

August 22, 2002

Dear President Bush:

We are writing to urge that you support significant international action at the upcoming World Summit on Sustainable Development in Johannesburg. As the Summit approaches, we are deeply concerned that the United States will not endorse multilateral measures necessary to protect our planet and its resources.

We especially urge you to take serious action in Johannesburg regarding corporate accountability on environmental and social matters. Your recent statement that corporate self-regulation is insufficient in the financial and accounting arenas is equally true for environmental and social protections. As many have noted, there has been a widespread failure to implement the goals adopted at the 1992 United Nations Conference on Environment and Development, the Rio Earth Summit. Ten years after Rio, there can be no doubt that a primary cause of this failure has been the lack of binding measures to address the practices of multinational corporations.

We therefore believe it is time, under the auspices of the United Nations, to develop a framework for corporate accountability that is binding in nature, international in scope, and capable of promoting responsible behavior worldwide. In our view, action is especially needed on two fronts:

- First, multinational corporations should be required to report on their environmental and social impacts on an international basis, much as they are required to do under U.S. laws such as the Emergency Planning and Community Right-to-Know Act. Disclosure in the U.S. has provided citizens, communities and investors with critical information and has led to substantial voluntary reductions by U.S. businesses in toxic releases and other environmental hazards. Establishing these kinds of transparency requirements internationally is essential to achieving sustainable development.
- Second, an international framework for legal liability is needed to address the most egregious environmental and human rights abuses committed by multinational corporations. Building on recent jurisprudence in the United States and other countries, such a framework should ensure that citizens who are harmed by these abuses can seek redress in appropriate legal venues in both the home and host countries of the offending corporation. Failure to address the damaging behavior of the least responsible corporations will thwart all genuine efforts to achieve sustainable development.

While foreign direct investment can benefit environmental and social sustainability, multinational corporations have too often acted in ways that undermine these goals. In many cases, irresponsible corporate activities have resulted in or contributed to environmental degradation, human rights abuses, and increased economic inequality. The rapidly growing scale, mobility, and political and economic power of multinational corporations have made it

increasingly difficult for citizens and governments to address their impacts. Moreover, we cannot achieve significant progress on central issues such as climate change without addressing the key role of corporate actors, especially major energy companies.

In response to concerns about corporate practices, some corporations and governments have developed voluntary codes and initiatives. While a number of these efforts are beneficial, they are insufficient to fully address corporate abuses because they are generally self-regulated, are not enforceable, and do not create a level playing field for all businesses. Most importantly, voluntary initiatives fail to reign in bad corporate actors that choose to continue externalizing environmental and social costs onto society.

Meanwhile, institutions such as the World Trade Organization have provided multinational corporations far-reaching legal rights and benefits without any corresponding affirmative obligations to ensure responsible corporate behavior or measures to safeguard citizen rights. We are deeply disappointed that governments have failed in the current WSSD text to address this imbalance in global trade and finance policies.

Ten years ago, former President Bush showed leadership in Rio by supporting major international agreements on climate change and biodiversity. Your decision not to attend the Summit would only add to our already serious concerns about the United States government's continuing resistance to making any new international commitments at the Summit, including the adoption of meaningful targets and timetables – such as renewable energy targets – and the provision of critically needed new and additional funding. At a time when concerted multilateral action is needed to address acute global problems, the U.S. has instead focused on purely voluntary partnership activities as the main outcome of the summit.

That approach is insufficient to the challenge ahead. The upcoming Johannesburg Summit offers an historic opportunity to show the world that your administration expects multinational corporations to act responsibly and be held accountable for their environmental and social activities. We therefore call on you to ensure that this essential issue is addressed in Johannesburg through support of a meaningful international corporate accountability framework for sustainable development.

Sincerely,

Brent Blackwelder
President,
Friends of the Earth

Carl Pope
Executive Director,
Sierra Club

William F. Schulz
Executive Director
Amnesty International USA

Jo Marie Griesgraber
Director of Policy,
Oxfam America

Vawter Parker
Executive Director,
Earthjustice

Bill Fletcher
Executive Director,
TransAfrica

Wenonah Hauter
Director,
Public Citizen Critical Mass Energy
and Environment Program

Medea Benjamin
Founding Director,
Global Exchange

Besty Apple
Director,
EarthRights International

cc: Secretary of State Colin Powell
Environmental Protection Agency Administrator Christine Todd Whitman
Council on Environmental Quality Chair James Connaughton