

PLAYING CAPITALIST FOR CASH

Even dirty money is fair for green reasons. By Eric Williams

In 2001, Friends of the Earth published “Dirty Water,” a report blasting the largest companies in the business of privatizing water and dealing with it as a commodity. Among those flogged by the environmental group were the French multinationals Vivendi and Suez, which were—literally—profiled side by side with Enron. No doubt the execs at Vivendi and Suez felt that Friends of the Earth’s report unfairly portrayed their companies, but no matter how you slice it, when the subtitles in the section of the report about your business are Environmental Pollution, Over Abstraction and Bribery, it’s probably not a good thing.

It’s arguable whether or not the “Dirty Water” report had much effect on Vivendi’s and Suez’s stock performance, but it certainly didn’t dissuade the Wendy P. McCaw Foundation from buying and selling shares in those French corporations. While it sometimes loses on stock transactions (as it did on Suez in 2003), the McCaw Foundation investment portfolio’s purpose is to make money. It then gives cash away to environmental groups, including the Center for Biological Diversity (CBD). Yep, the CBD, which sues everybody from the U.S. military to family ranchers to “protect the environment,” gets checks from the McCaw Foundation, which is invested in French water-mongering conglomerates that have a history littered with—at least according to Friends of the Earth—environmental pollution, over abstraction and bribery.

Of course, the McCaw Foundation is invested in many, many companies. According to its 2003 IRS filing (the most recent available), McCaw also traded in Total Fina, the French oil giant. Total, as it’s called, is one of the companies under the scrutiny of the Burma Campaign, a movement promoting human rights and democracy in Burma, the country also known as Myanmar. In fact, the Burma Campaign’s Web site has a page dedicated to helping activists write letters to Total’s management about the oil company’s proj-

ects in Burma. The predrafted letter says: “By working so closely with the dictatorship [in Burma] you are funding a regime that imprisons and tortures political opponents, has been condemned by the United Nations for its widespread use of forced labour and that uses rape

tising, the billboard guys. Which is a tad ironic given that CBD’s avowed roots are deeply Earth First!, and that Earth First! founder Dave Foreman’s classic book, “A Field Guide to Monkey Wrenching,” includes a primer on how to sabotage billboards.

But as long as the money flows into CBD’s coffers, the way in which funders generate that cash seems



as a weapon of war in its persecution of ethnic minorities.”

While the McCaw Foundation also trades in Banque Nationale de Paris, not every company it invests in is French. Most aren’t. Along with buying lots of euro currency, it also invests in Royal Dutch Petroleum, British-American Tobacco, Deutsche Bank, Wal-Mart stores, Waste Management and Lamar Adver-

to be of little consequence. John Sellers of the Ruckus Society, and formerly of Greenpeace, once explained the irony, saying: “There is no better way to launder corporate multinational largesse than giving it to the movement that is confronting it.”

Speaking of irony, the CBD is often at odds with property rights advocates, particularly through its use of the Endangered Species Act as a tool in lawsuits. CBD is described by <propertyrights.org> as the “leader of the far-left wing of radical environ-

mentalists.” But late in 1992, McCaw Foundation namesake Wendy McCaw lost a court battle with Santa Barbara County that—well, here’s how the University of California, Santa Barbara student newspaper described it:

“McCaw, the wealthy-by-divorce owner of the *Santa Barbara News-Press*, wants to get rid of an easement on her property that lets the public walk under the bluffs of her 25-acre beachside estate. She is outraged that the hoi polloi can just stroll about a mere 60 feet away from her house, stables, farmhands’ quarters, etc., etc., and says it’s an unjust intrusion by the government onto her land.”

OK, enough about the hoi polloi getting too close to farmhands—back to the CBD and where it gets its money.

Records indicate that 2003 was the first year the McCaw Foundation gave to CBD, granting the group \$85,000. McCaw basically picked up the slack left over when Ted Turner’s foundation—hit hard by the fact Turner’s stock portfolio went in the tank early this decade—cut back on its grant making. From 1996 through 2002, when things were mostly good for AOL shareholders, Turner donated more than \$350,000 to CBD.

These days, \$350,000 over seven years is peanuts for CBD, at least compared to one of its largest income sources—the U.S. taxpayer. For 2004, CBD reported total revenue of \$2.2 million. Of that, \$718,569 came from “legal returns,” mostly legal fees and awards from lawsuits. (That was actually down from \$992,354 in legal returns in 2003.) A large portion of that money comes from the U.S. government, in that when CBD sues to effect law or stop a project, it normally sues the government—typically the Forest Service, BLM or U.S. Fish & Wildlife Service. But according to the *Phoenix New Times*, CBD has even “sued to halt the construction of schools.”

CBD argues—correctly—that it usually wins its lawsuits against the government, or at least prevails well enough to get some cash. But as *RANGE* readers know, CBD doesn’t win every lawsuit—particularly when the case revolves not around bureaucratic process, but around plausible versions of the truth. In Jan-

uary 2005, a court in Arizona ruled that CBD flagrantly misrepresented the grazing practices of Jim Chilton and his Chilton Ranch and Cattle Company [“Got’cha!” by Cindy Coping, *RANGE* Summer 2005]. The jury determined that CBD owes Chilton \$100,000 in actual damages and another \$500,000 in punitive damages.

Five hundred thousand dollars also happens to be the amount the Sierra Club Foundation granted CBD in 2004. That’s 22.7 percent of CBD’s total revenue for the year, and 34 percent of what’s called “total public support,” or the amount of contributions or donations it receives outside legal fees, investments and the like. Just a few of the other funders of CBD include:

■ The Columbia Foundation, which has a broad investment portfolio including everything from Chinatrust Financial Holdings and Bangkok Bank to the leather leaders at the Gucci Group—which sells products at Nordstrom, another of Columbia’s investments. Columbia trades shares in mega-miners Rio Tinto and Daewoo Shipbuilding, not to mention the billboard guys at Lamar Advertising, Total, and Suez.

■ The New-Land Foundation, which has maintained its ability to make grants despite trading over the years in market meteors Qwest, Tyco and, yes, Enron.

■ The Marisla (formerly Homeland) Foundation, which was endowed with money from the Getty Oil fortune. Marisla is invested in Costco, Home Depot, Microsoft and various drug and health-care giants.

■ The Oak Foundation USA, which receives large sums of money from trusts in the Channel Islands and in London. Oak’s investments include Blackstone Real Estate Partners, which says on its Web site, “has emerged as one of the most active and successful investors in the global real estate market, having completed 151 separate transactions...valued at approximately \$29.4 billion.”

CBD doesn’t just take money in, it also grants funds to other organizations, and some of that money flow appears—at least on the surface—to be almost as incongruous as this group of former Earth First’ers reaping the benefits of investments in Shell Oil and British American Tobacco, “the world’s most international tobacco group.” For example, in 2003, CBD gave a California group called Save our Forests and Ranchlands \$100,000.

So, do you sue the ranchers, or support

the ranchers? Nothing hypocritical about that. Do you take money from foundations that earn money from the “dirty” profits of companies that you then target? Nothing ironic about that. ■

Eric Williams grew up in central Montana’s ranch country, and today is a partner in the consulting firm Environomics, Inc. His favorite books are James Dale Davidson’s “The Sovereign Individual” and Dr. Seuss’s “If I Ran the Circus.”

Major Funders of the Center for Biological Diversity

Columbia Foundation, San Francisco, CA
—\$75,000 from 2000-2003

Firedoll Foundation, Walnut Creek, CA
—\$46,000 from 2001-2003

Foundation for Deep Ecology, Sausalito, CA
—\$130,000 from 2000-2003

Marisla Foundation (formerly Homeland Foundation), Laguna Beach, CA
—\$110,000 from 2000-2002

Wendy P. McCaw Foundation, Santa Barbara, CA—\$85,000 in 2003

Pew Charitable Trusts, Philadelphia, PA
—\$200,000 from 1998-1999.

Nina Mason Pulliam Charitable Trust, Indianapolis, IN—\$95,000 in 2003

Rockefeller Family Fund, New York, NY
—\$80,000 from 2002-2003

Sandler Family Supporting Foundation, San Francisco, CA—\$70,000 in 2003

Sierra Club Foundation, San Francisco, CA
—\$500,000 in 2004

T&E, Inc., Cortaro, AZ
—\$50,000 from 2000-2004

Turner Foundation, Atlanta, GA
—\$370,000 from 1996-2002

Wilburforce Foundation, Seattle, WA
—\$417,000 from 1998-2004

