you are destroying orangutans or tigers, and ruining the lives of local communities in places like the Congo, the Amazon and Indonesia.

These issues might be valid; but Big Green plays fast and loose with the truth.

Here’s one example: Big Green’s own system—FSC—has tropical wood in it too. And not just any tropical wood—there are critically endangered species present in FSC-labeled products.

Why is this important? Big Green goes a long way to convince governments, companies and consumers that it’s the FSC-way or the highway. According to their logic, if you don’t switch to FSC, you might as well be killing tigers in your front yard. Well, this logic is a myth, just like the myth that FSC helps the world’s poor.

Big Green has been travelling the world, telling communities in tropical countries that if they spend the money and switch to FSC, suddenly they’ll get more money for their wood, and those pesky Green campaigners—generally from some equally impoverished community like Berkeley or Greenwich—will leave them alone.

Big Green goes a long way to convince governments, companies and consumers that it’s the FSC-way or the highway. According to their logic, if you don’t switch to FSC, you might as well be killing tigers in your front yard. Well, this logic is a myth, just like the myth that FSC helps the world’s poor.

Big Green purportedly hatched FSC to help people like you and I work out which products—lumber, office paper, and tissue—were supporting the environment as well as economic development. This admirable stated purpose has been supplanted by another agenda. FSC has become an exclusive and monopolistic club Big Green uses to keep the world's forests out of the hands of those who actually use them to make a living.

FSC has been stacked with Big Green interests against free enterprise. So, instead of encouraging good forestry in poor countries, it now gets used to campaign against forestry in poor countries, period.

Who does this hurt? It hurts the developing world. It hurts the poor here at home and abroad. Poor people in Africa and South East Asia who are being told their forests don't meet Big Green requirements. And poor and working class people here in the United States who have to pay more for the basics: books for learning, tissues for hygiene and lumber for housing.

The Congress of Racial Equality has been fighting for economic mobility for minorities in America and for economic development for the developing world for over 70 years. Economic opportunity is the final frontier for the civil rights movement here and the Human Rights movement abroad.

Contrary to Big Green propaganda that FSC's mission is to save the world's poor and preserve the forests, FSC executives have an agenda that is akin to segregationist George Wallace standing in front of the school house door, when it comes to economic growth for the developing world.

The high costs of FSC paper disproportionately hurt poor communities who otherwise would have a more difficult time bearing the increased cost-of-living expenses of more costly FSC-certified products like toilet paper, tissue paper and other paper products.

Reducing poverty among America's disadvantaged, minority communities has never been a priority of Big Green. They hide behind their FSC-certified cups of chai in an aloof and out-of-touch belief that they're the world's do-gooders, but they care little about ensuring the right to low cost consumer goods.

In reality, FSC executives and the agenda of Big Green is akin to segregationists who opposed racial integration during the Civil Rights era. But instead of opposing education, Big Green is limiting the opportunity for poverty alleviation and economic empowerment that is a cornerstone of prosperity.

In other words, Big Green wants you to pay to maintain the myths that FSC is saving the world's poor—both in the US and abroad—and saving the forests. Plain and simple, Big Green is wrong.

FSC: Created by Big Green for Big Green

FSC was started in 1993, just after the United Nations’ “Rio Earth Summit.” The Summit was supposed to be an event that would end poverty and save the environment. In reality it was a confab for every self-interested NGO.

The Summit resulted in a number of international conventions. These included conventions on climate change, biodiversity and sustainable development. What it didn’t adopt was a convention on forests. Big Green was pushing for this, but it got rebuffed by Brazil and Malaysia. Why? Because at that point in time, timber exports were the mainstays of their economies. The logic was simple: poor people cut down trees and sold the timber to rich countries.

Instead of a convention on forestry, the Summit set in place a set of processes that helped countries decide for themselves how they should use their forests.

Brazil and Malaysia, which were far from the economic powerhouses they are 20 years later, saw this as an important victory for their own development. Not for Big Green. This was, as far as they were concerned, a massive failure.

Knowing their efforts at international bodies would be doomed to failure by the vetoes of developing countries that would object to rules that would stunt their economic growth, Big Green decided to take another path to achieve their goal. Big Green and their allies—specifically World Wildlife Fund (WWF), Greenpeace and the Rainforest Alliance—unilaterally devised a method of applying external pressure on forestry enterprises to comply with their own set of forestry “standards.”

So was born the FSC. Initial funding came from sympathetic Western Governments, wealthy foundations and the larger international NGOs. Donors included the Austrian, Dutch and Mexican Governments, WWF and the Ford Foundation.¹

The outward purpose of the FSC was to establish a globally recognized scheme for monitoring “responsible” forest management. The organization aimed to certify operators that met its standard for sustainable production and sourcing, and allowed those eligible to use the FSC logo on their product.

However, FSC’s governing structure allows its certification standards to be used for political purposes and environmental campaigning. FSC has since become a vehicle to drive the green agenda against the commercial forestry industry.

The one fact is that Big Green tells companies that they need to switch to FSC or face the consequences: campaigns outside their front door

¹ E. Schmidt, ‘The Forest Stewardship Council: Using the Market to Promote Responsible Forestry’, *Yearbook of International Co-operation and Development 1998/1999*, (1999)

It works like this: the governance structure, designed by NGO campaigners, guarantees that decision-making powers are always in the hands of NGO members by a ratio of 2 to 1. This means that liberal social NGOs and Big Green environmental groups will always outweigh the interests of private enterprise. So, rather than just getting FSC certification by sticking to the standard, FSC members have to comply with the political whims of NGOs.²

Big Green has put this to great effect, aggressively pressuring businesses to adopt FSC certification, which actually works against business interests. The organization continues to receive funding from the European Union and its expanded list of NGO members. Significantly, WWF still has a strong strategic and political influence, playing a key role in FSC development, funding and promotion.³

History tells us that FSC was designed by Big Green for Big Green. It certainly wasn't designed for the world's poor.

² F Gale and M Haward, Public accountability in private regulation: contrasting models of the Forest Stewardship Council (FSC) and Marine Stewardship Council (MSC), (School of Government, University of Tasmania 2004)

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Myth 1: FSC is Transparent

Greenpeace and WWF love to tell the world that FSC certification protects the world's forests. The claim is not based on facts. The one fact is that Big Green demands that companies switch to FSC or face the consequences: campaigns outside their front door. A classic extortion and intimidation tactic.

Big Green claims FSC is superior to other reputable forestry certification schemes which, they argue, have poor environmental credentials; are unduly influenced by industry; and partake in greenwashing campaigns. They also reckon that FSC is the only way to keep wood from endangered tropical species out of the global supply chain.

And it's here that Big Green takes aim at the world's largest global certification system, the Program for the Endorsement of Forestry Certification (PEFC), which has been mercilessly and baselessly attacked by Big Green.

PEFC is the certification system that actually adopted everything that was agreed to at the Rio Earth Summit. It has the support of poor countries around the world. Why? Because PEFC lets countries develop their own national standards for managing their forests, and then checks whether these national standards meet the international benchmark.

Here's an example: in the US, we have a PEFC-endorsed system called the Sustainable Forestry Initiative (SFI). SFI stands on its own two feet as the national, US standard for forest management. In Brazil, they have a PEFC-endorsed system called CERFLOR, which, like SFI, stands on its own two feet in Brazil. But both meet the PEFC requirements, which means that if you're in Washington buying CERFLOR timber, you can be assured that Brazil's interests are being taken account of. Just as if you're in Sao Paolo and buying SFI copy paper, you know that US interests are being looked after.

But one of the conditions PEFC stipulates is that the national standards for forest management must comply with the processes set by national and international standards bodies. This means that in the US, the processes that helped develop SFI are put under the same microscope as the processes for, say, safety belt tests under the NHTSA.

Part of this is what they call arms length separation. In these cases, the group that comes up with the standard has to be completely separated from the group that assesses whether operators meet the standard. In other words, this guarantees that the safety of a particular safety belt or the sustainability of logging can be done completely independently.⁴ FSC doesn't do this. It rolls all of these different functions into one group—a bit like big government, with no separation between the judiciary and the State.

⁴ PEFC Council (2010), Sustainable Forest Management—Requirements (PEFC ST 1003:2010)

Myth 2: FSC Protects Endangered Species

With PEFC or SFI, you know what you are getting.
With FSC and Big Green, you don't.

Big Green campaigns against anything that isn't FSC, stating that anything that isn't FSC will probably have tropical wood in it, and that unless you buy FSC paper you might as well be out there hunting tigers and elephants.

They point to tests saying they have evidence of endangered species in products from around the world. Just last month Rainforest Action Network took aim at an American icon—Disney—saying that its books contain endangered species. They've said the same about American toys, food packaging and timber products. They did this to Mattel too.

They say this based on a bunch of laboratory tests that they've conducted, and that the science is credible. This would be fine if groups like Rainforest Action Network and Greenpeace had a good track record on using science. But they don't. It seems like most of the time they're making it up as they go along. Their tests of Disney products are no different.

Yet the curious thing is that none of the Big Green groups have bothered to test their own FSC-branded products for endangered species.

The propaganda campaign by Big Green has been so effective in convincing the world that FSC is the only paper that protects the world's forests that no-one actually thought it was worth bothering to test FSC paper.

But look hard enough and you'll find a needle in a haystack.

Covey Consulting actually tested FSC paper to see what they could find in it. And what they found was remarkable.

They found tropical species sitting right there under the microscope.⁵ And it wasn't just any tropical forest species, it was red lauan. Red lauan is listed as critically endangered by the International Union for the Conservation of Nature. It's also known under the genus shorea.

Even Greenpeace has campaigned against shorea timber in recent times, saying it is often linked to illegal forest operations. It also reckons more than half of all shorea species are critically endangered.

⁵ Covey Consulting (2011), Papermaking Wood Fiber Analyses March 2011, Victoria, Australia.

Where does red lauan come from? Well, one of the places it comes from is Indonesia. And here's what Rainforest Action Network says about paper from Indonesia: "It is devastating local communities, threatening elephant, tiger and orangutan populations with extinction, and emitting massive amounts of greenhouse gases."

So, held up to this standard, groups like Rainforest Action Network should be campaigning against FSC, not for it.

But Big Green is being loose with the truth. When Big Green tells you that you should buy a FSC-labeled book—and not a Disney one—because it has supposedly "safe" paper in it, they can't guarantee it doesn't have endangered species in it.

Why would they do this? Why would Big Green not tell the truth about what goes into its favored products? Because it serves their purpose. It makes it easier for them to take control of land and forests in Africa and Indonesia—as you'll see in the next section.

Myth 3: FSC Helps the World's Poor

Big Green claims that FSC helps the world's poor. FSC's promoters repeatedly tell foresters—particularly in developing countries — that FSC certification will give them better prices. They tell them that consumers are willing to pay more for FSC certification. They say that this “market access” for certified products will help end poverty in poor countries.

Despite the hype, there is little evidence that certification helps the poor. In fact, a report prepared for the British Government's DFID in 2009 found that forest product labeling didn't earn price premiums in Europe.⁶

Like the myth that FSC is a better system to protect the world's forests, the claim that FSC helps the world's poor has proven to be nothing more than a PR line run by Big Green's spin machine.

And just as FSC harms the developing world's poor, the poor in the US have also fallen victim to FSC's high costs. Look no further than the discount shelves at Wal-Mart or the local grocery store—more and more products carry the FSC label. The extra dollars one must spend on basic consumer products hurts the fixed-income family struggling to make ends meet. Such extra dollars for toilet paper and other goods may matter little to Big Green, but such costs disadvantage America's poor communities.

Meanwhile, the rhetoric employed by FSC boosters and apologists regarding the developing world brings to mind similar, patronizing rhetoric employed by 1950's segregationists, alleging that the Jim Crow system was actually established to protect “the Negroes.” And just as with Jim Crow laws, it will not be until these efforts to subjugate developing world communities are renounced that the developing world will be in a position to prosper.

Recent Greenpeace actions in the Congo also serve as a case study for how blatant green manipulation of the FSC has become and how damaging this can be to the poor.

Last month Greenpeace called for an immediate ban on the issuance of new FSC certificates for “industrial scale” logging in the Congo Basin. Then they published an updated version of the 2008 report, “Holding the Line with FSC,” in which the group demanded the FSC tightens their standards or risk losing NGO support.⁷ They publicly reiterated this message in the weeks following.

The campaign was perfectly timed. It coincided with an FSC meeting on a new standard for logging in the Congo Basin.

⁶ Forest Industries Intelligence Limited, EU market conditions for “verified legal” and “verified legal and sustainable” wood products, (prepared for British Government (DFIF) and Timber Trade Federation 2009)

⁷ Greenpeace International (2011), accessed at: <http://www.greenpeace.org/international/en/publications/reports/Holding-the-Line-with-FSC1/>

Greenpeace is a founding member of the FSC and has been a key lobbyist for the group. It has arguably done more to have companies switch over to FSC than any other group. So, why are Greenpeace campaigning against FSC?

Big Green's strategy is to imprison foresters in developing countries by pressuring industry into adopting systems like FSC. Having caved, Big Green then lobbies to have the standards made tougher. This is the Greenpeace play in the Congo.

The sum result is that local producers, who played by the rules and paid the money for FSC certification, are left out—by the very organizations that pressured them into certification in the first place. Timber exports from the Congo will diminish, national industries will suffer, local jobs will be lost and the poor will stay poor.

In all of this, FSC doesn't defend itself. It stays silent. Or, in the Congo/Greenpeace case, FSC has embraced Greenpeace. In the wake of the Congo campaign, FSC invited Greenpeace International's CEO, Kumi Naidoo, to be plenary speaker at FSC's biennial confab.

However, the principle is the same. By inviting Greenpeace, FSC is not only giving its implicit support to the green campaign, it is presenting the NGO with a golden opportunity to lobby against the interests of the Congo Basin's poor.

The Impacts

Big Green’s contention that FSC certification is superior to other systems is baseless. Arguments that the green-sponsored standards system is more effective at protecting the world’s forests and helping the world’s poor are myths perpetuated by Big Green.

Big Green and FSC’s agenda are not designed to protect the world’s forests, but to control them.

And, as usual, the people who are punished by this are poor communities here in the United States and in developing countries such as Indonesia and Cameroon.

The FSC certification process has, perhaps inadvertently, spawned an unholy alliance between Big Green and wealthy forest developers in European countries. The illusion of “protecting the forest” is nothing more than a mask over a 1st world forest developer’s oligarchy over the entire forestry industry.

Fortunately, the US Congress is starting to take notice. In July 2010, a group of 79 Members of Congress sent a letter to the US Green Building Council to end FSC’s effective monopoly on Leadership in Energy & Environmental Design (LEED) credits for certified wood products; FSC is the only certification scheme that the U.S. Green Building Council recognizes. FSC’s monopoly prevents other wood product producers from participating in various consumer product markets thus driving up building costs on account of a lack of competition.

FSC certification has a significant impact on poor countries. Producers in these countries are being squeezed out of the global forestry trade by a Big Green cartel, which wants to shift forestry back to rich, developed countries—and, by implication, away from those nasty poor people in poor countries who, according to Big Green logic, can’t look after the forests themselves. Without the prospect of trade in global markets, what chance do countries such as Indonesia, Congo or Guyana have of reducing poverty levels?

If that is not enough, the tightening of FSC’s standards restricts developing countries’ rights to use land to make goods. These are rights that developed countries were able to take advantage of many years ago to ensure our economies grew. How can a country expect to drive its people out of poverty if it is restricted in what it can or cannot do with its land?

FSC certification poses a lose-lose scenario to developing countries:

Fail to meet the excessive costs and restrictive criteria of FSC certification and be forced out of the global timber trade by a system that favors the rich. Or, gain FSC certification and fall victim to a green agenda that restricts the much-needed development of your natural resources.

Think for a moment about the paper products you may have purchased, directly or indirectly, over the last week. Now consider that each of these items, whether it is a school book for your child or tissue paper, is more expensive than it otherwise should be because of FSC. Combine your expenses for the week, the month, the year and you can see that it starts to add up.

Now what kind of choice is that?

For consumers, FSC certification makes everyday goods more expensive. From tissues to school books or packaging, paper products are used in almost every industry in every country.

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FSC distorts the global trade in paper products by favoring the high-cost producer over the low-cost alternative. The extra layer of regulation is cost-prohibitive for many developing country producers—who would provide consumers with a low-cost alternative.

So, ask yourself: are you happy to pay more for your child's learning, just to keep Big Green happy?

Not only that, are you happy to swallow Big Green's myth that FSC paper protects the world's forests?

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