PLANETARY CITIZENS:
U.S. NGOS AND THE POLITICS OF INTERNATIONAL DEVELOPMENT
IN THE LATE TWENTIETH CENTURY

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By

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PLANETARY CITIZENS:  
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Dissertation Adviser: Michael Kazin, PhD

ABSTRACT

*Planetary Citizens* examines the role of non-governmental organizations (NGOs) in shaping the international politics of economic development and environmental sustainability. Focusing on U.S. NGOs in the 1970s and 1980s, this project illuminates how these small organizations managed to alter the policies of governments, corporations, and multilateral institutions. However, its analysis also demonstrates that, by the late 1980s, NGOs had encountered limits to their efficacy.

Understanding U.S. NGOs’ internationalism requires examining these groups’ domestic origins, which I argue lie in the public interest liberal movement. Arising in the mid-1960s, public interest liberalism consisted of nonprofits working to restrain corporate power and reinvigorate the New Deal regulatory state. Groups such as the Natural Resources Defense Council catalyzed change by using policy expertise and the legal system to persuade powerful actors (such as large corporations, Congress, or federal regulators) to enact policies and laws to promote consumer safety and ecological sustainability.

*Planetary Citizens* next examines how, starting in the early 1970s, some public interest groups internationalized their advocacy. It focuses on the two most significant campaigns launched by U.S. nonprofits in the 1970s and 1980s regarding international development. The first of these initiatives was the international boycott of Nestlé. Activists attacked Nestlé’s marketing of breast milk substitutes in the Global South, which they saw as endangering infant
health. The second campaign saw U.S. environmentalists pressure the U.S. Agency for International Development and multilateral development banks to incorporate ecological concerns into their lending practices.

Exploring these campaigns’ tactics and strategies, *Planetary Citizens* shows how NGOs adapted to working with a diversity of institutions, experimented with militant tactics, and built ties to activists in the Global South. While these approaches produced partial victories, the effectiveness of public interest groups was challenged by the rise of conservatism, both domestically and internationally, in the 1980s. With conservatives wielding greater influence in the U.S. government and international institutions, public interest groups’ influence diminished considerably. Conservatism’s rise however was not the only reason for public interest groups’ frustrations; rather it intensified existing power imbalances and political dynamics that had long limited public interest groups’ ability to win their agenda.
Acknowledgements

Just as no activist organizing campaign is a solo affair, the construction of a dissertation is actually a most collaborative process. In my case, an enormous set of people and institutions contributed their money, facilities, time, and insights to allow me to complete this project.

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When I began my graduate program, an older student urged a group of us first-years to make friends with fellow graduate students because “your friends aren’t going to be interested in what you do.” While I can understand the value of this advice, in my case, it was thankfully
irrelevant. Throughout this process I have benefitted immensely from conversations with friends, many of who are involved in one form or another of activism or advocacy. In Washington, D.C. thanks are owed to Scott Spicer, Matt Sheren, Monica Kamen, the entire 2011-2012 class of Jeremiah Fellows (and Rabbi Elizabeth Richman particularly), Rob Wohl, Kate Sheppard, Deen Freelon, Seth D. Michaels, Michelle Campbell, Katie Ashmore, Judah Ariel, Robyn Swirling, Timi Gerson, Todd Tucker, Michael Sherrard, Annie Schutte, Andrew Pratt, Matt Corley, Alicia LaPorte, Ari Rabin-Havt Rachel Harold, Mark Hays, Kirsten Collins, Mehrun Etebari, Amy Morse, Josh Rosenthal, Sam Petsonk, Jessie Posilkin, Sarah Edelman, Saerom Park, Myles Duffy, Lane Windham, Sarah Heydemann, Max Toth, Jessica Champagne, and James Ploeser. Outside of Washington, D.C., I am grateful for the friendship of many others; among those who helped me through this process I am especially thankful to Vicki Kaplan, Amy Faulring, Dave Jonas, Jeff Tornheim, Sahar Masachi, Dan Stringer, Layla Schuster, Jon Dworkin, Aaron Kagan, Andrew Slack, Rob Jackel, Mara Cohen, Corey Hope Leaffer, Lisa Leombruni, Elisa Harkness, and Eric Sirota. I’m also especially grateful to Ben Brandzel, Deepa Gupta, Michelle Dixon, and Taren Stinebrickner-Kaufman, four exemplars of current day “planetary citizens.”

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Minneapolis, but also feeding me every night for several weeks, introducing me to one of the key figures I profile in this work, and providing their incredible insights on international political economy and activism. Meanwhile, Evin Isaacson managed to house me on my first and last research trips (on opposite sides of the country) and never failed in asking the sharpest questions.

This project would be impossible without the wisdom and counsel of my committee. David Painter pointed me in the direction of numerous works that provided a clearer portrait of political economy in the 1970s and 1980s (and always introduced those materials with a wise quip). Meanwhile, from the moment I started graduate school, Joseph McCartin proved to be my Obi-Wan Kenobi: consistently delivering the most sage advice, in the most calm and reassuring manner imaginable. If Joseph McCartin was my Obi-Wan, than Michael Kazin was certainly my Yoda. With a single, sometimes puckish comment, he pointed to many a fallacy in my thinking or a fresh approach that invariably led to a burst of new thinking and energy on my part.

Finally, my parents have been an amazing source of strength throughout this process. Whether just assuring me all would be well, reading over early drafts, or sharing their considerable knowledge and perspectives about U.S. and world politics, without them, quite literally, none of this would be possible. I can think of no better people to dedicate this work to.
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## Abbreviations

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<tr>
<th>Abbreviation</th>
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<tbody>
<tr>
<td>ACA</td>
<td>Action for Corporate Accountability</td>
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<tr>
<td>CAP</td>
<td>Consumer’s Association of Penang</td>
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<td>CEQ</td>
<td>Council on Environmental Quality</td>
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<td>CLASP</td>
<td>Center for Law and Social Policy</td>
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<td>EDF</td>
<td>Environmental Defense Fund</td>
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<td>EPI</td>
<td>Environmental Policy Institute</td>
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<tr>
<td>FOE</td>
<td>Friends of the Earth</td>
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<td>G-77</td>
<td>Group of 77</td>
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<td>HAI</td>
<td>Health Action International</td>
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<td>IADB</td>
<td>Inter-American Development Bank</td>
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<td>IBFAN</td>
<td>International Baby Food Action Network</td>
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<td>ICCR</td>
<td>Interfaith Center for Corporate Responsibility</td>
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<td>IDA</td>
<td>International Development Association</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>INFFACT</td>
<td>Infant Formula Action Coalition</td>
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<td>IOCU</td>
<td>International Organization of Consumer Unions</td>
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<td>MDB</td>
<td>Multilateral Development Bank</td>
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<td>NAM</td>
<td>Non-Aligned Movement</td>
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<td>NBA</td>
<td>Narmada Bachao Andolan</td>
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<td>NCC</td>
<td>National Council of Churches</td>
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<td>NCCN</td>
<td>Nestlé Coordination Center for Nutrition</td>
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<td>NEPA</td>
<td>National Environmental Policy Act</td>
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<td>NIFAC</td>
<td>Nestlé Infant Formula Audit Commission</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NIEO</td>
<td>New International Economic Order</td>
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<tr>
<td>NRDC</td>
<td>Natural Resources Defense Council</td>
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<td>NWF</td>
<td>National Wildlife Federation</td>
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<td>PAN</td>
<td>Pesticide Action Network</td>
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<td>TWI</td>
<td>Third World Institute</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>WHA</td>
<td>World Health Assembly</td>
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<td>WHO</td>
<td>World Health Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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**Introduction: The Making of the Politics of Accountability**

With the dawn of the new millennium mere weeks away, a person could be forgiven for turning on his or her television in the first days of December 1999 and believing they were witnessing the end of days.\(^1\) Splashed across print and television news a dramatic array of images unveiled from the streets of downtown Seattle as 40,000 protestors squared off with police and the National Guard. The “Battle in Seattle” appeared an oddity to most outside observers – a protest whose intensity seemed better suited to the raucous 1960s than the placid 1990s. Making events in Seattle even more curious, the protests focused not on abortion or another of the 1990s “culture wars” issue, but were instead aimed at the World Trade Organization (WTO).\(^2\)

Established in 1995, the WTO rapidly became the leading institution facilitating the creation of a new policy architecture for economic globalization. For the activists descending on Seattle, the WTO epitomized how the global economy’s mechanics served the interests of “corporations and investors, rather than communities, workers, and the environment.”\(^3\) Rallying around the slogan “people before profits,” demonstrators used direct action techniques that successfully delayed the opening of the WTO meeting, while massive street marches intensified the pressure. Inside the WTO conference, the protests helped spark a rebellion, as representatives from some Global South nations refused to bow to Northern demands that the South rapidly

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liberalize key economic sectors. Four days into the talks the delegates ended the meeting with no new agreements signed.⁴

For the broad array of liberal and left-wing groups that organized the Seattle protests, the WTO meeting’s collapse caused jubilation. While black-clad anarchists and labor unions received much of the attention (and the credit), some of the protest’s crucial organizing was handled by a cohort of internationally-oriented non-governmental organizations (NGOs).⁵ Within this activist subset there was significant diversity, with some groups focused on certain policy issues or specific geographic regions, while others embraced many issues. The participation of so many small, professionally-staffed NGOs in Seattle was notable, but not surprising. In what scholar Catherine Agg calls the “golden era of NGOs,” from the mid-1980s through the late 1990s, the number of internationally-focused NGOs in the world grew from about 20,000 in 1985 to roughly 45,000 by 1999.⁶ Long recognized for providing services such as food aid and other development assistance across borders, more and more Global North NGOs during the 1990s embraced policy advocacy. In so doing, they became international political players, effectively “muscling their way into areas of high politics . . . previously dominated by the state,” as described by international relations scholar P.J. Simmons.⁷

Seattle was not the first time that U.S. nonprofits “muscled” their way into international policymaking, including on issues of social and economic development. Among the NGOs most

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⁵ For the purposes of this dissertation, I will follow historian Akira Iriye’s definition that an NGO is a “voluntary nonstate, nonprofit, nonreligious, and nonmilitary association.” See Akira Iriye, Global Community: The Role of International Organizations in the Making of the Contemporary World (Berkeley, CA: The University of California Press, 2002), 2.
involved in the protests included a cohort of established liberal nonprofits, such as Public Citizen, Friends of the Earth, and the Sierra Club. Staffed by professional advocates and relying primarily on lobbying, lawsuits, and other “insider” tactics to achieve their goals, these groups constituted key players in what political scientist Michael McCann has called the “public interest liberal” movement. A sometimes seemingly invisible political movement, public interest liberalism had a substantial effect on U.S. politics and served as a vital incubator for global NGO activism.8

Given the paucity of scholarship on the public interest liberal movement, a discussion of its history must start by identifying its component parts. According to John Gardner, a leading public interest voice and founder of the organization Common Cause, the public interest liberal movement consisted of three main groups. First were the “‘Public interest law’” groups, made up of law firms established to assist liberal causes, especially on consumer, environmental, and poverty issues. Gardner classified the second group simply as “‘Ralph Nader.’” By this he did not mean that one man constituted one-third of the movement. Rather, Gardner used Nader’s name as shorthand to refer to the many consumer and public interest advocacy groups that Nader either founded or inspired. The third group Gardner pointed to was “‘the environmentalist movement,’” by which he meant professional law and lobbying nonprofits like the Natural Resources Defense Council.9

Gardner offered this taxonomy in 1971, already several years into the movement’s era of greatest accomplishments. Public interest liberalism came onto the scene in the mid-1960s, the

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product of what political scientist Jeffrey Berry dubs the “advocacy explosion.”¹⁰ Not only did public interest liberalism’s ranks swell, but during its heyday from the mid-1960s to the early 1980s, it spearheaded a historic set of reforms. Public interest groups played vital roles in crafting and passing groundbreaking consumer and environmental legislation; for example, of the forty-seven major federal consumer safety laws enacted between 1890 and 1972, over half were passed between 1966 and 1972. Public interest advocates also assisted in the formation of significant new federal regulatory bodies like the Environmental Protection Agency and the Consumer Product Safety Commission.¹¹

In waging these fights, public interest liberals aimed to win concrete policy changes and to rejuvenate American liberalism. Like their predecessors in the Progressive and New Deal eras, public interest liberals believed that businesses’ pursuit of profit caused numerous social ills, from the manufacture of unsafe consumer products to the despoiling of the environment. However, unlike their political forbearers, public interest advocates confronted a reality in which such ills persisted despite decades of regulatory intervention by state and federal agencies. While public interest advocates retained liberalism’s belief that the state could be a force for the common good, they also recognized government’s capacity to fall short of or even betray liberal ideals – from inadequacies in policy implementation to the corruption of regulators to the Vietnam War.

With both public and private actors perpetuating what Ralph Nader deemed “‘evils [that] are an inevitable result of concentrated power that’s insulated from broader human values,’” public interest advocates believed a new force needed to enter American politics. Thus, they

founded nonprofit organizations to serve as a “countervailing power” to public and private actors. In acting as both watchdogs against institutional abuses and advocates for better policies, public interest liberals crafted what I call a “politics of accountability” built on three main pillars: expertise, “responsible militancy,” and participation.

The first of these pillars, expertise, refers to public interest liberals’ focus on developing a deep well of knowledge about the workings of corporations and government agencies. By becoming experts, public interest liberals made themselves into trusted sources that more powerful actors (such as journalists or members of Congress) could rely upon for advice on various policy issues. However, as important as technical knowledge could be, advocates recognized that expertise alone would not bring social change. Public interest liberals thus embraced an advocacy approach that John Adams, a co-founder of the Natural Resources Defense Council, aptly dubbed “responsible militancy.” While avoiding what they felt were the excesses of the New Left, public interest liberals embraced confrontation with powerful institutions through lobbying, lawsuits, and, in some cases, grassroots organizing. The long-term goal of such “responsible militancy” constituted the third element of the politics of accountability, participation. Public interest liberal advocacy aspired to increase everyday peoples’ ability to “democratize those institutions exercising political and social power” by

having public interest organizations serve as institutional bridges to channel citizens’ demands on the state and corporations.  

At first, public interest liberals focused on domestic issues. However, coming of political age at a time when world poverty, environmental crises, and the Cold War (particularly the conflict in Vietnam) made headlines, public interest liberals could not ignore the rest of the world for long. Taking worries about corporate power and the ecological crisis as their starting points, some public interest organizations in the early 1970s began to address these concerns as they manifested themselves in relations between the Global North and Global South. Asserting that the policies of Northern companies and governments, as well as Northern-dominated international institutions, caused a myriad of harms in the Third World, public interest advocates sought to internationalize the politics of accountability.

It is the activities of these NGOs which form the centerpiece of this work. In understanding NGO’s global advocacy, I focus on two representative public interest campaigns. The first was the global boycott launched in 1977 by U.S. activists against Nestlé, one of the world’s largest corporations. The targeting of Nestlé owed to the company’s promotion of breast milk substitutes throughout the Global South and the harmful health effects that ensued. The second campaign began with U.S. environmentalists challenging the United States Agency for International Development (USAID) over its promotion of pesticides in the Third World. Starting in the early 1980s, U.S. environmentalists turned their attentions to the World Bank. In a campaign stretching from India to Brazil, U.S. groups became central actors linking together many struggles against World Bank policies while pushing the Bank to take environmental concerns seriously in its operations.

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Three considerations shaped my choice to focus on these historical episodes. First, each of these campaigns is significant in its own right. The Nestlé fight led to the creation of a U.N.-sponsored global code of conduct, while the environmentalists’ efforts achieved substantial reforms to USAID and the World Bank. The second reason for concentrating on these campaigns is the diversity of approaches and actors found in each case. To win victories against Nestlé or the World Bank required advocates to employ a variety of tactics – from becoming experts on policy minutiae to cobbling together international coalitions to grassroots organizing. In so doing, advocates interacted with a wide spectrum of individuals and institutions, from Third World social movements to U.N. bureaucrats to conservative U.S. legislators. The Nestlé boycott and the environmentalists’ campaigns thus serve as microcosms for observing a wide variety of NGO experiences.

The third reason to highlight these two campaigns is that they offer a window into broader political and economic shifts occurring between the mid-1970s and the early 1990s. In the mid-1970s, Keynesianism provided the vital center around which debates over political economy orbited, whereas by the early 1990s, a collection of free market notions often called the “Washington Consensus” dominated. This transformation profoundly shaped public interest liberals’ ability to act as effective agents of change. For the public interest model of social change derives much of its power not from the inherent political strength of NGOs, but instead from their ability to nudge, prod, and catalyze other, more powerful institutional actors to enact policies they favored. During the 1960s and much of the 1970s, this approach worked quite well,

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15 The term “Washington Consensus” was coined by economist John Williamson in 1989. Williamson has long insisted he meant the term to refer to a narrow and non-ideological set of policy recommendations, not to the philosophy of neoliberalism. While Williamson is no fervent ideologue, his ideas are by no means “apolitical.” For his account of the intellectual history of the term, see John Williamson, “A Short History of the Washington Consensus,” in The Washington Consensus Reconsidered: Towards a New Global Governance, eds. Narcis Serra and Joseph E. Stiglitz (Oxford: Oxford University Press, 2008), 14-31.
as reformers sympathetic to public interest liberal views held considerable sway within such institutions as the U.S. Congress or the United Nations. However, over the course of the 1980s, many of the institutions that public interest organizers previously depended upon either shifted to the political right (such as the U.S. government) or became weakened politically (such as the U.N.) Thus, even as NGO advocates experimented with and expanded their repertoire of tactics, their fundamental ability to affect social change weakened. In practice, this has meant that, since the late 1980s, the liberal-left at home and abroad has fought more defensive battles than offensive ones. Yet, attributing the woes of public interest liberalism only to the rise of conservatism presents, at best, an inadequate explanation. For even at the height of public interest effectiveness, the exigencies of large bureaucracies and the dynamics of world capitalism inhibited their advocacy in profound ways that transcend the politics of any one moment.

In examining the trajectories of these two campaigns, I situate nonprofit advocacy in a framework frequently missing from scholarly examinations of NGOs. Since the early 1990s, political scientists, sociologists, and international relations scholars have produced a bountiful scholarship about NGO advocacy at both domestic and global levels. These works have constructed theoretical models and dissected many case studies of individual campaigns.\(^{16}\) However, these approaches have also led to the creation of a scholarly literature in which, as observed by diplomatic historian Akira Iriye, “the bulk of the . . . literature remains nonhistorical . . . focus[ing] on very recent developments or current phenomena.” This leaves many academic explorations of NGOs bereft of the “more systematic examination of the

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historical development of international organizations, their activities, and their possible impact on world affairs” that a historian’s lens can bring.

Equally puzzling is the relative absence of the public interest liberal movement from histories of 1960s and 1970s domestic politics and social movements.17 Certainly public interest liberalism was a fragmented movement; its different constituent parts traversing paths that paralleled each other more than they intersected. Yet, in the same time period, historians have recognized even more disparate collections of activists (such as the New Left or New Right) as forming coherent social movements.18 Given that historians have not made such connections for the public interest movement, finding its story requires looking at studies of the movement’s component parts, particularly the consumer or environmental movements. Regarding consumer activism, scholars such as Lawrence Glickman, Lizabeth Cohen, and Meg Jacobs have contributed significantly, while historians like Adam Rome, Michael Egan, and Robert Gottlieb have deepened our knowledge of environmentalism since 1945.19 In recent years, scholars have increasingly articulated a case for the importance of the public interest movement, such as


Lizabeth Cohen’s declaration that the “era of greatest [consumer] activism and achievement” during the course of the twentieth century was in the 1960s and 1970s.²⁰

Even as public interest liberalism awaits its chroniclers, recent years have seen a welcome proliferation in attention to the history of international engagement by U.S. activists. This is a history that began in the middle of the eighteenth century, as individuals in British North America corresponded with compatriots in the United Kingdom and France regarding the anti-slavery cause. Both slaves and freed blacks in the U.S. forged some of the first North-South ties by engaging with revolutionary Haiti, a nation which served as a source of hope and potential assistance in combatting the “peculiar institution.”²¹ Decades later, following the U.S. conquests of Cuba, Puerto Rico, and the Philippines, a diverse array of individuals and groups came together in the American Anti-Imperialist League to demand that the U.S. grant independence to these nations.²² African-American activists in these same years and afterwards built connections with diaspora communities in the Caribbean and with anti-colonial fighters in Africa. During the 1930s and 1940s, organizations such as the NAACP, the Council on African Affairs and others lobbied the United Nations and the U.S. government in favor of decolonization.²³ Concurrently, black freedom struggle activists also cultivated ties with Gandhian practitioners of non-violence in India, as well as African independence leaders. In the wake of decolonization, such connections deepened, as young liberals and leftists backed Fidel

Castro in Cuba and organized against human rights abuses in countries such as Brazil and South Africa. While this growing historiography has covered movements such as the black freedom struggle, women’s movements, and human rights, NGOs engaged with development and environment issues globally have not received as much attention.

This work intends to help fill these gaps. To do so, I have divided this dissertation into three parts, organized both chronologically and thematically. Part One, “Pursuing New Directions, 1965-1980” explores the rise of public interest liberalism and the beginnings of the Nestlé and environmentalist campaigns. I argue that the 1970s represented a period of measured hope for those wanting to promote economic equity and ecological sustainability. Chapter One begins by reviewing the factors that created public interest liberalism in the late 1960s and early 1970s. The chapter continues by looking at the politics around development policymaking in the early 1970s and how they shaped and encouraged the advocacy of U.S. public interest liberals. Chapter Two begins the story of the Nestlé boycott, looking at how the issue of breast milk substitutes’ use in the Third World came onto activists’ radars and how they built a nationwide grassroots campaign and eventually gained influence at the United Nations. Chapter Three turns to U.S. environmental groups who worked to ensure that recently passed environmental laws were actually implemented. These efforts led groups like the Sierra Club and NRDC to investigate USAID and launch a campaign to reform the Agency’s operations.

Part Two, “‘Our New Ways of Global Organizing,’ 1980-1985,” examines how the Nestlé boycott and the opening of the environmentalists’ World Bank reform campaign evolved during the early 1980s. The first years of the 1980s witnessed transformative global political and

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economic shifts such as the Third World debt crisis and Ronald Reagan’s election. Yet, for these
two campaigns, the 1980s did not signify an end to liberal dreams. In fact, both efforts flourished
in the first years of the decade. This is discussed in Chapter Four, which returns to the story of
the Nestlé boycott. In it, I examine that campaign’s accomplishments in the early 1980s,
demonstrating how its victories inspired other NGOs to target the global pesticide and
pharmaceutical industries. Chapter Five returns to the environmental community. Energized by
their success at changing USAID, a small band of internationally-focused staff members at major
U.S. environmental organizations initiated a campaign to pressure the World Bank to incorporate
environmental concerns into its lending.

explores the transformation of advocates’ initiatives during these years. In some ways, the mid
and late 1980s saw substantial public interest achievements. Nestlé agreed to activists’ demands
and the U.N. and NGOs made important strides towards holding pesticide and drug companies to
account. Meanwhile, NGO efforts aimed at the World Bank succeeded in forcing the Bank to
institute a number of environmental policy reforms. However, in this same period, activists
reached the limits of their efficacy. In telling this story, Chapter Six commences with a moment
of great hope, as the Nestlé boycott’s successes and the momentum of the pesticide and
pharmaceutical campaigns inspired great hopes for public interest groups’ agendas. However,
these initiatives floundered by the late 1980s, in large part due to effective corporate and U.S.
government opposition. Even as this happened, environmentalists continued to enjoy a string of
successes in pressing the World Bank to become more ecologically conscientious. Yet, despite
their accomplishments, by the early 1990s environmentalists felt tremendous frustration, as the
World Bank proved able to weather considerable political pressure without dramatically
overhauling its policies. To close the story, I include an epilogue reflecting on the legacy of these campaigns in the story of transnational NGO campaigning and politics during the 1990s and 2000s. In this period, following the leads of the Nestlé and World Bank campaigns, public interest groups experimented with a wider array of tactics. While such groups remain important founts of dissent, I conclude that their power remains circumscribed given an approach to making social change which relies on having influential allies within the institutions whose policies they seek to reform.
Part I:

Pursuing New Directions, 1965-1980
Chapter 1:
“The Good Parts of the System to Beat the Bad”:
The Rise and Globalization of Public Interest Liberalism

As good a place as any to open the story of public interest liberalism’s rise and internationalization is the Dupont Circle neighborhood in Washington, D.C. Here, beginning in the late 1960s, many public interest liberal groups established their offices inside the row houses and squat brick buildings that surround the park for which Dupont Circle is named. The offices themselves were unimpressive, often overflowing with piles of papers and full of “second-hand desks and hand-me-down chairs.”¹ The staff at a typical public interest group consisted of predominately white, middle-class individuals, many of them recent graduates of elite universities and law schools. An average organization’s staff was small, usually numbering around a dozen, including an executive director, several program officers focused on specific issues, a fundraiser, and a few administrative personnel. On an average day, some of the staff would be reading reports on regulatory policy, while others prepared the text of a lawsuit, and the executive director engaged with contacts in the media or Congress.²

To understand the origins of this public interest liberal world requires examining the intersections of a series of economic, legal, and political processes that occurred in the years following World War Two. Economically, the prosperity of the 1950s and 1960s produced public interest liberalism’s middle-class base and made many of its members open to regulatory initiatives. Concurrently, changes in legal thinking expanded the possibilities for pursuing social change through the judicial system. While these economic and legal changes laid important

groundwork for public interest liberalism, the political upheavals of the 1960s made the movement’s emergence possible. Public interest liberalism arose amidst a paradoxical political landscape. In some ways, U.S. liberalism showed signs of great vibrancy; Keynesianism still defined the center of political economic thinking and liberals passed a huge raft of policies during the presidencies of John Kennedy and particularly Lyndon Johnson. Yet, liberalism in the mid-1960s also faced dire challenges. Some of these were internal, including an increasing awareness of the New Deal regulatory state’s weaknesses. Other challenges were external, such as those posed by the amalgam of social movements (such as the black freedom struggle, anti-war, and student movements) collectively known as the New Left. Pressure from the left made for a mid-1960s political climate quite favorable to social change, a climate that public interest liberals would exploit to their advantage.

Collectively, these influences profoundly shaped how public interest liberals approached politics. The politics of accountability (based on the pillars of expertise, responsible militancy, and participation) that they crafted was decidedly reformist, in contrast to the revolutionary politics of many New Leftists. The moderation of public interest liberals reflected, in part, the issues they focused on such as consumer safety and environmental protection, causes popular both among many people in the U.S. and parts of the political elite. This meant that nonprofit advocates could partner with powerful actors (especially in Congress) and win substantial victories by utilizing their policy expertise and political acumen.

While public interest liberals initially centered on domestic issues, by the mid-1970s some individuals in the movement looked abroad for battles to wage on behalf of corporate and government accountability. As groups like the Natural Resources Defense Council and the Interfaith Center on Corporate Responsibility started acting transnationally, they became
immersed in what I term the “international politics of development” – the series of debates among intellectuals, multilateral agencies, NGOs, governments, and everyday people over how to best promote social and economic wellbeing in the Global South. During the 1950s and the 1960s, development policymaking and politics in the non-Communist world revolved around a set of ideas collectively known as modernization. An optimistic worldview, modernization offered an analysis arguing that underdevelopment was the product of “traditional” cultural, political, and economic structures its proponents found in Africa, Asia, and Latin America. However, by the time public interest liberals engaged with the international politics of development in the early 1970s, ideas of modernization were being challenged – creating political room for new ideas and actors, such as public interest liberals.

The Building Blocks of Public Interest Liberalism

The international economic crises that drew public interest liberals to global advocacy in the 1970s seem far removed from the domestic prosperity found at the time of the movement’s emergence. Spared the immense destruction suffered by so many nations in World War Two and buoyed by the incredible economic growth spurred by wartime production, the United States stood as the world’s industrial behemoth in the 1950s and 1960s. The resultant prosperity, combined with federal policies and a vibrant labor movement, gave rise to a broad middle-class while shrinking the wealth gap. These processes benefitted many Americans, even as grave inequalities continued to divide the public along lines of color and sex.³

For the white middle-class who benefitted most, prosperity engendered optimism about the future, including the possibilities for rectifying social ills, such as poverty and Jim Crow racism. Such individuals also directed their attentions towards “qualitative” life concerns (such

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as consumer safety or the environment), which became public interest liberalism’s bread and butter. The sense of security created by the strong economy contributed to public interest liberalism’s ascent by weakening public fears that new regulations would lead to job loss or economic slowdown.⁴

The postwar prosperity also resulted in an increasing number of people acquiring postsecondary degrees, fueled by large-scale government financial support for higher education. Whereas at the end of the 1930s about 9 percent of 18 to 24 year olds attended college or university, by 1969 that figure had climbed to 35 percent.⁵ The swelling number of young people attending colleges and universities fed into the political movements of the era. College campuses allowed young people to easily connect with each other and recruit their peers for political activism.⁶ Furthermore, as students graduated, the expanded number of professionals formed the social base from which public interest groups plucked many of their champions.⁷

Not only did most public interest liberals have a college degree, but a great many also held an advanced degree – most often in law. Public interest liberals grew up in the era of the Warren Court, a time when the judicial system seemed a powerful avenue for achieving social change.⁸ Not only did the courts themselves hold promise, but aspiring advocates could also point to organizations, such as the American Civil Liberties Union and the Legal Defense Fund of the National Association for the Advancement of Colored People (NAACP), as models for

⁷ Theda Skocpol, *Diminished Democracy: From Membership to Management in American Civic Life* (Norman, OK: University of Oklahoma Press, 2003), 211.
using law to advance their causes. The latter organization particularly impressed many young liberals for its ability to achieve earthshattering social changes (such as the desegregation of schools) through lawsuits. For instance, John Adams, a founder of the leading public interest group, the Natural Resources Defense Council (NRDC), first thought of the idea for NRDC after reading an article on the NAACP Legal Defense Fund and wondering why no equivalent organization existed for environmental issues.9

The young lawyers filling public interest liberalism’s ranks could employ judicial avenues of change, in part, because of recent changes in legal thinking. During the 1950s and 1960s, U.S. jurisprudence underwent a number of transformations, including what legal scholar Richard Stewart calls the “reformation of American administrative law.” An essential ingredient of this “reformation” involved substantial expansions of “standing rights,” a legal concept referring to the ability of an individual or group to claim injury and to seek redress from individuals or institutions through the legal system. The extension of standing rights was vital to the growth of public interest liberalism. Broadening definitions of standing allowed for a growing number of issues to be tackled through the court system. Public interest lawyers could now, for example, legally represent people affected by the destruction of an ecosystem thousands of miles away based on the harm done either to their health or even their ability to aesthetically enjoy the land under threat.10

While public interest liberals proved adept at using the law, legal structures also restricted their activities. Nonprofits are, after all, creatures of the U.S. tax code. Most nonprofits formed

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as 501c3 or 501c4 organizations, tax statuses which conferred benefits such as tax exemption, while also imposing restrictions. Many of these strictures reflected the sentiments expressed by courts and legislators that nonprofits should distribute charity or provide educational services, but should not "disseminate controversial or partisan propaganda." These sentiments received Congressional codification with the 1934 Revenue Act, which stipulated that "no substantial part" of the activities of a 501c3 could go towards lobbying for or against legislation. In 1954, a new provision to the Revenue Act further constricting public interest groups by preventing nonprofits from intervening in elections. By limiting nonprofits’ abilities to either lobby government officials about legislation or to influence elections, the law thus weakened advocates overall ability to assert political power.

Yet, especially in the 1960s and early 1970s, legal limitations on political agitation did not appear so odious given the political alignment of forces in the country. This was because, these years marked liberalism’s heyday in postwar U.S. politics. While scholars have long seen the period through the mid-1960s as a time of liberal triumph, to describe the last years of the decade or the 1970s as great years for liberals might seem puzzling. After all, most narratives of U.S. political history depict these years as defined by the collapse of the New Deal order, felled by the combined pressures of Richard Nixon’s election, the white backlash, the McGovern presidential campaign, and the ascent of the New Right. There is, of course, great truth to this

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narrative. Yet, a story of 1970s liberalism framed purely as a tale of decline fails to explain examples of liberal power during these same years. For instance, as historian Meg Jacobs has argued, the flood of environmental laws passed in the early 1970s “ushered in a new era of business regulation . . . at least as momentous as the Progressive and New Deal eras.”

Indeed, these years witnessed the implementation of many consumer and workplace safety protections, epitomized by the creation of new federal regulatory agencies such as the Occupational Safety and Health Administration.

Certainly many business leaders (public interest groups’ main antagonists) did not see liberalism as an exhausted political force in the early and mid-1970s. Quite the opposite, many in industry feared for their own future, as can be seen in a 1971 memorandum written by attorney Lewis Powell for a senior U.S. Chamber of Commerce official. Entitled “Attack on American Free Enterprise System,” the memorandum outlined the myriad of ways that liberal and leftist activists were successfully undermining corporate America’s economic and political stature. Powell declared that the United States was entering a “quite new” phase in its history in which, “the ultimate issue may be survival — survival of what we call the free enterprise system.”

Delving into the forces in U.S. society behind this assault on capitalism, he identified New Left radicals of various stripes and public interest liberals, labeling Ralph Nader as “perhaps the single most effective antagonist of American business.”

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13 For works based in the “decline and fall” narrative, see for example The Rise and Fall of the New Deal Order 1930-1980, eds. Steve Fraser and Gary Gerstle (Princeton: Princeton University Press, 1989); For an interesting take on liberalism’s heyday as a “long exception” within the overall trajectory of U.S. history, see Jefferson Cowie and Nick Salvatore, “The Long Exception: Rethinking the Place of the New Deal in American History,” International Labor and Working-Class History, no. 74 (Fall 2008): 3-32.
15 Lewis F. Powell to Eugene B. Sydnor, “Attack on American Free Enterprise System,” August 23, 1971, Powell Archives, Washington and Lee University School of Law,
Powell saw corporations’ lack of political engagement as crucial in explaining their predicament. While he exaggerated industry’s political weakness, Powell did have a point. As historians such as Kim Philips-Fein have demonstrated, starting in the 1930s big business faced more than thirty years of political containment; its power checked by the strength of organized labor and the New Deal regulatory state. In the face of these two forces, from the late 1930s to the mid-1970s the business community lacked the lobbying infrastructure associated with corporate America today. Businesses’ relative political weakness empowered U.S. liberals, who were able to push for and win new regulations without facing the intensity of opposition they encountered prior to the 1930s or after the late 1970s.16

Meanwhile, key liberal institutions wielded substantial political power well into the mid-1970s. Most critical for a liberal economic agenda was organized labor. Throughout the 1960s around a quarter of U.S. workers enjoyed union representation. Unions parlayed their membership into political engagement. Labor in these years was the Democratic Party’s primary source of campaign funds and foot soldiers while also offering a voice in favor of regulation, including consumer and environmental laws.17

In asserting political power, organized labor turned to the legislative branch as an essential ally. For U.S. public interest liberals, few institutions were more vital for advancing their agenda than Congress, whether because of its power to hold hearings or pass legislation. Fortunately for advocates, they had much to offer to members of Congress. Public interest liberals’ expertise allowed them to become valued confidants to senators and representatives who


often felt overwhelmed by trying to understand the diversity of challenges confronting them.

Public interest liberals also carried sticks to complement their carrots; as former Senate staffer and chair of the Federal Trade Commission Michael Pertschuk noted, advocates knew that their capacity for channeling public anger over consumer and environmental scandals allowed them to be “perceived by Congress as a potential source of political retribution if they [Congress] failed adequately to address the sources of that outrage.”

The ability of public interest liberals’ to effectively influence Congress was also partly due to procedural victories won by liberals House and Senate members during the 1950s and 1960s. The first of these reforms involved the expansion of congressional staffs. Bigger staffs allowed members of Congress to hire aides versed in a wider array of topics, permitting legislators to take action on a variety of issues. The second procedural battle waged by congressional liberals found them fighting to overturn the committee system. Under the old system, a few members (mainly conservative Southern Democrats) controlled what issues could come up for a vote. By the mid-1960s, liberal reformers succeeded in pushing through legislation that weakened the committee system, making it easier for legislation to be voted on and producing a proliferation in the number of subcommittees, allowing for more issues to receive a public hearing in Congress.

Along with advancing new legislation, key liberals in the House and Senate also wanted to ensure that existing agencies actually did their jobs. As Wisconsin Senator Gaylord Nelson put it in a 1970 hearing, “Federal agencies which are supposed to protect the public interest . . . in

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18 Pertschuk, Revolt Against Regulation, 32.
too many cases fail to do so.”20 One of the principal reasons public interest groups identified as explaining such failures was “regulatory capture,” referring to instances when government regulators either ignored or abetted corporate behaviors they were supposed to restrain.21

Concern over issues such as regulatory capture led public interest liberals to develop a complex relationship with the state. While still believing that government regulation offered the best means for countering corporate power, they also were painfully aware of the state’s deficiencies and limitations. Summarizing the public interest liberal movement’s relationship to established liberalism, attorney Charles Halpern urged young liberals to recognize that “the federal government was not on its own going to be the effective source of innovation and reform,” wistfully adding that “had [public interest liberals] been setting out in the 1930s instead of the 1960s, we would have looked to the federal government for solutions. We would have found a place in the New Deal.”22

Despite lamentations such as Halpern’s, public interests liberals generally aspired to salvage New Deal liberalism by using “the good parts of the system to beat the bad parts.”23 One of those “good parts” consisted of mechanisms that gave the public access to and input in the crafting of public policies. Public interest liberals believed that increased popular consultation represented the greatest remedy to government’s ills; as the Center for Law and Social Policy asserted in 1969, if “agencies are to function effectively, it is necessary that the poor and other interested groups have a voice in policy decisions.”24

23 Testimony of David Brower, Tax Exemptions for Charitable Organizations Affecting Poverty Programs, 273.
24 “The Center for Law and Social Policy,” October 1, 1969, Box 194, Folder 1256, RG 3.1, RBF.
One important way that public interest liberals worked to enable greater public participation was by fighting to insert “citizen suit” provisions into regulatory legislation and agencies. Citizen suit provisions, which gave aggrieved individuals the ability to sue the government if legislation was not being implemented, were one of the fruits born of the expansion of standing rights. They were also a perfect tool for public interest law firms, who frequently organized and argued law suits.25 Even as public interest groups’ use of the law bred antagonism between their organizations and the government, some in the federal bureaucracy actually welcomed such confrontations, believing they improved the performance of regulators. In 1973 for instance, Environmental Protection Agency Deputy Administrator John Quarles, Jr. commended environmental groups for having “an astoundingly effective impact on the conduct of environmental programs.”26

Quarles’ praise appeared in a letter he wrote to Marshall Robinson, the Ford Foundation’s Vice President for Natural Resources and Environment. In it, Quarles actually begged the Ford Foundation to halt a planned cut in funding to public interest law groups, declaring that “It would be a most disturbing prospect if a lack of financial support should jeopardize the continuing ability of these organizations to perform their work on behalf of the public interest.”27 Quarles’ letter points to another vital element in the rise of public interest liberalism, the role of major philanthropic foundations. Funded by leading industrialists, foundations arose in the late nineteenth century partly as a public relations maneuver to recast Gilded Age robber barons as patrons of the arts and crusaders against “social problems.” Foundations tended to steer away

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from funding “political” organizations, preferring to promote technocratic fixes that did not upset the political and economic order. However, by the 1950s, government investments in many of the social science research and social welfare programs previously reliant on foundation funds far outpaced what even large charities like Ford or Rockefeller could manage. This caused many philanthropists to, in the words of one Stern Family Fund staff member, “begin casting about for other fields of activity that are not now being plowed.”

With the rise of the black freedom struggle and growing concerns about ecological degradation 1950s, a number of foundations became more amenable to funding groups that, in modest ways, challenged the status quo. The selection of McGeorge Bundy, a quintessential Kennedy-Johnson liberal, to head the Ford Foundation in 1966 and the establishment in the mid-1960s of a network of progressive-leaning foundations (such as the Stern Fund) consolidated a philanthropic front interested in social change. Searching for ways “‘to advance necessary social change constructively,’” many of these foundations gravitated to public interest groups. The Ford Foundation alone provided $12 million in grants to public interest law groups between 1970 and 1975 and overall, “at least one-third of all [public interest liberal] groups . . . received at least half of their funding from foundation sources” during the 1970s.

Foundations provided important benefits to public interest groups, but the relations between nonprofits and funders were also rife with constraints and complications. Among the

28 “Possible New Directions for the Stern Family Fund,” May 19-20, 1966, Box 20, Folder 23, SFR.
dilemmas nonprofits faced was “the problem of ‘the piper calling the tune,’” referring to concerns that nonprofits would cater to funders’ desires rather than pursue the most important issues or employ the most effective tactics.\(^\text{32}\) However, disagreements between public interest liberals and foundations rarely revolved around fundamental questions about how to ignite social change, as foundations simply declined to fund groups they viewed as too militant. More common were mismatches between the issues that funders wished to work on and the issues nonprofits wanted to emphasize. Foundation funding could seem fickle – one year Ford or Rockefeller might pour resources into a particular issue area and the following year devote almost no funds to that same cause. Nor did nonprofits’ labors and frustrations end when they secured an initial grant, as maintaining a positive relationship with a foundation necessitated significant staff time and energy. Most public interest liberal groups employed at least one full-time staffer devoted to fundraising and it was a rare executive director who did not spend considerable time maintaining existing ties and courting new funding sources.\(^\text{33}\)

Where foundations tugged public interest liberals towards moderation, the black freedom, radical student, and anti-war movements pushed them towards militancy. The relationships between mass-based social movements and public interest liberals were complex, illustrating historian Doug Rossinow’s contention that there “has been plenty of both conflict and cooperation between radicals and reformers . . . in the American past, and no single ‘natural’ relationship exists between them.”\(^\text{34}\) In some ways, public interest liberals benefitted from their interactions with social movements of the New Left. Many of the people working for groups like Nader’s Public Citizen or the environmental movement first encountered political activism by

\(^{32}\) “A Five-Year Development Plan for the Institute for Policy Studies,” 1969, Box 8, Folder 5, SFR.
witnessing the struggles of the black freedom movement. In this way, the black freedom 
struggle, which inspired so many of the “liberation” movements of the later 1960s, also 
energized liberals to become newly assertive, after years of quiet following the devastations of 
the 1940s and 1950s Red Scare.

In some cases, confrontation bred inspiration, as seen in the story of the founding of the 
Interfaith Center on Corporate Responsibility, one of the main groups behind the Nestlé 
campaign. In 1969 James Forman, a leader in the Student Non-Violent Coordinating Committee 
(SNCC) and briefly the head of the Black Panther Party, decided to test white religious bodies’ 
commitment to anti-racism. Forman targeted the National Council of Churches (NCC), the 
institution representing most mainline Protestant denominations. He demanded that white 
religious institutions pay five hundred million dollars in reparations for the “exploitation of 
colored peoples” that they had “aided and abetted.” Forman’s pressure eventually led to a 
meeting between himself and NCC officials. While dismissive of paying reparations, the 
Council’s leadership did begin considering ways they could bolster their social justice work. 
Acknowledging that “we are part of a system,” church leaders looked to their ownership of tens 
of millions of dollars in stocks as a potential source of “leverage to alleviate suffering.” In 1970 
the National Council of Churches founded the Corporation Information Center to research 
church investments looking for opportunities to challenge socially unjust corporate practices. 
The Center’s work led to the 1974 launch of the Interfaith Center on Corporate Responsibility, a

public interest group which coordinated churches to use their investments to push for policy changes at major corporations.39

Forman’s agitation offers but one example of the myriad ways that New Left activism ended up assisting public interest liberals. The media and liberal members of Congress frequently contrasted public interest group’s “reasonableness” with “unreasonable” New Left activists, such as a 1969 Time Magazine article extolling Ralph Nader as a “peaceful revolutionary . . . [who] uses only the weapons available to any citizen—the law and public opinion” or Senator Edmund Muskie’s praise for public interest advocates as “‘dedicated people” committed to making “peaceful change by traditional means.’”40 Public interest leaders also made such comparisons themselves. Speaking on the first Earth Day in 1970, Sierra Club Executive Director Mike McCloskey dismissed those who “have heady dreams of sweeping revolutions” stating that “revolutions are not made in the dream world.” He instead insisted that real social change was made by entering into “the political process” and showing a willingness “to suffer all its frustrations and limitations.”41

While their ultimate visions for a “just society” differed, the main source of contention between public interest liberals and radicals centered on questions of tactics and strategy. Public interest liberals saw New Left activism as amateurish and unfocused; as Common Cause founder John Gardner asserted, “‘what is lacking is never the power but the professional cutting edge.’”42 One of the main manifestations of public interest “professionalism” (and thus differentiation

from mass-based movements) was the lack of interest shown by many public interest liberals towards grassroots organizing. Much as they spoke of popular participation, consumer and environmental nonprofits relied overwhelmingly on full-time staff as the implementers of change. Even for public interest liberal groups that courted a grassroots base, membership primarily meant receiving petitions or donation requests through the mail, rather than attending face-to-face meetings, demonstrations, or other community building activities.

The choice not to expend energy on grassroots activity reflected the fact that their early successes occurred without it. Achievements such as Ralph Nader’s legal and legislative victories over General Motors in the mid-1960s, his successful push to clean up the Federal Trade Commission or the passage of the landmark National Environmental Policy Act of 1970 were achieved by small bands of professional advocates. Looking at this record, public interest liberals in the early 1970s at groups such as the Natural Resources Defense Council argued against spending resources on building membership, asserting that money and time would be better used to “‘hire another lawyer.’”\(^{43}\) Even when NRDC was “forced to launch a membership campaign,” in 1972, this occurred only because of a Supreme Court decision. Ruling on a case initiated by NRDC, the Court stated that, for a public interest organization to claim standing, it needed to demonstrate “injury to its members.” This ruling threatened NRDC’s lawsuit-centric model and prompted it to build a member base. Yet, as its recruitment materials illustrated, NRDC had a narrow vision of membership, declaring that “If you join NRDC, we won’t waste your time and money . . . on anything but getting results. We’ll send you our quarterly

Newsletter and periodic bulletins about crucial environment issues in which you can become involved – but only if you want them.44

Not all public interest liberals downplayed grassroots organizing however. One of the flagships of the movement, Common Cause, based its strategy on mobilizing everyday people to become involved in policy and governance issues. By the mid-1970s, Common Cause counted a base of 350,000 who formed local chapters that conducted letter-writing drives and organized citizen lobbying trips to Washington, D.C., among other activities.45 Furthermore, as the 1970s progressed, public interest groups began courting grassroots members, especially for local and state-wide fights. The infusion of grassroots energy in the 1970s also owed to the entry of some New Left veterans into public interest liberalism’s ranks. As organizations such as Students for a Democratic Society (whose demographics matched those of public interest liberalism), collapsed, some radicals looked for more pragmatic vehicles to continue their activism, such as public interest groups.46

**Roads to Internationalism**

One of those young people navigating between radical politics and the reformism of public interest liberalism was Denis Hayes. A graduate student at Harvard studying public policy in the late 1960s, one day Hayes read about Senator Gaylord Nelson’s idea to hold a nationwide “teach-in” about environmental issues. Responding to Nelson’s call for organizers, Hayes met with the Wisconsin Senator and soon became the lead organizer for Earth Day. In the largest

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44 John H. Adams to Friend of NRDC, October 1972, Folder 30, Container 156, SCR; John H. Adams to Mr. Gerald O. Barney, August 8, 1977, Box 690, Folder 4139, RG 3.1, RBF.
45 For more on Common Cause, see Julie L. Plaut, “‘The Citizen of His Era’: John W. Gardner and Public Life in the Twentieth-Century United States,” (PhD diss., Indiana University, 2003), 209-263.
single-day political demonstration in U.S. history, twenty-two million Americans turned out across the country to attend everything from speeches to river clean-ups to demonstrations.47

Among that day’s notable features were the currents of internationalism running through many of the speeches. Anthropologist Margaret Mead for example talked of how “in the past,” pollution or deforestation seemed “fragmentary dangers.” She went on to describe such views as myopic, declaring that “We have today the knowledge and the tools to look at the whole earth, to look at everybody on it . . . and to begin to deal with the whole problem.”48 Meanwhile, Denis Hayes tied Earth Day’s message to other activist concerns, denouncing the Vietnam War for producing a nightmare of death and “ecological catastrophe” and proclaiming that “Our nation is stealing from poorer nations and from generations yet unborn.”49

Hayes’ reference to Vietnam and “poorer nations” demonstrates the “global consciousness” found in a growing number of young liberal and leftists in the U.S. during the 1960s.50 While wars, political upheavals, and humanitarian catastrophes dominated many people’s thinking about overseas problems, poverty and development issues also crept into the awareness of activists during the 1960s. John Kennedy’s presidency played a substantial role in inserting global poverty into public discourse, most famously through the formation of the Peace Corps in 1961. The Peace Corps relied on young liberal idealists for its volunteer base, the very demographic which later formed the core of public interest liberalism.51 Lyndon Johnson’s War on Poverty also sought to mobilize youth, this time to fight destitution at home. As historian

Sheyda Jahanbani has demonstrated, anti-poverty programs like VISTA employed rhetoric and ideas derived from foreign aid programs that further alerted young liberals to world poverty.52

Thus, many of the young people who became public interest liberal advocates first encountered global development during an era of optimism about U.S. foreign aid. Along with the Peace Corps, John Kennedy made international poverty a concern by creating the U.S. Agency for International Development in 1961 and by initiating an ambitious assistance program for Latin America, the Alliance for Progress.53 Kennedy also encouraged the United Nations to declare the 1960s the “Development Decade,” setting a goal for Southern countries to attain “a minimum annual rate of growth of aggregate national income of 5 percent.”54

The certainty expressed by U.S. policymakers at the dawn of the 1960s that poverty could be substantially reduced largely derived from their attraction to a worldview known as modernization. A malleable term, in the postwar non-communist world, modernization was an ideology that promised both explanations for and solutions to world poverty.55 Modernization’s theorists asserted that “traditional” and “backwards” cultural norms, political structures, and economic arrangements explained Third World poverty. They believed such roadblocks existed in all societies, including Western societies of the recent past.

In their view, Third World nations needed to follow the recipe pioneered by Western Europe and the United States to overcome these obstacles by marching through several “stages”

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53 For more on Kennedy’s development policies, see Michael Latham, *Modernization as Ideology: American Social Science and ‘Nation Building’ in the Kennedy Era* (Chapel Hill: The University of North Carolina Press, 2000).
55 I use the term “modernization” in a very specific historical context, rather than the broad definitions other scholars have employed. Anthropologist James C. Scott for instance refers to any ideology holding as its highest principles “scientific and technical progress . . . the growing satisfaction of human needs . . . and above all, the rational design of a social order” as emblematic of modernization. See James C. Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed* (New Haven: Yale University Press, 1998), 4.
of development. As modernization’s great popularizer Walt Rostow described, the first stage, the “traditional society,” was defined by strong “family and clan connections,” the absence of a modern state bureaucracy, and populations consisting of uneducated peasants, ruled over by small, agriculturally-rooted, and underproductive elites. Progress meant casting off traditional attitudes and structures by adopting “modern” technologies and modes of production. Once Third World countries embraced modern techniques, modernization theorists argued, they would embark on a socioeconomic “take-off,” leading to a series of social, political, and economic feedback loops lifting them out of poverty.56

The rise of modernization thinking to policy predominance in the 1960s was intimately intertwined with the Cold War. Modernization gave the U.S. a positive message to use in arguing that Third World nations should align with and seek to emulate its political and economic model rather than that of the Soviet Union. The apex of modernization’s influence in the U.S. government occurred during the presidencies of Kennedy and Johnson; a fact illustrating how its precepts proved, in some ways, a “manifestation of American postwar liberalism.”57 As historian David Ekbladh has illuminated, the ideas and practices that became postwar modernization ideology coalesced during the New Deal, particularly in the experiences of the Tennessee Valley Authority (TVA).58 Liberals saw in Third World poverty of the Third World a mirror of the privation found in places such as Appalachia. They believed that, just as the TVA ameliorated poverty at home, similar projects abroad would produce similar results abroad. Liberal modernization proponents thus argued for a substantial government role in development, with


Senator John F. Kennedy explaining in 1958 that there existed “‘certain types of investments in underdeveloped countries . . . which private capital cannot underwrite.’” In such cases, Kennedy affirmed, the government needed to fill the gaps, with the ultimate aim of facilitating “‘the creation of a setting in which efficient profitable private operations can grow.’”  

While in the United States, modernization became associated with social scientists closely tied to the U.S. state (including Walt Rostow and Max Millikan), many different actors latched onto and reinterpreted its precepts. For instance, the heads of many major multinational corporations put forth their own visions of modernization. Corporate CEOs tended (unsurprisingly) to hold rather conservative views on how to best catalyze economic growth. Internationalizing their domestic opposition to regulation and government “planning,” many CEOs asserted that state-led development plans failed “‘to find effective ways to impart something of the dynamic spark which . . . is supplied primarily by the entrepreneur.’” As a 1980 report based on interviews with executives from ninety major U.S. and Western European multinationals concluded, business leaders believed that “where efficient and profitable operation[s]” existed, they would “automatically . . . bring benefits to all.”

However, while they differed with liberals over the role of government, most corporate executives agreed that local contexts in the Global South mattered little in catalyzing social and economic growth. For leaders in both the private and public sectors, modernity represented both a universal process and goal. As one IBM executive announced in the early 1970s, “‘for business

61 Isaiah Frank, Foreign Enterprises in Developing Countries (Baltimore: The Johns Hopkins University Press, 1980), 144.
purposes the boundaries that separate one nation from another . . . are merely convenient demarcations of ethnic, linguistic, and cultural entities. They do not define business requirements or consumer trends.”62

While multinational corporations pursued a free-market version of modernization, throughout the Global South a myriad of other modernizing missions came into play. As historian Nick Cullather has argued, “Developmental conflict seldom pitted North against South . . . instead transnational coalitions of expertise, wealth, and political power vied against each other to assert rival ‘models’ of the future.”63 Thus, throughout Africa, Asia, and Latin America, some political and economic elites concurred with the analyses and prescriptions put forth by modernization’s proponents. Such sympathies translated into a diversity of paths towards modernity, from small-scale community programs to massive industrial schemes. For many nations navigating between U.S. and Soviet visions of modernity, socialist-tinged development models appealed greatly. Leaders like Nehru in India, Nasser in Egypt or Nkrumah in Ghana believed the government needed to take the lead in promoting growth, yet they also saw a role for the private sector.64

The excitement expressed in many parts of the non-communist world at the dawn of the 1960s about the future of development would cool substantially as the decade progressed. Too often, the certitudes of modernization’s boosters did not fit local conditions. Grand technological experiments such as the Green Revolution produced impressive results, but also disrupted communities, deepened existing inequalities, and did violence to the environment. The social

unrest caused by some modernizing plans led to government repression, all but negating the idea that modernization would bring democracy along with prosperity.\textsuperscript{65} Even on purely economic grounds, the much heralded “Development Decade” appeared, as Nepalese Minister of Commerce and Industry Gunjeswari Prasad Singh declared in 1968, “nothing more than a ‘decade of frustration and disillusionment.’” In fact, Southern countries’ economies actually grew at slower rates during the 1960s than they had in the 1950s.\textsuperscript{66} Summarizing the feelings of many in the Global South, the Argentine economist Raúl Prebisch concluded in 1968 that the “optimistic arguments” of “those who thought that the radiation of prosperity from the center and the good behavior of the periphery provided the key to the problem of development . . . have vanished into thin air.”\textsuperscript{67}

**“Only One Earth”**

Few U.S. public interest liberals paid close attention to the ebbs and flows of debates over the international development throughout the 1960s. Instead, their journeys to becoming “planetary citizens” followed more indirect pathways.\textsuperscript{68} For many, their initial interest in the Global South derived from two contradictory sets of experiences regarding U.S. foreign policy. On the one hand, in the early 1960s, many young, white, middle-class liberals felt inspired by seeing the U.S. government’s commitment to fighting poverty through seemingly idealistic


\textsuperscript{67} “Summary of Statement made at the 39th plenary meeting by Mr. Raúl Prebisch, Secretary-General of UNCTAD,” 416 and 417, UNCTAD II. For more on Prebisch, see Edgar J. Dosman, *The Life and Times of Raúl Prebisch, 1901-1986* (Montreal: McGill-Queen’s University Press, 2008).

\textsuperscript{68} The term “planetary citizen” I take from a letter by the British economist and environmentalist Barbara Ward. See Barbara Ward to Mahbub ul Haq, November 8, 1976, Box 3, Folder 1, Barbara Ward Papers, Georgetown University Special Collections Library, Washington, D.C.
initiatives like the Peace Corps. Later in the decade, these same individuals saw the flip side of U.S. altruism, as their government laid waste to Vietnam. The war offered a kind of parable about Global North arrogance in dealing with the South. After all, in Vietnam the U.S. threw its most prominent experts, most modern technologies, and billions of dollars into molding a Third World country to its liking, resulting in immense death and destruction.

For U.S. public interest liberals, no cause cried out more clearly for a global perspective than environmentalism. As many speakers noted on the first Earth Day, since pollution did not respect national borders, environmentalists could not restrict their work within them either. In looking abroad, environmentalists criticized modernization ideology for unabashedly celebrating industry and advancing technology, with one Natural Resources Defense Council report warning that “our modern existence is exerting considerable strain on the earth’s biological systems and has, in some cases, outpaced the ability of our social institutions to control its ill effects.”

Aggravating these concerns was the obsession shown by many Global North environmentalists with the rising world population. Few issues in the 1960s or 1970s captivated and frightened not just environmental advocates, but also everyday people in the U.S., more intensely than did the swelling human population, which skyrocketed from 2.66 billion in 1950 to 3.76 billion in 1970.70 Worries about overpopulation played an important role in the birth of environmentalism; as historian Thomas Robertson argues, millions of people increasingly “assess[ed] human economic activities using a broad ecological framework.”71 Population growth also provoked panic, with biologist Paul Ehrlich’s bestselling 1968 book *The Population*

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69 Natural Resources Defense Council, “This Report is a Chronicle of Five Years of Activity on Behalf of the Environment,” 1975, Box 90, Folder 4138, RG 3.1, RBF.
Bomb painting a nightmare future in which in “the 1970s and 1980s hundreds of millions of people will starve to death in spite of any crash programs embarked upon now.”72

The dire premonitions coming from figures like Ehrlich made many U.S. environmentalists initially skeptical about the very idea of economic development in the Third World. Sierra Club staffer Brock Evans for instance worried that if Southern countries “will not accept limits to growth” then the subsequent “environmental implications are quite regrettable.”73 In some cases, U.S. environmentalists’ fears led to quite disturbing analyses, such as Sierra Club director Mike McCloskey’s musing on Earth Day that, while “Famine is a horrible thing to contemplate . . . it is a positive check on population numbers . . . It will temporarily bring population numbers into better balance with resources, and, for better or worse, bring another opportunity to try the better way of birth control.”74 However, many environmentalists (including Ehrlich) tried to place population growth in a broader social, ecological, and economic context. They pointed to per capita consumption rates of natural resources as a more critical metric than sheer numbers. This analysis took pressure off the Global South by highlighting disproportionate impacts on the environment caused by Northern nations. However, such messages often became subsumed in fear mongering that identified Third World population growth as the root of the problem.

U.S. environmental advocates were by no means the only figures in the Global North issuing dire warnings about population growth. Governments North and South, as well as major philanthropic foundations, spent decades attempting to stave off what they believed to be an

73 “Speech of Brock Evans, Director Washington Office Sierra Club to Public Relations Society of America, New York City – ‘Environmentalist Perspective on the Resource Supply and Demand Question,’” November 18, 1975, Container 281, Folder 72, SCR.
74 “Keynote Address of Michael McCloskey – ‘Earth Day’ University of Minnesota,” April 22, 1970, Container 132, Folder 24, SCR.
impending calamity.\textsuperscript{75} While some Third World political elites shared these concerns, many greeted environmentalism skeptically. Given demands from the Global North to slow or even stop economic growth heard, it is unsurprising that many in the South perceived environmentalism as a way to stymy Third World development. Brazilian ambassador to the U.N. Miguel Ozório de Almeida for instance mocked Northern states in 1971 for believing that their prosperity “‘demonstrated their right to salvation and perpetuation’” while requiring “‘the more numerous underdeveloped peoples to stop . . . encroaching upon [the North’s] delicious enjoyment of nature and of other natural resources.’”\textsuperscript{76}

By the end of the 1960s, rising environmental awareness spurred diplomatic action. In 1968, the Swedish government proposed that the United Nations organize a conference on international environmental affairs, offering to host it in Stockholm. The U.N. General Assembly approved of this idea and planning began for the United Nations Conference on the Human Environment, to be held in Stockholm in 1972. Popularly known as the Stockholm Conference, this would not be the first international meeting on ecological matters. However, where past conferences focused on scientific inquiry, Stockholm would try “to stimulate . . . action by national governments and international organizations” to address environmental problems.\textsuperscript{77}

To soothe North-South tensions over environmental regulation, Maurice Strong, the conference’s main organizer, traveled throughout the Global South, consulting with intellectuals and policymakers. Strong’s investment of time and energy paid significant dividends, as fears


that Third World states might abstain dissipated. The Stockholm Conference proved, in the words of political scientist John McCormick, “the single most influential event in the evolution of the international environmental movement.”78 On development matters, the final documents produced by the conference showed considerable sensitivity to Third World concerns, stating that in “the developing countries most of the environmental problems are caused by under-development . . . Therefore, the developing countries must direct their efforts to development, bearing in mind their priorities and the need to safeguard and improve the environment.”79 Of course, no one meeting could solve conflicts between environmental and development imperatives. During the conference discordant notes still sounded, as when Indian Prime Minister Indira Gandhi mocked Northern countries for looking “askance at our continued poverty” while also “warn[ing] us against their own methods” for development.80

For NGOs, the Stockholm Conference marked a “watershed” moment for their participation in international politics.81 Ironically, the Stockholm Conference’s importance for advocacy groups owed to these groups’ exclusion from the conference’s formal proceedings. While a few older, established conservation organizations like the World Wildlife Fund did take part, public interest groups sat on the sidelines.82 However, outside the conference, NGOs from around the world forged alternative means of participation. The focus for NGO activities at Stockholm was the Environment Forum, an NGO-organized conference that ran in tandem with the main event. Featuring activities ranging from panel discussions to street theater, the

78 McCormick, Reclaiming Paradise, 104.
Environment Forum offered a space for representatives from NGOs, governments, and the U.N. to discuss and debate “some of the worst environmental problems” that were either largely ignored or seemed too controversial for the formal proceedings.83

Within the ranks of U.S. environmentalists, the Environment Forum inspired debates about development and environment that continued long after the conference ended. Reflecting on her experiences in Stockholm, Patricia Rambach, the head of the Club’s new Office of International Environmental Affairs, insisted that “development and environment are now irrevocably intertwined.” Given the impossibility of separating these concerns, Rambach described the work ahead as figuring out practical means for ensuring environmentally-responsible development.84 However, not everyone in the U.S. environmental community shared her sentiments. In responding to Rambach’s memo, Sierra Club head Mike McCloskey insisted that, while the Club “should be very sensitive and understanding with respect to the need for economic advancement by the poverty-stricken . . . we are not in a position to be emphatic in stating that the two goals are entirely compatible. On the contrary . . . we see some very clear problems with respect to reconciliation.”85

Of New Directions and New International Economic Orders

Such tensions over the ecological ramifications of development were but one among many conflict defining the early 1970s international politics of development. In these years, questions of equity also rose to the surface, as critics increasingly saw the 1950s and 1960s as a time of unequal growth. One of the most prominent (and unexpected) voices in these debates was that of Robert McNamara. Notorious as one of the architects of the U.S. war in Vietnam,

84 Patricia Rambach, “Thoughts on Stockholm: Future Problems and Issues,” August 1972, Container 5, Folder 20, Sierra Club International Program Records, BANC MSS 71/290 c, The Bancroft Library, University of California, Berkeley (hereafter “SCIP”).
85 Mike McCloskey to Pat Rambach, August 15, 1972, Container 5, Folder 20, SCIP.
McNamara left his position as Secretary of Defense in 1968 to become president of the World Bank. Within a few years, he substantially transformed the Bank, greatly expanding its lending while modifying its modernizing mission. As president, McNamara challenged one of the pillars of modernization thinking: the definition of development as synonymous with industrial growth. As he noted in his speech at the Stockholm Conference, metrics such as gross national product failed to adequately measure development, necessitating a “candid appraisal of the state of development.”

The following year McNamara expanded on these comments in a speech in Nairobi, Kenya. Praising past modernization-inspired policies for bringing an “unprecedented increase in the gross national product of the developing countries,” McNamara lamented that most growth had benefitted “the upper 40% of the population.” Looking to ameliorate this situation, he spoke of the “need to reorient development polices in order to provide a more equitable distribution of the benefits of economic growth.”

McNamara’s speeches tapped into intellectual trends already bubbling in the World Bank, at U.N. agencies such as the International Labor Organization, and among some development scholars. Out of these discussions came policy paradigms such as “redistribution with growth” and “basic human needs,” which asserted that development initiatives needed to target the world’s poorest. Under McNamara, the Bank’s lending shifted towards projects intended to boost the incomes of the world’s poor, while slightly lessoning expenditures on massive infrastructure projects. The World Bank’s programs also moved into social welfare to an unprecedented extent, funding initiatives to promote affordable housing and basic health

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care. Similar changes happened at the United States Agency for International Development (USAID), which in December 1973 embraced a “basic needs approach” to aid. These changes suggested to public interest liberals that major aid institutions would be open to further policy reforms in the future.

Even as the basic human needs approach showed a heightened sensitivity to Southern concerns by Northern institutions, as a theory of development, it said little about how world economic dynamics shaped and misshaped development. It would be up to Southern intellectuals and politicians to fill this gap. During the 1950s and 1960s, African, Asian, and Latin American thinkers devised ideas challenging capitalist modernization. Two of the most prominent were structuralism and dependency theory. While differing in how radical their interpretations were, structuralism and dependency theory shared key analytical points. Both described the world as divided into two main regions, with Northern nations forming the industrialized “core,” while the nations of Africa, Asia, and Latin America existed as a “periphery” reliant on exports of primary commodities, such as agricultural goods or minerals. According to structuralists and dependentistas, the mechanics of the world economy exacerbated North-South inequalities. Even as Southern countries’ exports fed the continued industrial growth of the North, they also kept the Third World economically dependent on the North for imports of capital, technology, and manufactured goods. By the early 1970s, a growing number of Third World leaders agreed with these critiques, seeing the international economy as a game rigged against them and eager to press for reform.

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To change the game, Third World political elites started building political ties across continents, most prominently at the 1955 Asia-Africa Conference in Bandung, Indonesia. Discussions there galvanized the formation of the Non-Aligned Movement (NAM) in 1961. The NAM, many of whose leading member governments embraced various forms of non-Soviet socialism, provided a base for empowering the Third World in its dealings with the Global North. While the NAM worked on a multitude of issues, in 1964 it was joined by another body, the Group of 77 (G-77), which focused specifically on economics.

One of the big questions in development policymaking highlighted by NAM and G-77 nations involved the role of multinational corporations. Political relations between Third World states and multinationals deteriorated in the late 1960s, as Southern states nationalized a growing number of Northern multinational corporations’ properties. The 1970s seemed to promise more of the same, with Chilean President Salvador Allende predicting a decade defined by a “pitched battle between the great transnational corporations and sovereign states.” While confrontations between individual countries and companies became more common, the 1970s also saw a major expansion of multinational investments in the Global South, driven by corporate mergers in the North, the loosening of controls restraining capital movement, and economic growth in some parts of the Global South (such as East Asia or Brazil). While total direct foreign investment by U.S. multinationals in the Third World stood at $19.2 billion in 1970, by the decade’s end that

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94 Geoffrey Jones, Multinationals and Global Capitalism From the Nineteenth to the Twenty-First Century (Oxford: Oxford University Press, 2005), 32.
figure had reached $47.8 billion. Simultaneously, the size of global companies ballooned – by the late 1970s, the largest four thousand multinationals accounted for roughly 40 percent of “worldwide market production and . . . about one-third of world trade.”

With more corporate investment came controversy. Attention to multinationals’ overseas activities increased in the U.S. during the 1960s, driven partly by New Left activism targeting companies invested in South Africa’s apartheid regime or implicated in the Vietnam War. In March 1972, investigative reporter Jack Anderson published a bombshell piece in the Washington Post about one of the world’s largest multinationals, International Telephone and Telegraph (ITT). Anderson exposed ITT’s machinations intended to stop Salvador Allende (a democratic socialist) from being elected president of Chile. The story unleashed a worldwide controversy. In response, Democratic Senator Frank Church of Idaho formed a Subcommittee on Multinational Corporations to examine the influence of multinational corporations on U.S. foreign policy. His multi-year investigation revealed a record of U.S. corporations using bribery, economic leverage, and their ties to the U.S. government to influence other nations’ politics. Internationally, in the wake of the ITT-Chile revelations, NAM and G-77 nations successfully lobbied the United Nations to take action, leading the U.N. to establish a “Group of Eminent Persons” to study the problem and propose recommendations for action.

The Group of Eminent Persons began its first hearings on September 11, 1973, ironically the same day that Allende was overthrown in a right-wing military coup. While Allende’s fall

95 Robin Broad, Unequal Alliance: The World Bank, the International Monetary Fund, and the Philippines (Berkeley: University of California Press, 1988), 42.
dispirited many in the Third World, events a month later would offer renewed hope. The Global South’s moment would begin in the wake of the October War between Israel and several Arab states. As part of the conflict, several oil-exporting nations launched a short-term boycott against the U.S. and the Netherlands (nations which provided aid to Israel during the war). A few months later, the Organization of Petroleum Exporting Countries (OPEC) decided to cut-back oil production to put pressure on the West to change its Middle East policies, quadrupling global oil prices in the process.99

Many leaders in the Third World welcomed OPEC’s move, encouraged that (as explained by Jamaican economist Norman Girvan), for the “first time in modern history . . . some non-industrialized countries had succeeded in securing market power in world trade in their export commodity.”100 Grasping at this opportunity, Algerian Prime Minister Houari Boumediene, an important figure in both OPEC and the NAM, requested that the United Nations General Assembly convene a Special Session on development. Meeting for most of April, the Special Session culminated with the passage of a resolution (largely drafted by NAM and G-77 leaders) committing the United Nations to support a reform program termed the New International Economic Order (NIEO).101

The NIEO became the manifesto for a Third World “revolt” that transpired over the next decade. It called for the stabilization of prices for major agricultural and mineral exports, increased Northern foreign aid, the safeguarding of Southern sovereignty, and a stronger voice for the South in international institutions. The NIEO also assailed multinational corporations for contributing to underdevelopment, demanding the “regulation and supervision of the activities of

transnational corporations.”\textsuperscript{102} It proposed that such regulation be made real through “an international code of conduct for transnational corporations” to be administered by the U.N., a demand that became a centerpiece of the Nestlé boycott campaign.\textsuperscript{103}

With a diverse coalition of Third World states allied through the G-77, and with OPEC open to using the “oil weapon” as leverage, the idea that some version of the NIEO “‘could become a reality in a few years’” seemed eminently plausible in the mid-1970s.\textsuperscript{104} This was much to the chagrin of the Ford administration, which found “most of the [NIEO] principles . . . to some degree objectionable.”\textsuperscript{105} Wishing to avoid making major policy concessions while maintaining friendly relations with pro-NIEO nations (including U.S. allies like Iran), the Ford and Carter administrations steered U.S. diplomacy in a pragmatic direction; as Secretary of State Henry Kissinger stressed, “We are not asking the LDCs to endorse our system and do not believe they should expect us to endorse all of their positions.”\textsuperscript{106} Yet, for a time in the mid-1970s, many U.S. policymakers believed that some change was inevitable, with a Central Intelligence Agency report asserted that, if the “developing-country caucus is to be persuaded of the value of dialogue, the industrialized nations will probably have to make concessions.”\textsuperscript{107}

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A “Public Jolting”

The issues surrounding global environmentalism, the basic human needs approach, and the NIEO all spoke to the concerns of U.S. public interest liberals’ with the environment and with corporate power. In engaging internationally, one might expect public interest groups would have found themselves competing with U.S. NGOs already working on social and economic development in the Global South. After all, since the nineteenth century, church missionaries, relief and development NGOs had dispatched people to Latin America, Africa, and Asia to carry out humanitarian work. Such endeavors expanded significantly after World War Two, as NGOs responded to the aftermath of the war and decolonization. Groups engaged in development work like CARE or Save the Children carried out a gamut of activities, from distributing food to offering financing and technical support for development projects.

Critically, however, these groups were almost entirely absent from political debates over development. Most non-governmental humanitarian organizations viewed themselves as apolitical, thus consciously or unconsciously endorsing the modernizing ideology of U.S. government organs like USAID. U.S. groups’ lack of attention to politics also reflected their desire not to upset the U.S. government, which represented their chief source of funding. In 1980, only seventeen of the eighty largest U.S. relief and development groups accepted no government money, with organizations like CARE obtaining upwards of 80 percent of their budgets from the U.S. state. Though a few groups such as Oxfam America charted an independent financial and policy courses, it would not be until the late 1980s that most U.S. development groups embraced political advocacy.

The pretense of apoliticality shown by older U.S. relief and development groups left the field open for public interest liberals. Unsurprisingly, Ralph Nader offered an early voice advocating for such global engagement. In September 1973, appearing before the U.N. Group of Eminent Persons, Nader decried the inequalities of global capitalism, declaring that “the choices” facing Southern communities and nations “should belong to the people who live in each country and not to a tiny number of anonymous and distant.” He further denounced Northern figures and institutions “whose power vastly exceeds their accountability to these people they so deeply affect or afflict.” Noting that “the best ideas in the world are not going to catch hold . . . unless a larger number of the world's people are brought to a focus of concern on these issues,” Nader spoke of the need for citizens to administer to the world’s great institutional powers a “public jolting.”110 His wish would soon be fulfilled.

Chapter 2: “Nestle Kills Babies”:
The Nestlé Boycott and the Emergence of Global Anti-Corporate Campaigning

In appearing before the Group of Eminent Persons, Ralph Nader argued vigorously that multinationals should be seen as on par with governments in their importance to the global economy. As Nader noted, by the early 1970s the “largest 10 ‘worldcorps’ (by sales) are bigger than some 80 nations (by GNP).” He saw this as a matter of grave concern, describing how multinationals were transforming Third World nations into “dumping-grounds for products . . . [they] have trouble selling elsewhere” even as the companies also “undermine local investment . . . exploit cheap labor, and pervert local politics.” Nader saw reason for hope however, concluding that, while the “time is late . . . the opportunity remains to finally hold these firm accountable to more than their profit statements.”¹

Nader’s deep skepticism of big business was widely shared in the United States in the mid-1970s. Whereas, according to a Harris public opinion poll, public “confidence in the heads of large corporations” stood at 55 percent in 1966, by 1975 that number had plummeted to 15 percent.² Liberal activists during the 1960s and 1970s harnessed this distrust into action, winning battles such as the United Farm Workers’ grape boycotts or numerous new federal regulatory laws. Meanwhile, internationally, multinationals in the 1970s also experienced intensified scrutiny. This could be seen most clearly in the fact that, between 1972 and 1978, nine hundred and twelve multinational corporations found at least part of their operations taken over by host states.³ The push by the G-77 and the Non-Aligned Movement countries to implement the New International Economic Order platform only confirmed that the days of multinational companies operating free of global scrutiny were ending. For U.S. public interest liberals to take advantage

¹ Group of Eminent Persons, 90 and 93.
³ Nejad and Dunning, The UN and Transnational Corporations, 22.
of these political currents however, they needed a concrete issue that they could use to experiment with globalizing the politics of accountability.

**Marketing Modernization’s Milk**

The issue they came to focus on involved one of the most essential human activities, breastfeeding. For millennia mothers have supplemented breast milk with other foods, but starting in the mid-19th century, entrepreneurs like Henri Nestlé tried to “modernize” breastfeeding by creating a variety of breast milk substitutes. The controversy over baby milk substitutes concerned their relative nutritional value, the health risks associated with their use in conditions of poverty, and their monetary expense. First, it is a scientific fact that breast milk is nutritionally superior to any substitute yet devised. However, the controversy over breast milk substitutes was not about their relative nutritional value, but rather the potential dangers their use could entail. To be used safely, breast milk substitutes (such as infant formula) required access to clean water, refrigeration, and often basic

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literacy. Without these conditions, the use of substitutes could dramatically increase the risks of malnutrition, disease, and death among newborns. Breast milk substitutes also imposed monetary costs that breast feeding did not, with studies in nations from Brazil to Pakistan showing that a single day’s supply of infant formula cost roughly half of a family’s daily wages. To cope with the expense, some mothers stretched their supplies by diluting them in unclean water, further heightening the health risks to newborns. Although disagreements arose over how dire the problem was, it is quite possible that improper use of substitutes contributed to the deaths of hundreds of thousands of infants annually.

To entice mothers and families to use breast milk substitutes, companies like Nestlé advertised them as both symbols and manifestations of modernity. While not saying their products were superior to breast milk, the companies’ promotional materials emphasized their scientific sophistication; as one Nestlé ad boasted, “Lactogen with Honey is specially prepared by Nestlé’s child nutrition experts.” At the same time, promotional materials put out by Nestlé and other companies implied that breastfeeding embodied the burdens of outmoded ways of living. Nestlé for instance widely distributed “baby books”; short, image-intensive manuals on infant care that, at best, accentuated breastfeeding’s difficulties and, at worst, provided misleading information. One Nestlé book claimed that mothers needed to “bathe” their breasts daily with “a mixture of spirits and glycerine,” an assertion that one leading medical critic stated

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made “breastfeeding appear unduly complicated.” Baby books constituted only one of the companies’ marketing techniques. Along with billboards and radio commercials, the companies also purchased ads in local medical journals, offered free samples to medical personnel, and, most controversially, employed so-called “milk nurses,” trained medical staffers paid to be salespeople in newborn wards.

In advertising breast milk substitutes, multinational companies not only promoted a “modernizing” technology, they also deepened the reach of corporate capitalism into the Global South. Products such as infant formula created a capitalist market for a “product” (breast milk) that previously existed outside the free enterprise system’s grasp. Multinationals proclaimed the expansion of capitalism as a social benefit, especially for women. In their marketing, Nestlé and other multinationals frequently argued that breast milk substitutes could serve as an instrument of women’s liberation. Nestlé directing manager Arthur Fürer even proclaimed the company the true friend of “women of the Third World” because its products allowed women “to avail themselves of modern feeding methods if they are unable to breast-feed their babies . . . because of the work they do.”

**The Controversy Commences**

While companies had been selling breast milk substitutes in the Global South since the late nineteenth century, it was not until the 1930s that dissenting medical voices received an international hearing. The first critic was Dr. Cicely Williams, a British physician who, in 1939, decried what she called “this massacre of the innocents by unsuitable feeding.”

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warnings went largely unheeded in the Global North until the late 1960s, when a growing cohort of health professionals working in the Third World and at institutions like the World Health Organization (WHO) started echoing her criticisms.\textsuperscript{16} Picking up Williams’ torch would be noted pediatrician Dr. Derrick Jelliffe, whose decades of experience in the Global South and academic pedigree positioned him as a particularly credible voice.\textsuperscript{17} Jelliffe spent much of the 1960s speaking out at health conferences and U.N. meetings, but he made little headway. Frustrated, he remarked in 1974 that some “group may have to take a more aggressive, Nader-like stance” to force the companies to respond to criticism.\textsuperscript{18}

That same year the controversy reached activist circles, first as an article in the \textit{New Internationalist} magazine (a U.K. publication funded by several development NGOs), followed by the release of a pamphlet titled “The Baby Killer” issued by the English anti-poverty group, War on Want.\textsuperscript{19} Explaining the issue in stark prose, “The Baby Killer” spread through Western Europe, including in Nestlé’s home country, Switzerland. There, a small activist organization, the Third World Action Group (TWAG), republished it with the title \textit{Nestlé Kills Babies}, causing the company to launch a defamation suit. To Nestlé’s surprise, the activists refused to settle, embracing a trial as a way of raising awareness. The trial ended almost two years later with each activist fined three hundred francs. As the proceedings continued, European activists felt increasingly helpless in making Nestlé change. The company possessed both deep coffers and a

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\item \textsuperscript{17} For more on Jelliffe’s contribution, see Rita Catherine Murphy, “The Facts of INFACT: How the Infant Formula Controversy Went From a Public Health Crisis to an International Consumer Activist Issue,” (master’s thesis, University of Minnesota-Minneapolis, 2012), 48-55.
\end{itemize}
corporate structure designed to shield it from outside pressures (like shareholder resolutions), such as by requiring that 64 percent of its shares be owned by Swiss citizens.\(^\text{20}\)

Meanwhile, across the Atlantic, a firebrand veteran of the New Left named Leah Margulies zeroed in on the breast milk substitutes issues. Margulies played an early and essential role in transforming the controversy into a campaign. Her exposure to left-wing activism began in childhood; her father worked for the International Ladies Garment Workers Union and her parents were both politically active, having met through the Young People’s Socialist League in New York City. Entering Boston University in the early 1960s, Margulies joined picket lines protesting Woolworth’s racist hiring practices and spent a summer working at Liberty House, a store supporting the black freedom movement run by the soon-to-be famous counterculture figure Abbie Hoffman.\(^\text{21}\) In the late 1960s Margulies moved to New Haven and plunged into the feminist movement, attending a consciousness raising group and playing flute in the New Haven Women’s Liberation Rock Band. While in New Haven, she began paying greater attention to multinational corporations, convinced that “these people are taking over the world!” Over the next years first in New Haven and then in New York, she refined her understanding of multinationals while working as a research assistant for two experts, economist Stephen Hymer and U.N. official Robert Ledogar.\(^\text{22}\)

In April 1974, Margulies moved from research to action when she accepted a job with the Interfaith Center on Corporate Responsibility (ICCR). Given her knowledge about multinationals and the Third World, ICCR’s leadership tasked her to brainstorm ideas for possible future

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\(^\text{21}\) Leah Margulies, interview with the author, New York City, NY, July 20, 2011.

campaigns. They asked that any potential campaign address “the ‘systemic’ factors which underpin the problems of food production and distribution.” Margulies tested a number of ideas with activist and church groups, finding that one issue generated far greater passion than any other: the breast milk substitutes controversy. To Margulies, it appeared an ideal issue to organize a grassroots campaign around, since it combined “1) a glaring problem that demands immediate concern and action with 2) the possibility for a more in depth analysis as to why this kind of injustice would occur.” As she later explained to Mother Jones magazine, the controversy demonstrated how “corporations operate in the Third World in a way that creates overall economic dependency as horrifying, impoverishing and unnatural as the dependency of a healthy mother on expensive powdered milk.”

Three main factors explain why the breast milk substitutes controversy generated such passion. First, the baby milk scandal possessed great emotional power – nothing causes tears or clenched fists faster than a sick or dead baby. Second, the issue could be easily tied to broader criticisms of corporate arrogance and the malign impacts of modernization. By taking aim at a particular industrial technology, the campaign directly confronted modernizers’ faith in technology. The third aspect of the scandal that appealed to Margulies was the ease with which it could be related to the concerns of several distinct constituencies. One of these was a loose, nationwide movement of anti-hunger activists, rooted in faith communities. World hunger was on the minds of many in the mid-1970, as in 1972, for the first time in twenty years, global food production had declined. This raised fears that nations around the world would soon suffer mass famines. In response, many U.S. churches either started or expanded church-based committees

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focused on anti-hunger initiatives. However, by the mid-1970s the expected catastrophes failed to materialize, leaving churches searching for related issues to work on.26

Margulies also saw a chance to connect global poverty and feminism. One of the main strands of 1970s feminism was the drive of women to take health care decisions into their own hands, in part by challenging the male-dominated medical profession. As historian Ruth Rosen notes, through consciousness raising groups and books like the 1971 bestseller, *Our Bodies Ourselves*, the feminist movement “taught many Americans – not only feminists – to view themselves as medical consumers, rather than as passive patients.”27 One element of this strain of women’s empowerment involved questioning breast milk substitutes and placing renewed emphasis on breast feeding. Therefore, it was unsurprising that women activists were often the first to recognize the potential of the baby milk scandal and became leaders of the grassroots organizing campaign that followed.28

As attractive as the issue could be to multiple constituencies, advocates still had to navigate a tricky path in popularizing the issue. One of those challenges involved framing the controversy in ways that both compelled large numbers of people to take action while not reinforcing insensitive or racist tropes about the Global South. For the most part, U.S. activists settled on emotionally-charged depictions of the women and children at the center of the controversy as helpless victims, with mothers described as “being misled by those who hunger

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This victim narrative predominated in the campaign’s visual media, including in flyers, pamphlets, and the widely used documentary film, *Bottle Babies*. Released by German filmmaker Peter Krieg in 1975, *Bottle Babies* contained graphic footage of infant malnutrition, dramatically ending with a shot of an infant graveyard. Films like *Bottle Babies* portrayed the controversy as a simple tale of corporate greed and arrogance in which firms like Nestlé presumed that what “is ‘West’ is best . . . [and] we have nothing to learn from Third World peoples.” As one of the campaign’s leaders described, multinationals played “upon fears” of mothers in the Global South, specifically individuals’ fears “of losing status by appearing ‘primitive’. . . or fear of not feeding one’s baby the ‘scientific’ and healthy way.”

At the same time as U.S. activists employed this narrative of exploitation and victimhood, they also worried about producing narratives that depicted themselves as beneficent white Americans “saving” ignorant Third World peoples. Commenting on a proposed image for a new campaign initiative, organizer Doug Clement complained about the use of “another starving baby picture,” questioning whether such images were “too passé, too liberal guilt.” Responding to such concerns, leaders of the campaign emphasized the agency of Third World people, whether by praising “information from the Third World” as the “lifeblood of this campaign” or informing U.S. activists about initiatives by Global South NGOs and governments to challenge the companies. However, activists worried that using nuanced language muddled their appeals. As In the same letter in which he complained about “liberal guilt,” Clement also noted that such appeals had “worked for Biafra and Bangladesh” (other international crises that generated

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29 “To The Nestlé Corporation,” June 29, 1977, Box 5, ACA.
31 Doug Johnson, “Bottle Babies,” July 3, 1977, Box 5, ACA.
33 Steve Korsen to Doug, Doug, and TWIRP, December 15, 1977, Box 2, ACA.
significant attention among the U.S. public), because “damn it, the starving baby is what this is all about.”

While these debates would continue throughout much of the campaign, by late 1974, Leah Margulies felt confident in the potential of the breast milk substitutes issue to move beyond education to action. She started by organizing the submission of shareholder resolutions which requested information on the overseas marketing practices of the leading U.S. companies selling breast milk substitutes, American Home Products (AHP) and Bristol-Myers. While AHP acquiesced quickly, Bristol-Myers resisted, urging its shareholders to oppose the resolution. When an ICCR-backed resolution did come to a vote, only five percent of Bristol-Myers’ shareholders supported it. The company continued negotiations with the activists after the vote, but the talks yielded no progress. Frustrated, Margulies pushed for escalation by arranging for ICCR to deploy that most cherished of public interest tools, the lawsuit. The suit would charge Bristol-Myers with issuing “false or misleading material statements or omissions in proxy materials” in violation of Securities and Exchange Commission rules. For plaintiffs, Margulies recruited the Sisters of the Precious Blood, a small Catholic order that owned Bristol-Myers stock. On April 14, 1976 they filed the lawsuit. Eking its way through the courts over nearly two years, the lawsuit ended in a settlement in which Bristol-Myers promised to improve reporting about its marketing practices to shareholders. Pondering the slow pace of the lawsuit, by the middle of 1976 Margulies became convinced that neither dialogue nor legal means alone would

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34 Doug C. to Local Organizing and Resources Task Forces, “Nestle Coupon Collection Drive, which, by any other name, would be as much work,” December 12, 1978, M93-263, Box 28, INFACT.
35 “Chronology: The Infant Formula Controversy,” May 16, 1980, Box 5, ACA.
36 Vogel, Lobbying the Corporation, 190.
result in actual change. Knowing that ICCR was neither equipped nor interested in embracing more militant tactics, Margulies began searching for other allies.40

**From Texas to Transnational**

In November 1976, Margulies’ quest took her to the small southeast Texas town of Palacios, where a group of activists gathered to discuss the international fight to institute the New International Economic Order.41 Arriving at the Houston airport, Margulies met with Dick Fernandez, a co-founder of Clergy and Laity Concerned (CALC). Originally formed in 1965 to organize religious opposition to the Vietnam War, CALC shifted as the conflict in Indochina ended to working on a variety of international social justice issues, including development.42 Meeting to drive her to the conference, Fernandez picked up one additional attendee, a young activist named Doug Johnson. This proved a most fortuitous coincidence.43

Johnson came to left-wing activism via a quite different path than had Margulies. Raised in an apolitical family of farmers outside of Kansas City, he was a Boy Scout and high school debate team member before entering Macalester College in Minneapolis in the fall of 1967. Interested in the Cold War from his debate days, he immersed himself in campus anti-war activism. However, by 1969, uninspired by his studies and alienated by violent acts of few in the anti-war movement, Johnson left school to travel in Asia. Journeying to India, he visited Mahatma Gandhi’s former *ashram*, where he studied the philosophy and practice of non-violence. His time in India also instilled in him a deep interest in economic development.44

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40 Leah Margulies, “Infant Formula Campaign Report,” September 1976, Box 28, ACA.
41 Margulies (7/20/11). In my examinations of relevant archives I could find no references to the Palacios meeting, however both Doug Johnson and Leah Margulies described it similarly.
43 Margulies interview, July 20, 2011.
44 Doug Johnson, “Notes For Discussion With Nestlé Management,” October 7, 1985, Box 25, ACA.
Returning to Minneapolis in the early 1970s, Johnson became director of the Third World Institute (TWI), a center based at the University of Minnesota. While excited to devote himself full-time to anti-poverty work, Johnson and other TWI volunteers increasingly questioned the efficacy of its focus on educational programing, wanting “to learn through action.”\textsuperscript{45} These feelings crystalized for Johnson during a service trip to Guatemala, when a local friend remarked to him that, while “we love to see you here, remember your job is in the belly of the monster. Go back and work for social justice in the U.S.”\textsuperscript{46} As TWI cast about for an issue to confront, Johnson became increasingly “intrigued by . . . the multinational corporation, and the need for citizens to begin evolving global responses” to their activities.\textsuperscript{47}

As Johnson, Margulies, and Fernandez drove to Palacios, Johnson recounted his activist biography to Margulies, who immediately recognized an opportunity. She summarized the campaign thus far, exclaiming at one point that “if you join this campaign, I swear you'll never be bored again.”\textsuperscript{48} Margulies and Johnson continued their conversation during the conference, as well as meeting with, Mark Ritchie, who would also come to play a critical role in the campaign.\textsuperscript{49} To these two, Margulies divulged her “fantasy” of launching a boycott, an idea both men greeted enthusiastically. The trio kept in touch, reconvening two months later in New York with other interested activists to create a coordinating body for this work, the Infant Formula Action Coalition (INFACT).\textsuperscript{50} During the early months of 1977, momentum for launching a boycott increased, as INFACT members found public screening after screening of Bottle Babies

\textsuperscript{45} Doug Johnson, interview with the author, Minneapolis, MN, May 5, 2011.
\textsuperscript{46} Johnson interview, May 5, 2011.
\textsuperscript{47} Doug Johnson to Joe Collins, March 11, 1975. Box 6, Folder 44, Institute for Policy Studies Papers, Wisconsin Historical Society Library and Archive, Madison, WI (hereafter “IPS.”)
\textsuperscript{48} Margulies interview, July 20, 2011.
\textsuperscript{49} Johnson interview, May 5, 2011.
\textsuperscript{50} “Meeting to Discuss Infant Formula Abuse,” January 8, 1977, Box 1, ACA.
ending with attendees declaring that, while it was “great you're doing stuff on Abbott or Bristol-Meyers, this movie is about Nestlé and I'm not going to buy their products anymore.”

Transforming the campaign into a boycott of Nestlé appealed to both grassroots activists and INFANT’s leaders for three reasons. First, Nestlé accounted for roughly one-third of total global sales of breast milk substitutes, including having the largest share of sales in the Global South. Thus, Margulies, Johnson, Ritchie, and the others figured that if Nestlé could be forced to change, other companies would follow suit. Second, given Nestlé’s corporate structure, tactics like shareholder resolutions or lawsuits were all but useless. Third, unlike the other corporations selling breast milk substitutes, Nestlé was (and is) a “consumer facing” company. This meant that its profits partly derived from sales of everyday consumer goods (such as chocolate and coffee), as well as its ownership of Stouffer’s hotels and restaurants. These facts made the company an appealing target for a boycott, as its revenues depended on sales of goods that consumers could easily give up or replace with other brands. With these factors in place, the decision was made. On July 4, 1977 the Nestlé boycott commenced with a rally and a march in Minneapolis.

**Building a Boycott**

From very early in the Nestlé boycott, it became clear that the campaign would operate as a hybrid of both New Left and public interest approaches. In some ways, the campaign fit the

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51 Johnson interview, May 5, 2011.
model established by public interest liberals – a small group of professional activists prodding other, stronger institutions to take action. ICCR and INFAC'T’s ability to be recognized as experts on everything from breast feeding to international law also came straight from public interest liberalism’s playbook. Yet, at the same time, with the key organizers (at least in private) expressing radical, anti-capitalist politics, and with its intensive grassroots component, the Nestlé fight differed from the average public interest liberal effort. The mixing of grassroots and public interest approaches gave the campaign strength, but also caused tension, both within INFAC'T and among the coalition members carrying out the boycott.

In building a coalition of supporters, INFAC'T and ICCR tapped into existing groups with mass memberships.Employing personal networks at the start, INFAC’T’s leaders reached out to three main sets of actors: religious institutions, liberal-left groups, and public health professionals. Of these three, the most critical proved to be the mainline Protestant churches. Having national religious organizations, as well as local congregations, onboard gave the boycott a wide reach and the imprimatur of a crucial moral voice in American life. This allowed organizers access to thousands of people active in their communities who were not liberal or left-wing activists. Furthermore, the churches offered essential material resources such as money and facilities.

Margulies had long recognized the activist potential of the churches. Her desire to work at ICCR was in large part due to her belief that “the majority of people are in the churches, they're not on the left,” and that building a mass movement required going where the people were.56 Fortunately for the activists, many rank-and-file church members responded to their call. As one CALC staffer noted, the attention given to the boycott by national church leaders represented “one of the few times they’ve felt forced to become more involved by pressure from

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56 Margulies interview, July 20, 2011.
local church people (such decisions as we know usually flow in the other direction!))”\(^{57}\) Boycott backers worked at multiple levels to gain church support – they won endorsements from individuals, congregations, church committees (starting with those dedicated to hunger, social action, and women’s issues) and, national denominations. Within a year and half INFACT gained the blessing of the national Presbyterian and Unitarian Universalist churches, followed in November 1978 by the main body representing mainline Protestantism in the U.S., the National Council of Churches (NCC).\(^{58}\)

While religious groups formed the core of the grassroots boycott, INFACT also reached out to such liberal-left constituencies as labor unions and feminist groups. However, the levels of participation by such groups varied, often amounting to little more than names on a letterhead.\(^{59}\) Certainly, some of those names helped to spread the word and legitimize the campaign. Early in the campaign INFACT garnered important attention because of endorsements from noted liberal-left figures such as feminist writer and activist Gloria Steinem, labor leader Cesar Chavez, and Ralph Nader, who hailed the boycott as a “major cause in the corporate responsibility movement throughout the world.”\(^{60}\) Of the constituencies associated with liberal-left activism that joined the boycott, perhaps the most active were students. At colleges and universities across the country, young activists hosted debates, protested (including a 36 day hunger strike by a student at the

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\(^{57}\) Becky Cantwell, “Infant Formula Campaign Report,” September 29, 1977, Box 5, Part 6 (M97-182), INFACT.


\(^{59}\) Robert Drinan to Union Presidents, “The Importance of the Nestle Boycott to the Union Movement,” 1982, Box 5, ACA.

University of Minnesota), and organized to remove Nestlé products from their campuses.  

Student organizers won concrete victories, as when the Corp (a student-run company at Georgetown University) stopped selling Nestlé goods in April 1978. By 1979 student governments at several schools, including UC-Berkeley, Harvard, and San Jose State, had endorsed the boycott.  

The third constituency INFACT organizers reached out to were public health professionals. Wishing to legitimize themselves and their case against the companies, activists recruited such health professionals as Dr. Benjamin Spock, author of the bestseller, The Commonsense Book of Baby and Child Care. The most notable institutional endorsement arrived in 1981, when the American Public Health Association, the nation’s leading organization for public health workers, announced it backed the boycott. While this support lent credibility to INFACT, activists also saw public health groups as one among many institutions whose support could inflict financial pain on Nestlé. For instance, organizers cheered in 1978 when the Catholic Health Assembly moved the venue of its annual conference out of a Nestlé owned hotel, costing the company tens of thousands of dollars of business.  

Of course, recruiting allies marked only a first step in the campaign. The boycott needed publicity to ensure that Nestlé attributed lost sales to activist organizing. To this end, INFACT encouraged its supporters to write letters to the company explaining why they refused to buy its products. To assist and encourage supporters, INFACT relied on direct mail, which by the 1970s

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63 For more on Dr. Spock, see Thomas Maier, Dr. Spock: An American Life (New York: Basic Books, 2003).  
had become a staple of political action. INFACT sent tens of thousands of supporters and potential supporters lists of Nestlé products, as well as postcards to be mailed to the company, and texts for model resolutions to be introduced at meetings of local churches, unions, or other civic groups.

In cities with the most active boycott organizers such as Chicago, Denver, and Baltimore, regular informational picketing outside grocery stores and especially Stouffer’s hotels and restaurants gave the boycott a public face. In Chicago for instance, organizers boasted of “turning away 10 to 15 persons at each of their Friday weekly pickets” outside a Stouffer’s restaurant. Activists occasionally conducted more dramatic public actions, such as “INFACT Day. Drawing from many boycott supporters’ experiences in the anti-war movement, INFACT organized a nationwide “Day of Action” in which, on April 13, 1978, activists mounted theatrical street actions such as the “Boston Nestea Party” in which activists dumped twenty (empty) crates of Nestlé products into the Massachusetts Bay. Measuring the exact impacts of such activities proved difficult, but they certainly helped recruit new activists and convinced people to refrain from buying Nestlé products.

**Forging Organization**

Even as INFACT mobilized at the grassroots, the organization faced crucial internal questions. The most pressing involved its institutional structure, as activists deliberated over whether to model INFACT on the lines of a New Left or a public interest group. At first, many

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68 “Brief News Roundup,” April 9, 1980, Box 6, ACA.
70 Johnson interview, May 15, 2011; “November 2-4, 1977 INFACT Conference Minutes,” Box 28, Folder 57, Part 1, INFACT.
of the boycott’s core supporters favored the former approach, believing that INFACT should act as a “clearinghouse . . . facilitating work that is already going on.”\textsuperscript{71} These sentiments stemmed in part from the ideological sympathies of the many activists who were veterans of 1960s social movements. A number of these figures wanted INFACT to operate non-hierarchically, believing that an essential principle of the group should be “keep[ing] the system from changing you.”\textsuperscript{72} In addition, a number of early boycott supporters worried that creating a new organization would lead to competition between INFACT and existing activist groups.

Thus, in its first years, INFACT operated informally, employing only one full-time staff member – Margulies’ former intern, Doug Clement.\textsuperscript{73} INFACT’s leadership consisted of a network of fifteen people scattered across the country called the “Decision Making Group” or DMG.\textsuperscript{74} The initial concept for the DMG envisioned it operating by consensus. However, as the months and years passed, it became increasingly clear that DMG decisions were actually made on an “ad hoc and seats-of-the-pants,” with those individuals most involved on any particular issue assuming leadership.\textsuperscript{75}

The lack of formalized structure in INFACT’s first years caused mounting frustration among key INFACT leaders such as Doug Johnson.\textsuperscript{76} For example, in 1979, the DMG authorized an initiative called “Clip Nestlé Quik,” aimed at encouraging boycott supporters to cut out Nestlé coupons and mail them to the company as a form of protest. Activists looked

\textsuperscript{71} “November 2-4, 1977 INFACT Conference Minutes,” Box 28, Folder 57, Part 1, INFACT.
\textsuperscript{73} Doug J. and TWI to Members of the INFACT policy council, “RE: lots of things,” Late November 1977, Box 28, Part 1, INFACT; Margulies interview, July 20, 2011.
\textsuperscript{74} “Internal Communication: DMG, Pre-1980 Decisions,” undated, Box 28, Part 1, INFACT. The DMG consisted of one representative from each of three geographic regions (east, west, and mid-west), a fundraiser, four individuals “with special skills,” and a national chairperson, a position filled by Doug Johnson.
\textsuperscript{75} Lois Happe to DMG, “Proposed National Coordinating Committee II,” August 23, 1979, Box 2, ACA.
\textsuperscript{76} “DMG notes from Saturday morning meeting,” undated, Box 1, ACA.
forward to distributing materials about this initiative at INFACT’s annual meeting, yet “nobody took responsibility for any part of the action.” This led to delays in the production of materials and left activists without a plan for distributing them such that, a month later, out of 5,000 kits produced, only 2,000 had been distributed. The travails of the “Clip Nestlé Quik” effort were but one manifestation of larger problems with INFACT’s organizational model. More essentially, many INFACT activists felt that its structure encouraged overly long deliberations and led to tasks either not accomplished or done poorly, given the lack of a clear division of labor.77

Nowhere did INFACT’s loose initial structure cause more consternation than with regards to money. As the boycott progressed, shoddy record keeping caused problems, as activists failed to maintain good records of how the organization’s dollars were spent. This led INFACT staffer Doug Clement in 1979 to send a stern memorandum urging a series of changes “antithetical to our current operating style” in order to “cover our asses.”78 While record keeping may have caused annoyance, no financial aspect of running a nonprofit caused more frustration than fundraising. Conversations at INFACT’s first national conference found many showing discomfort over the prospect of raising money. Attendees derided fundraising as a “scientific” task that required “expertise,” while others expressed unease in reconciling asking for money with their “anti-capitalist values.”79

While the lack of expertise or enthusiasm for fundraising hurt INFACT, other issues related to the nonprofit-foundation relationship proved even more harmful. First, raising money took staff time and energy away from running the campaign, as seen in a typical meeting of INFACT’s National Policy Council which devoted ninety minutes out of a scheduled five hours

77 “Decision Making Group Meeting of March 29, 1979 to April 1, 1979,” Box 1, ACA.
78 Doug C. to INFACT Staff and Board (selected members), “Fiscal Control,” May 10, 1979, a cold and rainy day, M97-182, Box 3, Part 6, INFACT.
79 “November 2-4, 1977 INFACT Conference Minutes,” Box 28, Folder 57, Part 1, INFACT.
to discussing fundraising – significantly more time than was allocated to any other item on the
agenda. Second, fundraising problems inhibited organizing, as shortages curtailed INFACT’s
ability to hire more organizers. The lack of money also exacerbated frustrations felt between the
grassroots and national INFACT, as local groups felt discouraged by INFACT’s inability to
provide financial support.

Throughout the Nestlé boycott, INFACT never enjoyed particularly good relations with
the kinds of foundations that many other public interest groups relied upon. In 1979 for example,
INFACT fundraising director Moe Rodenstein submitted proposals to six foundations requesting
a total of $95,000, but reaped only $6,000. Several factors accounted for such setbacks. In some
cases, foundations saw INFACT’s work as outside their programmatic missions, while others
favored smaller, community-based organizations, while still others “felt that it might not be
appropriate . . . to give to an anti-corporate campaign.” INFACT tried to move “away from top-
down grant seeking” during the late 1970s, hoping to build “a grassroots funding base” through
direct mail. These initiatives met with some success, but, overall INFACT survived mostly on
donations from churches, smaller foundations, and individuals.

Together, these pressures gradually led INFACT to abandon the non-hierarchical vision
supported by many at the organization’s inception. As the 1970s closed, INFACT would
increasingly transforming into a professional advocacy organization on the public interest model.
INFACT’s leaders attempted a balancing act, recognizing that they derived significant power
from having a grassroots base. However, as the campaign moved from church basements and

80 “Minutes of April 18, 1978 INFACT National Policy Council Meeting,” April 1978, Box 1, ACA.
81 Shirley Powell to Moe, December 22, 1979, Box 1, ACA.
82 Moe to DMG, “Big Financial Trouble,” 1979 or 1980, Box 6, Part 1, INFACT.
83 INFACT National Policy Council, “Minutes of April 18, 1978 Meeting,” April 18, 1978, Box 1, ACA.
Bottles to Bombs: The Role of Success and Occupying a Unique Niche in Organizational Transformation,”
_Sociological Focus_ vol. 24, no.3 (August 1991): 238.
picket lines to Senate hearings and U.N. negotiations, the requirements of the campaign shifted in ways that only further encouraged INFACT to become a public interest group.

**Nestlé’s Responses**

Fortunately for the organizers of the boycott, Nestlé too faced many internal and external problems. When the boycott first launched, the company responded with a public relations blitz. The heart of its case contested the medical claims made by INFACT. While conceding the nutritional superiority of breast milk, Nestlé spokespeople asserted that “It is widely recognized that infant formula plays a crucial role in the total infant nutrition picture.”85 Company officials further argued that activists ignored mitigating factors affecting a woman’s decision to breastfeed or not, such as a baby’s birth weight or a mother’s ability to produce sufficient milk.

Nestlé also engaged activists on ideological grounds. In a pamphlet distributed to thousands of churches, the company insisted that “while circumstances among the Third World urban poor appear primitive by comparison with Western standards, migrants from the traditional cultures” actually welcomed corporate-driven modernization for facilitating “a release from the kin obligations of the traditional cultures.”86 Nestlé also defended multinationals’ role in development, as when the Chairman of its Board of Directors, Pierre Liotard-Vogt, questioned “What other way is there to industrialize a country which is short of . . . skills and often capital, than to go there and . . . make it work?”87 Yet, even as the company made altruistic claims for itself, Nestlé executives also downplayed their influence, such as managing director Arthur

85 “Nestlé Statement of Position,” September 24, 1979, Box 24, ACA.
86 “The Infant Formula Controversy: A Nestlé View,” November 1978, Box 25, ACA.
87 “Address Given by Mr. Pierre Liotard-Vogt, Chairman of the Board of Directors – Annual General Meeting of 22nd May 1980 in Lausanne,” Box 24, ACA.
Fürer’s argument that the company could not “teach large sections of the population to read and write any more than we can radically change the living conditions of millions.”

Nestlé representatives also rhetorically lambasted the activists. In many of its public pronouncements, the company framed the boycott as a conflict between calm, open-minded businesspeople and angry radicals. Executives derided INFACT for advocating “some sort of ‘back to nature’ crusade” intended to bring back “traditional breast feeding.” Nestlé executives argued that activists did not care about the issues, but were just another manifestation of the 1970s “‘age of activism,’” in which a “general malaise” had lowered “confidence in traditional beliefs and institutions.” Nestlé employed these messages strategically, hoping to encourage divisions between “radicals” at groups like INFACT and more mainstream institutions, such as the Protestant churches. The company tried not to antagonize the churches, urging groups like the National Council of Churches to “reexamine the issue in a fair and unemotional way.”

Upon the boycott’s launch, Nestlé did enter into some dialogue with activists. However, once it became clear that the boycott was gaining momentum, the company switched to a more adversarial stance. In the United States, Nestlé reassigned five employees to focus on the boycott full-time, with another ten supporting them. Nestlé representatives also engaged the public by sending representatives to debate activists at churches, college campuses, and on the radio, while also responding to reams of pro-boycott letters. To bolster its efforts, Nestlé hired the world’s largest public relations firm, Hill & Knowlton, to manage its counteroffensive. Hill & Knowlton’s main contribution was the production and distribution of a twenty-four page booklet

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88 Dr. A Fürer, “Nestlé and baby food in the Third World,” November 28, 1975, Box 8, Folder 8, Part 1, INFACT.
89 David E. Guerrant to Doug Johnson, May 5, 1978, Box 24, ACA.
91 David Guerrant to All Nestlé Employees, November 8, 1978, Box 24, ACA.
92 S.E. Korsen to Doug Johnson, October 14, 1977, Box 24, ACA.
93 “A boycott over infant formula,” Business Week, April 23, 1979, 27.
outlining Nestlé’s case, which in 1978 it sent to over 300,000 clergy members. However, with the boycott only gaining strength despite such efforts, Nestlé management cut its relationship with Hill & Knowlton in favor of another firm, the Edelman Agency. Unlike Hill & Knowlton, Edelman recommended a minimalist strategy, believing that the company could sap the boycott’s energy by ignoring it. However, this approach failed as well. By not addressing the issue, Nestlé appeared callous, given that boycott supporters were able to make a strong case to the public that real connections existed between breast milk substitute use and infant ill health.

**Moving to Congress**

Cognizant that a boycott is a tactic and not a strategy, by the fall of 1977 activists looked for other ways to apply pressure on the companies. One such idea involved convincing a Senator to hold a hearing on the issue. In pursuit of this goal, Doug Johnson moved to Washington, D.C. in early 1978. His energies initially aimed at persuading Senator Frank Church to incorporate the baby milk substitutes controversy into his ongoing investigations of multinational corporations. By 1977, Church was one of the nation’s best known politicians, having conducted a series of hearings that revealed the CIA’s record of illegal surveillance and involvement in the assassinations of foreign leaders and toppling of foreign governments. Nestlé boycott leaders hoped to secure “Church hearings,” arguing that the Senator would “do a thorough study of the international scene.” Such hearings would situate the controversy in the wider context of multinational corporations’ dubious activities in the Third World, a point that activists felt to be “clearly most important.” Concurrently, Johnson also contacted the staff of Senator Ted

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95 Chetley, *The Politics of Baby Foods*, 53
96 Sethi, *Multinational Corporations and the Impact of Public Advocacy on Corporate Strategy*, 70
98 Dan McCurry to Leah Margulies, “Infant Formula congressional hearings campaign,” February 20, 1978, Box 3, ACA.
Kennedy, who chaired the Subcommittee on Health and Scientific Research as a “back-up.”  
INFANT used its grassroots muscle to encourage the targeted Senators, with Kennedy receiving over fifty letters per day to his office asking him to hold a hearing. When Church declined due to scheduling difficulties, Kennedy took up the cause. The activists would have their moment in the Senate sunlight.

Convening on May 23, 1978, the Kennedy hearing transformed the campaign. To make their case, INFANT and ICCR relied on the expertise of public health workers from across the Global South, with recruiting witnesses primarily from countries where they knew that companies’ promotion of breast milk substitutes was particularly intense. The Global South health workers provided stark testimonies, mixing medical knowledge and personal experience. Filipino doctor Navidad Clavano for example described a two-year study of infant feeding he had conducted which concluded that the mortality rate for newborns fed only breast milk was 47.7 percent lower than for those fed breast milk substitutes. Of the numbers mentioned during the hearing however, none shocked more than Dr. Derrick Jelliffe’s assertion that “if breast-feeding could be reinstituted in developing countries, very probably . . . some 10 million babies could be saved.”

Ironically, no witness aided the boycotters’ cause more than Nestlé’s representative, Oswald Ballarin (the head of the company’s Brazilian operations). Ballarin opened his testimony by stating that Nestlé’s U.S. branch had informed him that the boycott’s charges lacked substance and that the entire campaign represented an “indirect attack on the free world’s

99 “A Revised Update,” undated, Box 3, ACA.
100 Sethi, Multinational Corporations and the Impact of Public Advocacy on Corporate Strategy, 81.
102 Testimony of Navidad Clavano, Senate Committee on Human Resources, Marketing and Promotion of Infant Formula in the Developing Nations, 95th Cong., 2nd sess., 1978, 11.
103 Testimony of Derrick Jelliffe, Marketing and Promotion of Infant Formula in the Developing Nations, 42.
economic system.”

A wave of derisive and bipartisan laughter erupted throughout the room after Ballarin’s statement, with Senator Kennedy telling Ballarin that he “could not seriously expect us to accept that on face value.”

Ballarin further damaged his credibility by answering a question on corporate social responsibility with the assertion that companies “cannot have that.”

While witnesses from other companies performed more ably, the damage from Ballarin’s missteps (which received significant media coverage) cast a shadow over them all.

Following the hearing, Kennedy discussed various options with the activists and the companies (including Nestlé and Bristol-Myers). Given legal limitations inhibiting Congress’ ability to act on international issues, Kennedy searched for an alternative path to a solution.

From these discussions emerged the idea of reaching out to the World Health Organization (WHO). Kennedy soon sent a letter to Halfdan Mahler, the Director-General of the WHO, requesting that the U.N. host a meeting to establish a “meaningful, uniform code of ethics” for the marketing of breast milk substitutes. Mahler agreed, and partnering with the United Nations Children’s Fund (UNICEF), the WHO began planning for a meeting to be held in fall 1979.

**A Global Struggle**

The move to the United Nations intensified U.S. activists’ need to forge relationships with civil society groups around the world. While transnational cooperation had been an element in the campaign since it began, such ties had existed primarily between U.S. and Western European groups. Although Northern groups coordinated with Southern medical professionals,
their engagement with likeminded Southern advocacy groups remained extremely limited. In part, this was because the 1970s were hard times for Southern civil society. In a number of Latin American nations (from Argentina to Chile to Uruguay) military regimes replaced democratic governments, while many nations in Africa and Asia lived under dictatorships or were embroiled in internal conflict.\footnote{See Jeff Hynes, Democracy and Civil Society in the Third World: Politics & New Political Movements (Cambridge: Polity Press, 1997); Robert Pinkney, Democracy in the Third World, 2nd ed. (Boulder, CO: Lynne Rienner Publishers, 2004), 65-87.}

However, some bright spots existed for Global South civil society, including a vibrant consumer movement in Malaysia. For many left-leaning Malaysians, consumerism offered a promising avenue for activism, as it appeared a decidedly reformist cause that did not threaten the status quo. The flagship of the Malaysian consumer movement, the Consumer’s Association of Penang (CAP), in many ways mirrored U.S. public interest groups. Founded in 1969, its base consisted of middle-class professionals and the organization worked within existing legal and political systems. At the same time, its focus on consumer protection was complemented with a broader agenda concerned with socially equitable development. Discussing the organization in 1971, its president Mohammed Idris described CAP as fighting for the “protection of the consumer” in order to prevent a “new economic imbalance” from emerging that would be “detrimental to the proper development of the nation.”\footnote{Address by Enche S.M. Mohd Idris, J.P. President of the Consumers Association of Penang at the 1st Annual General Meeting of the Association at the Balai Raayat, Pulau Tikus on Wednesday, 31st March, 1971 at 5:00PM. As quoted in Consumerism – The Penang Experience (Penang: Consumer’s Association of Penang, 1973), 2.}

The Consumer Association of Penang’s rapid growth and successful campaigns in the early 1970s did not go unnoticed. Within a few years it attracted the attention of the International Organization of Consumer Unions (IOCU), which had been founded in 1960 to link together consumer groups from around the world. Started by the U.S. group Consumers Union, IOCU at

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first focused on forging connections between U.S. and Western European consumer advocates.\textsuperscript{113} Although focused on technical matters like product testing, by the late 1960s, IOCU started reaching out to “groups working against great odds in developing countries” believing such outreach was important on both ideological grounds and for increasing IOCU’s influence at the United Nations.\textsuperscript{114} This led IOCU in 1971 to organize a conference for Asian consumer organizations, which inspired the establishment of an IOCU Asian regional office in 1974, situated in Penang, Malaysia.\textsuperscript{115}

The director of IOCU’s new Asian post was one of CAP’s founders, a vivacious librarian and student leader named Anwar Fazal. Later referred to as Asia’s “Ralph Nader,” Fazal’s passion for consumer advocacy in part stemmed from reading Ralph Nader’s \textit{Unsafe at Any Speed} while in college.\textsuperscript{116} His meteoric rise took him from working with CAP in the early 1970s to serving as IOCU’s Asia regional director in 1974 to becoming president of IOCU by 1978. Fazal labored to make the latter organization a truly global body, building North-South networks and encouraging the growth of Southern activist groups.

Fazal spoke of IOCU’s mandate in expansive terms. To him, consumer rights meant more than safe products; the cause also encompassed economic equity and ecological harmony. One expression of his views was Fazal’s tying of IOCU’s goals to the aspirations of Third World states pushing for the New International Economic Order.\textsuperscript{117} Fazal believed Southern NGOs

\textsuperscript{116} Matthew Hilton, \textit{Choice and Justice: Forty Years of the Malaysian Consumer Movement} (Pulau Pinag, Malaysia: The Universiti Sains Malaysia Co-operative Bookshop, Ltd., 2009), 20.
\textsuperscript{117} “In Search of Social Justice: The Population/Food/Environment Perspective,” Address by Mr. Anwar Fazal, Regional Director for Asia and the Pacific, International Organisation of Consumers Unions at the 1976 General
could not only help fight for the NIEO, but also improve upon it. As many critics noted, the international economic reforms proposed in the NIEO would likely increase the GDPs of Third World nations. However, as critics of modernization knew, increased economic growth did not necessarily mean better conditions for the world’s poor. Fazal argued that NGOs could push Global South governments to ensure an equitable distribution of the fruits of economic development, declaring that “governments . . . must respond to a just cause,” especially when that cause is voiced by a “vocal, progressive, movement.”

Fazal’s engagement with the infant feeding controversy actually predated that of many U.S. activists, as Malaysian families, medical personnel, and activists had raised alarms about breast milk substitutes since the 1960s. Fazal’s introduction to the international campaign came in June 1975, when he flew to Mexico City for the United Nations Conference on the Status of Women. Among the thousands of attendees present included Leah Margulies, at this point still exploring possible campaigns for ICCR. The two met at the conference and stayed in touch afterwards, a connection whose full fruit would not bear out for several years.

Fazal played three main roles in the campaign. First, his eloquence put him in great demand as a spokesperson. Fazal spoke playfully and passionately in contrast to the dry, technical talk used by many advocates, in criticizing business-initiated codes of conduct for instance, he described them as akin to “‘the sharks sit[ting] down to work out a code on how to

119 Leah Margulies to unknown, Spring 1976, Box 23, ACA.
treat the fish.” Second, his leadership of IOCU provided access to greater financial resources than those of any U.S. or European NGO, resources which Fazal happily dispensed. Third, Fazal possessed unique credibility with both Northern groups (many of whose leaders admired him greatly) and Southern civil society, who appreciated his emphasis on the South. While it was not until the early 1980s that many Southern NGOs became involved in the campaign, these early steps by Fazal paved the way for the eventual globalization of the campaign.

**Going to the UN**

The value of Fazal’s familiarity with global advocacy became clear as the campaign moved in 1979 to focus on the World Health Organization. For U.S. boycott leaders, this shift inspired mixed sentiments. Of course, reasons for excitement existed; as ICCR’s Ed Baer and Margulies exclaimed in a February 1979 memorandum, “reaching the international agencies and forcing them to participate is a major victory!” Involving the WHO also meant intensified pressure on the companies and created hope of achieving an actual policy solution. Yet, boycott leaders also found reasons for trepidation. First, they feared that shifting from grassroots action to global negotiations would dampen grassroots activists’ spirits and confuse the issue. They also worried that Nestlé would demand that activists terminate the boycott in light of the approaching meeting. Nestlé representatives did in fact hail the move to the WHO as “the right

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121 Leah Margulies to Anwar Fazal and Choong Tet Sieu, January 13, 1983, Box 33, ACA.
122 Leah Margulies and Ed Baer to Infant Formula Work Group, National INFACT Decision Making Group and close friends of the baby formula campaign, “The WHO Strategy,” February 14, 1979, Box 26, ACA.
123 Interfaith Center on Corporate Responsibility, “What We Believe About the WHO Meeting: Plans and Action,” undated, Box 3, ACA.
124 Leah Margulies to Dr. Manuel Carballo, July 25, 1978, Box 3, ACA.
approach as far as . . . depoliticizing” the controversy, and in May 1979 they sent a letter to thousands of pastors asking them to “join us in support of this conference and its goals.”

Working with the United Nations also thrust U.S. activists into the center of ongoing battles within the international politics of development. The 1974 passage in the U.N. General Assembly of resolutions supporting the New International Economic Order had committed the U.N. (including specialized agencies such as the WHO) to actively promoting the NIEO agenda. Ensuring that U.N. agencies could not ignore this mandate was the fact that most U.N. agencies operated on a one-nation, one-vote principle, giving Global South states clear voting majorities in decision making. While ostensibly one of the most technocratic U.N. agencies, under Director-General Halfdan Mahler’s leadership the WHO embraced the social justice call of the NIEO. Mahler, while skeptical of some of the G-77 and Non-Aligned Movement’s more radical demands, saw an opportunity to broaden the WHO’s mission. Rather than just taking on individual health problems, he wanted the agency to tackle global health holistically, such as by helping Third World nations devise better health care systems. In the mid-1970s, he thus proclaimed the WHO’s mission as creating a “new international health order,” whose “characteristics . . . are precisely those demanded by the NIEO.”

Most relevant to the breast milk substitutes’ controversy, Mahler also addressed the need for using “appropriate technology” in the medical field. In a 1978 speech Mahler stated that it “is more important for developing countries to . . . apply health technologies suitable for them than to receive from the affluent countries ready-made solutions whose worth in many cases has not been proved.”

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125 Douglas A. Groner to Alan Berg, March 14, 1979, Box 36, ACA; David Guerrant, “Dear Pastor letter,” May 8, 1979, Box 24, ACA.
127 Dr. Halfdan Mahler, “World Health Is Indivisible,” May 9, 1978, Chronological files (incoming) – Chrons 20, 1771809, WB IBRD/IDA 03 EXC-10-4542S, General correspondence, Records of President Robert S. McNamara,
However, the ramifications for Nestlé boycott campaigners of the push for the NIEO at the U.N. were not entirely positive. Launched with such enthusiasm in 1974, by 1979 the NIEO agenda had stagnated. Although some Western European governments viewed Southern demands sympathetically, a number of Northern states (such as the U.S. and West Germany) fought against all but the most modest demands. Among United Nations’ staff, many grew tired of North-South conflict, wishing to preserve the ideal of the United Nations as a conciliator, not a combatant. This wariness could be seen in the preparations for the WHO meeting on breast milk substitutes. Its organizers stressed that the “purpose of this meeting is to make real, substantial progress in an atmosphere of ‘scientific objectivity’ and unemotional fact-finding.”

Despite their sympathies with the NIEO agenda, U.S. activists also expressed unease over possible reverberations of the NIEO fight. Leah Margulies and Ed Baer of ICCR even worried that little might come out of the WHO meeting, in part because “most international agencies end up doing very little – compared to their potential – because they exist right smack in the middle of the international class war.” Cognizant that United Nations officials felt cautious about challenging multinational corporations, Margulies and Baer pondered how activists should relate to the U.N. Intriguingly, they recommended that activists, while maintaining friendly ties with the WHO, also engage in occasional public conflicts with the agency. They argued that such bickering would make “it harder for the industry to cry ‘FOUL’ . . . i.e., that WHO is in bed with

Records of the Office of the President, World Bank Group Archives, Washington, D.C., United States (hereafter “WBA.”)

129 Edward Baer to Key Friends of the Infant Formula Campaign, “Subject: Latest news on the WHO Meeting,” April 26, 1979, Box 28, ACA.
130 Leah Margulies and Ed Baer to Infant Formula Work Group, National INFACT Decision Making Group and close friends of the baby formula campaign, "The WHO Strategy," February 14, 1979, Box 26, ACA.
the ‘Communists’ [ie., the activists].” With U.N. officials less concerned about being dismissed as leftists, Margulies and Baer believed that WHO and UNICEF staff would feel more comfortable embracing tougher stances towards the firms. However, navigating their relations with the WHO proved difficult, as many of the tactics U.S. activists found effective at home (such as the boycott or dealing with Congress) appeared “‘crude, inappropriate [and] heavy-handed’” in the halls of the United Nations. Several actions by INFACT, including a letter-writing campaign aimed at Mahler, backfired, placing activists on a tenuous footing with the WHO leadership immediately preceding the meeting.

Thus, when activists converged in Geneva in October 1979 they could not feel easily confident about how the Joint WHO-UNICEF Meeting on Infant and Young Child Feeding would play out. The WHO-UNICEF meeting brought together government officials, company representatives, NGO advocates, and U.N. staff in five working groups to deliberate on issues ranging from promoting breastfeeding to the status of women to corporate marketing. Unsurprisingly, almost all of the corporate attendees, as well as a number of the NGO leaders (including Doug Johnson, Leah Margulies, and Anwar Fazal), attended the session on marketing. There, company representatives attempted to stall the talks by demanding that the discussion first address basic definitions of terms such as “promotion.” On the second day, company representatives distributed a “points of agreement” document, insisting that it be used as the framework to guide further talks at this session. This maneuver, along with the companies’ clear lack of interest in all the other sessions the companies sent no representatives to several

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131 Edward Baer and Leah Margulies to Jane Cottingham, “Who/UNICEF Meeting Staff Work,” July 24, 1979, Box 26, ACA.
132 Edward Baer, “Telephone conversation with Alan Berg, World Bank,” March 25, 1979, Box 36, ACA.
133 Alan Berg to Leah Margulies, August 6, 1979, Box 36, ACA.
134 Interfaith Center on Corporate Responsibility and INFACT, “What We Believe About the WHO/UNICEF Meeting: Plans and Actions,” September 1979, Box 28, ACA.
135 Sethi, Multinational Corporations and the Impact of Public Advocacy on Corporate Strategy, 175.
sessions concerned with health issues), led to a situation where, according to British activist Andy Chetley, “by the middle of the [second day’s] morning it was clear that few delegates had any sympathy left for industry’s tactics.”

The meeting ended as a success for activists. They proved, in the words of a staffer from U.S. National Institutes of Health who attended the meeting, to be “‘most eloquent and very well versed with the problems,’ while the companies appeared only concerned with protecting their profits.” Officials from the WHO and UNICEF acknowledged the effectiveness of NGO lobbying, with one stating that he would “‘happily acknowledge that they [the NGOs] have influenced our decisions.’” The WHO announced that, in coordination with UNICEF, it would draft a code of conduct with the guiding principle that there “should be no sales promotion, including promotional advertising to the public” of breast milk substitutes. Mahler’s closing remarks further confirmed WHO’s sympathies, as he stated that there was “‘no way industry can get away with what they have been doing in the past and say they have our blessing.’”

While an exciting step forward, advocates knew that ensuring a strong code of conduct emerged from the drafting process would require sustained global pressure. As one way of better coordinating their work, during the WHO-UNICEF meeting activists decided to form a new organization, the International Baby Food Action Network (IBFAN). They had long hoped to create a coordinating body for NGOs, and one evening “after a few beers,” that hope became a reality.

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136 Andy Chetley, “Notes, observations, and comments on the WHO/UNICEF Meeting on Infant and Young Child Feeding, Geneva, 9-12 October, 1979,” undated, Box 37, ACA; Sethi, Multinational Corporations and the Impact of Public Advocacy on Corporate Strategy, 176; Chetley, “Notes, observations and comments,” Box 37, ACA.
138 Andy Chetley, “Notes, observations, and comments on the WHO/UNICEF Meeting on Infant and Young Child Feeding, Geneva, 9-12 October, 1979,” undated, Box 37, ACA.
141 Hilton, Prosperity for All, 132.
reality. Aware of the monetary and communications limits they faced, IBFAN’s founders at first envisioned the network as a “‘paper tiger’” which would “intimidate industry with the façade of a large, powerful, tightly-organized pressure group.”  

Even this modest goal posed significant difficulties, with INFACT’s international coordinator Doug Clement comparing the work of building IBFAN to “‘organizing jello.’” Recreating the organizational looseness that bedeviled INFACT, IBFAN’s decision-making process was left informal, with decisions to be handled by “who is where at what time.” This led to occasional crises, as when the WHO asked IBFAN to send representatives to a meeting – a request they could not fulfill, as IBFAN had no formal staff. While nothing catastrophic occurred, a simmering anxiety pervaded IBFAN’s ranks, with ICCR’s Ed Baer and Danish activist Annelies Allain cautioning that the “ad-hoc basis” for decisions “can pose problems.”

Creating the Code

With the start of the code drafting process in Geneva, the Nestlé boycotters found their plate overstuffed. As the year 1980 approached, INFACT’s leaders were simultaneously running a nationwide boycott, becoming experts on marketing and international regulation, and learning to be effective domestic and international lobbyists. Balancing these efforts became the central concern for INFACT and IBFAN as they pondered how to “maximize the credibility gains from the WHO process, while not shackling us to play the role of loyal and relatively powerless opposition.” Entering the negotiations over the language of the WHO-UNICEF code, the activists staked maximalist positions. They demanded that the code be “developed on the basis of

142 Doug Clement to DMG, November 1979, Box 31, ACA
143 Doug Clement, Thomas Koch, and Junko Maruyama to DMG, “International Baby Foods Action Network (IBFAN),” February 20, 1980, Box 31, ACA.
144 “Report on a meeting of IBFAN – Geneva, Sunday 28 September 1980, 2:30 p.m.,” Box 33, ACA.
145 Ed Baer and Annelies Allain to Our Geneva Team, “Re: Code Discussion,” August 26, 1980, Box 37, ACA.
what health workers and policy makers consider optimal steps” and that it “should not be the result of negotiations with industry, which will certainly seek to weaken the code.”

Such protests amounted to little more than venting frustration however, as their main thrust was to counter corporate influence, not eliminate it. Fortunately that goal was shared by many in the WHO bureaucracy. During one meeting between WHO Assistant Director General David Tejada and the activists, Tejada explained that, “WHO positions will represent an arithmetic average of extreme positions.” Tejada urged the NGOs to maintain a hard line in their negotiating, as such “pressure can move the point of compromise in a constructive direction.”

By the time a final version of the WHO-UNICEF code appeared in November 1980, it had gone through four significant drafts. Throughout this process, the fortunes of the different sides ebbed and flowed. Debates raged over everything from the wording of the preamble to the conditions under which health professionals could be allowed to recommend breast milk substitutes to new mothers. Activists flew frequently to Geneva for both private lobbying visits and public meetings with WHO and UNICEF staffers. At times, the process resembled a spy drama, as WHO staff with differing sympathies leaked information to activists and industry, each side trying to obtain as much insider intelligence as possible.

One of the tasks the U.S. advocacy groups undertook involved winning the U.S. government’s support for (or at least neutrality towards) the code. The political conditions appeared promising for this endeavor. Under President Jimmy Carter, U.S. foreign policy aimed to be more sensitive “to the new reality of a politically awakening world,” meaning the Global

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146 Leah Margulies to Dr. Mahler, January 16, 1980, Box 3, ACA.
147 “Notes on Meeting, May 21, 1980,” June 2, 1980, Box 25, ACA.
South. Carter made human rights a core plank of U.S. foreign policy, challenging friends and foes alike to respect the rights of everyday people.150 The administration even moderated previous U.S. positions on the New International Economic Order, with Carter expressing sympathy with such demands like gaining “a fair and stable price for raw materials.”151 However, concurrently, the administration made clear that its sympathy had limits – as seen in one State Department memorandum declaring that the U.S. “should have no illusions . . . There are some elements of the NIEO program to which . . . [we] will not be able to agree.”152

The Carter administration seemed amenable to supporting the code; with one USAID official confirming the administration’s “full support of the recommendations which emerged from” the WHO-UNICEF meeting.153 However, once placed into the context of the drive for the New International Economic Order, the code became a more worrisome proposition for many in the U.S. foreign policy apparatus. This was particularly the case at the State Department, where officials worried about the code’s potential to set a “precedent . . . in the international system which would allow [U.N.] secretariats to control the drafting of codes bearing on our position,” meaning that the U.N. might acquire regulatory power over multinationals.154

At first, these concerns determined the U.S. negotiating posture. When the initial code draft emerged in February 1980, the United States joined several Western nations in trying to

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153 Testimony of Martin J. Forman, Marketing and Promotion of Infant Formula in the Developing Nations, 14.
stall talks by requesting that future code deliberations be conducted through intergovernmental talks. This demand presented a clear recipe for stalemate; by adding more parties to the talks it almost certainly delay the drafting process.\textsuperscript{155} However, the overwhelming majority of nations rejected the U.S. proposal, seeing it as a ploy to protect corporate interests. This did not end U.S. resistance however. In May 1980, representatives of companies, NGOs, and governments gathered once again in Geneva for a meeting of the World Health Assembly, the WHO’s governing body in which each country can cast one vote on major policy decisions. Included on the agenda that May was the question of whether to affirm the WHO’s work on the code.

Before and during the 1980 World Health Assembly, U.S. public interest groups tried to steer the U.S. government away from interfering with the code drafting process. They recruited prominent Democratic politicians (such as former House member Donald Fraser) to contact figures in the administration, while also meeting with whomever in the government would listen.\textsuperscript{156} In late April, representatives from several government agencies and the White House met with the activists. At this point, it appeared that the U.S. would not be dissuaded from undermining the process. However, as the meeting began, a State Department cable noted that the “chances of . . . getting the desired changes are virtually zero . . . Our tactic is interpreted as device to delay progress . . . by a country seeking to protect multinational corporations.” The cable also warned of “political fallout in developing countries, with a possible backlash on North-South issues of substantial interest to us.”\textsuperscript{157} In the end, the U.S. delegation voted in favor of proceeding with the code, worried that overly strident opposition would undermine the U.S. in future talks about the NIEO.

\textsuperscript{155} Chetley, \textit{The Politics of Baby Foods}, 77.
\textsuperscript{156} Robert C. Moilanen to Mayor Donald Fraser, May 16, 1980, Box 37, ACA.
While letting talks proceed, the U.S. government did team up with other Global North states, including Japan, West Germany, Canada, and France, to successfully weaken the code. Activists and a number of Southern governments had hoped to see the code take the form of a “regulation” (a designation requiring stricter enforcement), while many Northern governments (and the companies) preferred that the code be a voluntary recommendation.\(^{158}\) Given that the majority of the WHO’s budget came from rich nations and with Third World nations not interested in fighting over the distinction, by the end of 1980 it was all but certain that the code would take the form of a recommendation.\(^{159}\) Although disappointed, activists did not see this compromise as a major loss. Instead, they emphasized the “need to focus on industry and whether or not they (and how) will implement the code.”\(^{160}\) Moving forward, the campaigners planned to continue the boycott, with an eye towards declaring the anticipated passage of the code a major victory. However, they expected to maintain the boycott even after the code’s implementation, believing it necessary as leverage to ensure the company’s compliance. Thus did the campaign continued into a new decade and new challenges.\(^{161}\)

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\(^{159}\) “Delegation Report on WHO’s Intergovernmental Consultation on Infant Formula Code, Sept 25-26, 1980,” undated, Box 37, ACA.

\(^{160}\) Douglas Johnson to INFACT DMG, INBC, Friends, December 5, 1980, Box 37, ACA.

\(^{161}\) “Public Policy Task Force: Minutes,” December 13, 1980, Box 1, ACA.
In the early days of the Nestlé boycott, its organizers often discussed the campaign in expansive terms. They aspired to use the controversy, in Leah Margulies’ words, as a way to educate the public about “‘the normal operations of capitalism, not just the big scandals or fuck-ups.’”¹ Yet, as the boycott progressed, the exigencies of its day-to-day management led activists to increasingly downplay the importance of situating the campaign within a more structural critique of global capitalism. For instance, in December 1980, INFACT’s leaders decided to delay completing a pamphlet entitled Nestlé & The Roots of Hunger, written to place the campaign in a larger critique of multinational corporations and underdevelopment. Considering immediate pressures, INFACT leaders concluded that launching a “Media campaign” to bolster the boycott’s near-term strength “should be [a] higher priority” than finishing the pamphlet.²

This trajectory from grand aspirations to a concentration on details places the Nestlé boycott in sharp contrast with another significant public interest liberal campaign focused on development in the 1970s: environmentalists’ efforts to win reforms at the U.S. Agency for International Development. Where activists like Leah Margulies and Doug Johnson started with a broad concern (global corporate power) and then selected a specific issue to work on, environmentalists in the USAID campaign began with a focus on policy minutia and then expanded their vistas. Environmental groups like the Natural Resources Defense Council first interacted with USAID in order to nudge the Agency into complying with the National Environmental Policy Act’s requirement that federal agencies perform ecologically-based assessments of their activities. However, as USAID spent years resisting the advocates’ entreaties, environmentalists intensified their efforts. In 1975, U.S. environmental groups sued

² “Public Policy Task Force Minutes,” December 12, 1980, Box 1, ACA.
the Agency over its refusal to comply with NEPA’s provisions. This action ended in an out-of-court settlement that triggered USAID to begin seriously incorporating environmental concerns.

With the election of Jimmy Carter, public interest groups tried to capitalize on the administration’s environmentalism to push a broader agenda. Where previously they sought to minimize the harms done by foreign aid, they now grasped onto the possibility that aid could actually promote conservation and sustainability. Making this leap helped pave the way for environmentalists to engage with development policy. When U.S. greens first started examining USAID’s practices in 1971, many of them held ambivalent views about the concept of development. While they welcomed the idea of improving material conditions for millions, they also worried about the pollution and resource depletion that accompanied industrialization. Over the course of the 1970s however, the USAID campaign led some U.S. environmentalists to evolve in their thinking about the intersections of ecological protection and economic growth. By 1980, ideas of sustainable development increasingly entered environmentalists’ parlance and informed their advocacy – a result many of them could scarcely have predicted when they first turned their attentions to USAID almost a decade prior.

**Living Up to the Mandate**

The road to the environmentalists’ USAID campaign opened in the aftermath of the passage of the so-called “Magna Carta” of U.S. environmental law, the National Environmental Policy Act.³ Signed into law on January 1, 1970, NEPA set a framework for the federal government to follow in addressing both potential and real ecological impacts arising from the state’s activities. NEPA created the Council on Environmental Quality (CEQ), a federal agency connected to the executive branch. To this day, CEQ operates as a mix of think tank and in-

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house consultancy, producing reports and offering counsel to the executive on ecological questions. NEPA also placed new strictures on federal actions. The law required that “for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement” be prepared. Such statements would outline the potential negative ecological effects of various government policies and offer possible alternative policies. Importantly, environmental impact statements could stop projects on their own. Rather, these documents ensured consideration of ecological factors in government planning.\(^4\)

However, the law did include provisions empowering citizens to become more involved in government policymaking. NEPA thus accorded nicely with one of the key values of public interest liberal’s politics of accountability, participation. Specifically, the law called on federal agencies to hold public hearings on proposed projects (such as a dam) and required that citizens be given access to environmental impact statements in advance of any final decisions by the government. In this way, NEPA permitted everyday people to access information needed to effectively lobby the government.\(^5\)

Soon after NEPA’s passage, public interest liberal groups started testing how effectively it was being implemented. Two of the groups spearheading this initiative were leading lights of public interest liberalism, the Center for Law and Social Policy (CLASP) and the Natural Resources Defense Council (NRDC). CLASP and NRDC shared a similar institutional makeup; both utilized the legal system to affect change and their founders were almost all graduates of the same top-tier law schools, notably Harvard and Yale. The main difference between these


organizations lay in the issues they covered. The Center for Law and Social Policy operated as a multi-issue law firm, with the “flexibility to move into new areas as new problems arise.”

CLASP, which opened its doors in 1969, possessed a diverse client base including individuals and community and public interest groups. To give its work focus, the Center’s lawyer dealt mainly with issues related to the federal bureaucracy, “seek[ing] to represent interests that have not previously been represented.”

Meanwhile, the Natural Resources Defense Council, founded in 1970, worked specifically on ecological issues. It helped to pioneer the legal sub-field of environmental law. As late as the mid-1960s, no real body of environmental law existed in the United States. The crucial case that gave rise to the field was *Scenic Hudson Preservation Conference v. Federal Power Commission*. An ad hoc group of New York lawyers, the Scenic Hudson Preservation Conference was organized in 1965 to bring a lawsuit against the Federal Power Commission (FPC) regarding its approval for the construction of a large power plant on Storm King Mountain. While the case took decades to be fully resolved, an early ruling found that the lawyers of the Scenic Hudson Preservation Conference could claim standing rights in this case, as their “‘special interest in aesthetic, conservational, and recreational aspects of power development’” qualified them as an “aggrieved party.” In recognizing this “special interest,” the courts extended standing rights substantially by allowing citizens to use legal means to advance environmental protection.

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6 “Center for Law and Social Policy Education Program,” November 21, 1968, Box 194, Folder 1254, RG 3.1, RBF.
7 “The Center for Law and Social Policy,” October 1, 1969, Box 194, Folder 1256, RG 3.1, RBF.
Inspired by this breakthrough, several members of the Scenic Hudson Preservation Conference began discussing forming an environmentally-focused law firm that would operate at a national scale. Simultaneously, a group of Yale law students also discussed a very similar idea. Both groups approached the Ford Foundation for funding in early 1969. Staff at Ford saw an opportunity for synergy and managed a merger of the two groups, a process that resulted in the formation of the Natural Resources Defense Council in 1970. The Council’s founders defined its mission as “select[ing] and undertak[ing] those cases . . . relating to natural resources and the environment that have a potential for establishing widely applying precedent.” NRDC quickly established itself as one of the most effective public interest groups, bringing thirty five of the first forty lawsuits under the “citizen suit” provision of the Clean Air Act.

Given their founding missions, lawyers at both CLASP and NRDC took immediate interest in NEPA. Among the questions that intrigued them about the law was its geographical scope. Did NEPA only apply to activities occurring within the territorial United States or did it extend to U.S. government actions taking place in the territory of other countries? The law certainly contained language suggestive of an expansive mandate, calling on the U.S. government to recognize “the worldwide and long-range character of environmental problems” and to “lend appropriate support to initiatives . . . preventing a decline in the quality of mankind's world environment.” Yet, while this language suggested a global perspective, the text included no explicit instructions commanding U.S. government agencies to conduct environmental impact statements for overseas activities. Agencies such as the State Department and USAID seized

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upon this ambiguity, arguing that NEPA would “‘be applicable to very few [of their] actions . . . because the actions affecting the environment in which our agencies participate, directly or indirectly, almost always occur within the territorial jurisdiction of some other State.’” In essence, the State Department and USAID asserted that requiring them to adhere to NEPA would lead to the U.S. government violating other nations’ sovereignty (a rather ironic lament, given how frequently the U.S. disregarded sovereignty claims in pursuit of its foreign policy goals).

Unsurprisingly, U.S. environmentalists disagreed with these conclusions. To individuals like the Sierra Club’s Nicholas Robinson, NEPA’s language was “unambiguous.” Robinson, one of the first lawyers in the United States to specialize in international environmental law, argued that there existed “nothing in the language [of NEPA] . . . to suggest that the federal government must be concerned only with that small portion of man’s environment which is located within the boundaries of the fifty states.” Robinson asserted that, even if NEPA did not explicitly call on USAID or the State Department to comply, neither did the law explicitly exclude them. Regarding questions of sovereignty, Robinson pointed out that “NEPA provides a restraint on U.S. action, not on the actions of other countries.” Here, in essence, Robinson stated that NEPA did not prevent other nations from carrying out their desired policies, but rather, it put a brake on the U.S. government’s ability to abet those countries’ actions.

In 1971, convinced of their case and finding sympathizers among the staff at the Council on Environmental Quality, lawyers from the Center for Law and Social Policy began corresponding with officials at USAID. In September of that year, CLASP lawyer Richard A.

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Frank complained that USAID had failed to meet a NEPA-mandated deadline requiring federal agencies to produce regulations detailing how they would implement the law.\textsuperscript{16} In response, USAID official Maurie Williams retorted that the Agency had in fact “adopted guidelines for its capital development projects [such as dams or highways] to ensure that such projects which are determined to have significant environmental impacts are analyzed for their environmental effects.”\textsuperscript{17} While welcoming this concession, the public interest liberals viewed it as a first step still quite distant from their end goal.

Letters and meetings between public interest representatives and USAID staff continued throughout 1972, with little to show for their efforts. USAID stuck to its line that most of its projects did “not have a significant environmental impact.”\textsuperscript{18} In the fall of 1972, pondering ways to break this stalemate, Sierra Club Board of Directors member Eugene Coan proposed a way forward. He noted that, by simultaneously agreeing to perform impact statements for capital projects while refusing to apply NEPA to its other activities, USAID had trapped itself “between full compliance and complete evasion” of the law. Coan suggested that public interest groups pick “specific international problems that can be documented” and which could be linked to USAID’s programs. Such case studies, Coan believed, could be used as leverage to further prod the Agency towards obeying the law.\textsuperscript{19}

The search for case studies led environmentalists both inside and outside government to focus on USAID’s support for pesticide exports. Throughout the 1960s, the Agency operated a program backing pesticide use for public health reasons and to increase agricultural productivity.

\textsuperscript{16} Richard A. Frank to Maurie Williams, September 24, 1971, Container 107, Folder 7, Sierra Club National Legislative Office Records, BANC MSS 71/289 c, The Bancroft Library, University of California, Berkeley (hereafter “SCNLO”).
\textsuperscript{17} Maurice J. Williams to Richard A. Frank, October 14, 1971, Sierra Club Members papers, BANC MSS 71/295 c, The Bancroft Library, University of California, Berkeley (hereafter “SCM.”)
\textsuperscript{18} Richard A. Frank to Maurie Williams, July 13, 1972, Container 107, Folder 7, SCM; “Memorandum of Conversation: AID’s Compliance with NEPA,” March 29, 1973, Container 107, Folder 7, SCM.
\textsuperscript{19} Eugene V. Coan to Eldon V.C. Greenberg, August 22, 1972, Container 107, Folder 7, SCM.
The program was fairly substantial, with USAID subsidizing around 7.2 percent of all U.S. pesticide exports in the early 1970s. In February 1973, the head of the Council on Environmental Quality, Russell Train, wrote to USAID’s head (known as the “Administrator”) stating that, given the “significant effect on the environment of AID financed pesticides . . . the Council believes it desirable that AID prepare a ‘program’ impact statement on this activity.”

The following month, during a meeting between USAID and CLASP staff, Agency representatives continued to insist that “no AID capital projects, technical assistance, or items on the AID commodity eligibility list . . . have significant environmental impact.” Yet, at this meeting, Agency officials conceded that pesticides might be an exception to their argument. Intrigued by the possibility of focusing on an issue they knew well, the public interest lawyers started researching USAID’s pesticide program. Doing so, they uncovered a very interesting fact: the Agency supported the export of dichlorodiphenyltrichloroethane, better known as DDT.

The product of late nineteenth century German engineering, beginning in the late 1930s DDT gained popularity as a highly effective insecticide. By the late 1960s however, concerns grew over its ecological impacts. Its most famous critic was biologist and author Rachel Carson. In her 1962 book *Silent Spring*, Carson detailed how the chemical properties that made DDT an effective insecticide also wrought devastation on ecosystems (and potentially threatened human health). *Silent Spring* became a bestseller, contributing to the growth of ecological consciousness and the environmental movement in the United States. The book also spurred a ten year wave of agitation in the U.S. aimed at constricting or eliminating the use of DDT. In fact, one of the leading public interest environmental groups formed in the late 1960s, the Environmental

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21 Russell E. Train to Dr. John A. Hannah, February 6, 1973, Container 107, Folder 7, SCM.
22 “Memorandum of Conversation: AID’s Compliance with NEPA,” March 29, 1973, Container 107, Folder 7, SCM.
Defense Fund, started as a group fighting against the use of DDT on Long Island. The accumulated efforts of public interest groups resulted in the Environmental Protection Agency issuing a ruling in 1972 that substantially restricted DDT’s use in the United States. However, the EPA ruling did not cover exports of DDT. While placed in a special category of more dangerous substances, USAID continued to support DDT exports. Between July 1972 and March 1976, the Agency underwrote the costs of exporting over nine hundred metric tons of DDT.

The discovery that USAID promoted DDT exports gave advocates the “specific international environmental problem” that Coan suggested they find. At first, public interest groups hoped to alter the Agency’s policy through reasoned dialogue, believing that USAID leadership’s reluctance to embrace NEPA stemmed more from “inexperience than evasion.” However, frustration mounted as the Agency resisted making additional concessions for over a year. In November 1974, Richard Frank, CLASP’s main lawyer working with the Agency, declared in a memorandum that he had reached a point of “exhaustion” with “administrative remedies.” This caused the advocates to contemplate a more adversarial course.

Unsurprisingly, their discussions turned to that most familiar of public interest bets: that by slapping a federal agency with a lawsuit, they could force a substantive response. The basis of the lawsuit would be simple: that NEPA applied to USAID and that USAID was not following the law. However, not all environmentalists rushed to endorse this plan. In particular, Sierra Club Executive Director Mike McCloskey, a frequent voice of skepticism about development matters,
cautioned against a lawsuit. Writing to Eugene Coan, McCloskey confessed to having “misgivings” about suing USAID, warning that the Club would open itself to accusations of “undermining world food supplies . . . and sentencing thousands (if not millions) of people to death from disease.”

McCloskey’s worries reflected an irony about the campaign. Despite taking on the main U.S. government institution delivering foreign aid, the public interest advocates had, thus far, avoided actually talking about development. By initiating a lawsuit, they would no longer be able to focus only on the legalistic details regarding NEPA. The lawsuit would instead require public interest groups to discuss why they felt USAID’s policies were wrong. More specifically, in challenging USAID’s backing of pesticide exports, environmentalists knew they would have to confront one of the pillars of 1960s and 1970s modernization, the Green Revolution.

Where starvation and malnutrition existed, the Green Revolution preached salvation through industrial capitalist innovation. The heart of the Green Revolution rested in its promotion of so-called “miracle seeds,” breeds of rice, wheat, and other crops engineered to grow under less than desirable conditions and produce higher yields than did existing strains. While seen as a way to feed a famished planet, the Green Revolution also integrated farmers around the world into capitalist modes of production and markets. It did so both by making farmers dependent on industrial inputs (such as seeds, fertilizers, and pesticides) and by leading to the production of surpluses intended for sale on national and international markets. The Green Revolution was no mere imposition by the North on the South however. Many in the Global South welcomed and participated in the development and refinement of the Green Revolution. They did so in large part because, especially in its early years, Green Revolution

27 Michael McCloskey to Gene Coan, November 27, 1974, Container 107, Folder 7, SCM.
technologies produced quite stunning results. For instance, in India the rice breed IR-8 (under the right conditions) produced ten times the yields compared to “normal” strains and between 1966 and 1986 rice harvests in the Philippines rose from 3.7 million to 7.7 million tons annually.29

The Agency for International Development promoted the Green Revolution with technical assistance and subsidies for Global South countries to purchase industrial inputs. In the 1960s, the Agency justified these programs under the banner of modernization; as one senior USAID official boasted, “we had the means to take care of the problem. The miracle grains, the high-yield wheat and rice . . . the pesticides, the water, the fertilizer, the training.”30 Between 1969 and 1974, USAID assisted in the purchase of about $17.5 million worth of pesticides annually, a figure that does not include the value and importance of the Agency’s technical assistance programs.31

Yet, as with so many aspects of the international politics of development, the Green Revolution was in a state of flux in the mid-1970s. Concerns over equity dominated the discourse, with critics pointing out that the benefits of Green Revolution technologies privileged already prosperous farmers an advantage over the world’s poor. However, these critiques did not fundamentally question the Green Revolution. Rather, they argued that it had provided a good foundation of technologies and practices that needed to be expanded to reach more people.32

However, more fundamental critiques also emerged in the 1970s, originating from the environmental movement. Environmental critics worried that industrial agricultural methods

might produce short-term gains, but that with time they would “accelerate erosion” and “aggravate pollution problems.” As a 1970 article in the U.K. magazine *The Ecologist* put it, an unregulated Green Revolution could lead to “ecological problems the severity of which we can only guess at.”

Environmentalists’ critiques did not go unanswered. Unsurprisingly, among the most vocal defenders of the Green Revolution was biologist Norman Borlaug. Often called the “father of the Green Revolution,” Borlaug played a critical role in creating the high yield strains of wheat at the center of this agricultural revolution. For his efforts, Borlaug garnered a Nobel Peace Prize in 1970, a public recognition that seemed to cement the Green Revolution as one of humanity’s great accomplishments. Unsurprisingly, Borlaug did not approve of efforts to restrict Green Revolution technologies, such as the push to limit DDT use. He became the public face of those opposed to limiting the pesticide’s availability. Defending its role in development, Borlaug proclaimed in 1971 that “no chemical has ever done as much as DDT to improve the health, economic and social benefits of the people of the developing nations.”

The EPA’s ruling on DDT in 1972 showed that the times were changing. This did not mean the Green Revolution had been discredited, but rather that sufficient questions had built up to allow for criticism to have an impact. Yet, environmentalists still approached topics about the Green Revolution cautiously, conscious of continued support for it among many policy makers. Given this situation, public interest lawyers preparing the USAID lawsuit readied themselves to be hit with arguments accusing environmentalists of being “insensitive to human needs and suffering.” To preempt such criticisms, the public interest advocates decided to emphasize procedure over policy. They defined the lawsuit’s goal as seeking “only an effective

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environmental impact statement, not a particular outcome such as a total or partial ban on DDT.” Legal exigencies also encouraged environmentalists to elide talk of development. In arguing that groups such as the Sierra Club or NRDC should be able to claim legal standing in this case, the environmentalists focused not on DDT’s threat to Third World peoples, but rather on how “U.S. citizens can be injured . . . by distant use of DDT” via residue on export crops.

With these arguments in place, by late January 1975, the Boards of Directors of the Sierra Club, the Environmental Defense Fund, the Natural Resources Defense Council, and the National Audubon Society had all approved proceeding with the lawsuit. After a few more months of preparation, on April 8, 1975, these groups filed suit in the U.S. District Court of Washington, D.C. They demanded that the Court order a mandatory injunction against USAID. Proclaiming that the “time has long since passed when AID can ignore its environmental responsibilities,” the groups further declared that it was “essential” that the Agency produce an environmental impact statement for its pesticide program “to ensure . . . such programs are to be ultimately in the public interest.”

The legal action produced quick results, as the Agency initiated a new round of negotiations with their critics. The turnaround reflected the Agency’s uncertain political state. In the late 1960s and early 1970s the Vietnam War and the dashed hopes of the Development Decade caused members of Congress to look skeptically at U.S. foreign aid programs. In the White House, Richard Nixon moved to cut U.S. foreign aid programs substantially. In line with the Nixon Doctrine, which sought to devolve some of the U.S. security burden to other countries,

35 “Status Report on NRDC International Project,” February 1975, Box 696, Folder 4168, RG 3.1, RBF.
37 Richard A. Frank to Chap Barnes, Bill Butler, Gene Coan, and Tom Stoel, “AID Pesticide Case,” January 21, 1975, Container 107, Folder 7, SCM.
he wanted the U.S. to “channel an increasing share of its development assistance through the multilateral institutions.” In 1970 Nixon even proposed breaking up USAID into several specialized agencies. While this proposal failed, disgruntlement with U.S. foreign aid continued. In 1971, the Senate went so far as to vote down the Foreign Assistance Act (the law governing U.S. foreign assistance policies, including for USAID) – the first time Congress had ever blocked a U.S. foreign aid appropriation proposal.

Congressional displeasure with USAID derived from many sources. For some conservatives, USAID represented another example of government planning and intervention undermining economic growth. While most liberals supported using foreign aid to promote poverty alleviation, especially in the early 1970s many looked askance at the Agency due to its entanglement in the most unseemly parts of Cold War policy (such as training foreign security forces). Furthermore, congressional liberals doubted the efficacy of the Agency’s policies, particularly its emphasis on trying to spur industrialization rather than focus on poverty reduction. Thus, in the early 1970s a group of liberal members of Congress, led by Minnesota Democrat Donald Fraser in the House of Representatives, began consulting with experts about ways of reforming U.S. foreign aid. Working over the first half of 1973, they crafted a series of amendments to the Foreign Assistance Act that they termed “New Directions.” Deemphasizing “large-scale capital transfers,” New Directions reoriented U.S. assistance towards a “focus on critical problems . . . which affect the lives of the majority of the people.”

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constructing enormous infrastructure projects, New Directions turned USAID towards assisting in smaller-scale endeavors, such as constructing health clinics.

While New Directions’ intellectual origins were liberal, it received support from the Nixon administration and some conservatives. In part, this was because the New Directions mandate promised to use fewer U.S. dollars and also called on the U.S. government to promote private enterprise abroad. With bipartisan support, by the end of 1973, New Directions became the law of the land. While New Directions “rescued AID” from elimination, it by no means freed the Agency from ongoing political pressure. Many in Congress still wanted to reduce U.S. foreign aid spending and during the early 1970s the Agency’s budget decreased significantly.

Coping with declining support, USAID leaders tried to avoid upsetting interest groups with influence in Congress, such as the U.S. environmental movement. The mid-1970s marked the height of environmentalists’ influence in the U.S. government. Among other ramifications, the first Earth Day convinced many in the U.S. political establishment that they ignored environmental matters at their own political peril. Public interest groups benefitted from the fervor expressed on Earth Day by channeling the energy of predominately white, middle-class Americans looking for ways to stay involved in the cause. While in 1969 the national environmental groups claimed 819,000 members, by 1972 that number had grown to

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43 John Sullivan, interview, ADST, 17; Butterfield, U.S. Development Aid – An Historic First, 114.
1,117,000.46 This membership, as minimally engaged as it often was, allowed environmentalists to claim to represent public sentiment.

Organizations like EDF and NRDC combined this numerical power with their expertise on scientific and public policy matters. While in the early 1970s a raft of legislation passed creating a green regulatory architecture, many of the members of Congress who voted for those bills were unfamiliar with the scientific and technical aspects of ecological problems. This lack of knowledge opened the way for environmental groups to use their expertise to become trusted sources of counsel to many in the legislative and executive branches.47

The political weakness of USAID, combined with the strength of the public interest liberals, made the conditions ripe for renewed talks. By August 1975, CLASP attorney Richard Frank boasted of significant accomplishments in the negotiations, announcing that USAID would “completely revise its environmental regulations so that all of its programs will be comprehended by them.”48 The quickest and most substantive concession by USAID involved its pesticide program. While still defending pesticide use as “necessary to protect the health of humans and animals and to protect agricultural production” the Agency agreed to “closely follow” NEPA’s stipulations, promising to “prepare, circulate, make available to the public, and consider in its decisionmaking process . . . a detailed environmental impact statement . . . on its pest management program including its pesticide activities.”49

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47 Gottlieb, Forcing the Spring, 177-182.
48 Richard Frank to Chaplin Barnes, Bill Butler, Gene Coan, Tom Stoel, “EDF v. AID – The Pesticide Export Case,” August 5, 1975, Container 131, Folder 8, SCM.
Yet, USAID’s pledges of reform did not stop with pesticides. Pursuant to NEPA, the Agency agreed that all of its projects would undergo an Environmental Analysis to study “reasonably foreseeable effects of a proposed action on the human environment.” For those actions where significant ecological damage appeared possible, USAID proposed a two-tiered approach: projects that could “significantly affect the environment of the United States or areas outside of any nation’s territorial jurisdiction,” would receive an Environmental Impact Statement (EIS) in accordance with NEPA. Yet, for those projects whose impacts would be felt only within the nation receiving USAID funds, a less stringent Environmental Assessment (EA) would be carried out. Negotiators from the Agency argued that the EAs would be “consistent with [the] intent of Congress as expressed through NEPA” while also “recogniz[ing] the unique problems—political, technical and financial—which would be created for A.I.D. . . . if . . . required to follow NEPA impact statement procedures for all activities.”

Despite setbacks, by early October 1975 the lead public interest lawyers concluded that they stood “very close” to a final agreement. Under the provisions of the proposed lawsuit settlement, the Agency would immediately begin preparing an Environmental Impact Statement for its pesticide program while halting “assistance for the procurement and use of” a list of key pesticides, starting with DDT. The settlement text was vaguer on general environmental assessment, but it clearly stated that USAID would in the future “assess the potential environmental effects” of its actions. As Richard Frank described in a memorandum outlining the settlement, while it did “not give us all we had attempted to get in the negotiation” it did

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51 John E. Murphy to Russell W. Peterson, August 12, 1975, Container 131, Folder 8, SCM.
“give us far more than a court would have given us.”\textsuperscript{53} To secure these gains, Frank recommended signing an agreement, especially considering that “Every time AID looks this document over, it finds a change it would like to make.” Striking an optimistic note, Frank reminded his colleagues that the settlement was not the end of the story, as some issues could “be resolved in the context of the promulgation of AID’s regulations.”\textsuperscript{54}

Several more months of talks led to a settlement in December 1975. Over the next year and a half, the bulk of the USAID campaign involved technical discussions over the details of the language implementing the lawsuit settlement. On the pesticide front, USAID steadily marched forward towards a policy that environmentalists would, on the whole, find commendable. In May 1977, the Agency released a massive Environmental Impact Statement reviewing its pest management program. The statement echoed many of the public interest liberals’ concerns, describing pesticides as providing “only limited, short-term solutions.” It declared that, in the future, USAID would “discourage requests for pesticides unless they are to be used in economically and ecologically sound integrated pest management systems,” while promoting integrated pest management plans combining a variety of means to protect harvests.\textsuperscript{55} The Agency held to its word as between 1977 and 1985, it dramatically cut back support for pesticide purchases abroad.\textsuperscript{56}

Regarding environmental assessments more broadly, the debates orbited around the distinctions between Environmental Impact Statements and Environmental Assessments. Public interest groups achieved an early victory in early 1976. Where during the initial talks, the

\textsuperscript{53} Richard Frank to Chaplin Barnes, Bill Butler, Gene Coan, Tom Stoel, “EDF v. AID – Settlement Stipulation,” October 21, 1975, Container 131, Folder 8, SCM.
\textsuperscript{54} Richard A. Frank to Chap Barnes, Bill Butler, Gene Coan, John Hoffman, Tom Stoel, “EDF v. AID – The Pesticide Export Case,” October 6, 1975, Container 131, Folder 8, SCM.
\textsuperscript{56} Tobin, \textit{Bilateral Donor Agencies and the Environment}, 62.
Agency insisted it would only perform more comprehensive Environmental Impact Statements for projects affecting the U.S. or done outside any nation’s territory, it now budged. As a compromise, the Agency offered to produce impact statements for projects affecting “areas of unique cultural and natural heritage” within Third World countries.  

This initial gain aside, throughout most of 1976 and 1977, public interest liberals faced disappointment after disappointment. Wherever they could, USAID’s lawyers tried to limit the reforms required of it. For example, the Agency fought to minimize the ability of the U.S. public to have access to its deliberations over environmental assessments. Public interest liberal strenuously opposed USAID’s position, calling it “dubious” and arguing that public participation “might be of great assistance to AID in making decisions.” Yet, the Agency refused to give in. This reticence caused disenchantment among the environmentalists, with Frank admitting in June 1976 that he feared that “AID will not only not improve its proposed procedures, but . . . may water them down further.”

The Carter Breakthrough

The doubts and hesitations of the summer were transformed into revived excitement in the fall of 1976. In September, Council on Environmental Quality chairman Russell Peterson sent a memorandum to officials at several federal agencies about NEPA’s international applicability. In it, Peterson declared that the law applied “to all significant effects of proposed federal actions . . . in the United States, in other countries, and in areas outside the jurisdiction of

57 Richard Frank to Chap Barnes, Bill Butler, Gene Coan, and Tom Stoel, “AID Environmental Regulations,” March 22, 1976, Container 131, Folder 6, SCM.
58 NRDC International Program, “Proposed AID Environmental Procedures,” April 9, 1976, Box 696, Folder 4169, RG 3.1, RBF.
59 Dick Frank to Chap Barnes, Bill Butler, Gene Coan, and Tom Stoel, “AID Environmental Regulations,” June 28, 1976, Container 131, Folder 6, SCM.
any country.” With these words, Peterson’s memorandum revived questions about NEPA’s scope and implicitly critiqued USAID’s past evasions on this matter. Then, on November 2, 1976, Jimmy Carter became the first Democratic president in almost a decade. Carter’s victory elated the public interest liberal community. Americans for Democratic Action pronounced that a Carter presidency would give “the American people their first realistic opportunity in a decade to address an unresolved backlog of domestic and international problems.”

Considering public interest liberal successes during the Nixon and Ford years, such expressions of relief and excitement might seem puzzling. Indeed, while many of public interest liberalism’s greatest accomplishments occurred during these Republican administrations, these victories often came despite Nixon and Ford, not because of them. While some in these administrations sympathized with public interest causes, both presidents frequently attempted to water down or block regulatory initiatives. When the GOP administrations did back consumer and environmental legislation, their support owed as much to political expediency as ideological sympathy. Nixon supported legislation like NEPA in the first years of the 1970s partly because he wanted to blunt the appeal of Democratic Senator Edmund Muskie, whose national popularity owed much to his leadership on environmental protection and who planned to challenge Nixon in 1972. Muskie was but one of the plethora of liberal members of Congress whose political acumen and power ensured that Nixon and Ford would have to compromise and often back liberal political goals.

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Carter promised a more sympathetic administration. As governor of Georgia, he had received a rating of “‘outstanding’” from the League of Conservation Voters.63 Expectations soared during Carter’s presidential run based on his record and his rhetoric about leaving “an environment that we can pass on with pride to the next generation.”64 The initial elation surrounding his victory appeared validated over his first months in office. The administration recruited about sixty individuals from public interest groups to fill posts throughout the federal bureaucracy.65 Carter appointed so many individuals from NRDC that the Rockefeller Brothers Fund actually worried about the “challenge created” for NRDC in replacing all the departed staff.66 Most importantly, during his first year, Carter backed major legislation on soil and water conservation and mining regulation, while also supporting amendments to strengthen the Clean Air Act. Assessing this list of accomplishments in December 1977, the Sierra Club’s Mike McCloskey judged Carter’s record as “so good that it can only cause environmentalists to want to hold their breath as they wait for what comes next.”67

Carter’s commitments also extended internationally, as seen in his May 1977 “Environmental Message to Congress.” While the bulk of the speech concerned domestic matters, near its end, Carter took a global view. He addressed development directly, stating that he was “convinced that in the long run, development programs that are environmentally sound will yield the most economic benefits.” With generalities out of the way, Carter’s next sentences helped to shape the USAID campaign from that point forward. Outlining his plans for promoting

66 GoB to RBF Files, “NRDC,” October 13, 1977, Box 690, Folder 4139, RG 3.1, RBF.
international environmentalism, Carter included two points specifically about the Agency. He first instructed its head to “ensure full consideration of the environmental soundness of development projects,” and then called on USAID to “make available to developing countries assistance in environment and natural resources management.”

These were the words U.S. environmentalists hoped to hear. They affirmed a proposal by Robert O. Blake, a former State Department official (and later a member of NRDC’s Board of Directors, who in January 1977 issued a report entitled, *Strategy for American Leadership in International Environmental Action*. In it, Blake urged that “at an early date” the President “make clear in public instructions to . . . the Administrator of AID . . . that he wants environmental soundness assured before considering development projects.” Carter’s May 1977 address not only echoed Blake’s call, but it surpassed it. Not only would USAID be discouraged from doing harmful activities, it now had been called on to promote ecologically friendly development.

**A “Helping Hand”**

Already cheered by Carter’s election, environmentalists found further reason for confidence in early 1977 when the president named John H. Gilligan to head USAID. Gilligan, the former Democratic governor of Ohio, seemed an inspired choice. As governor, he built a strong track record on environmental matters, such as by shepherding the creation of a state-level Environmental Protection Agency. Upon becoming USAID’s Administrator, Gilligan reaffirmed his green commitments, promising that USAID “would be heavily involved in the

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environmental arena.”71 Gilligan reaffirmed such rhetoric over the course of his first year, making a number of statements seemingly designed to warm advocates’ hearts. Writing to Council on Environmental Quality chairman Charles Warren in December 1977, Gilligan described USAID’s “overall experience” with environmental assessment as “positive,” stating that “none of the . . . potential negative impacts hypothetically associated with the conduct of environmental analyses . . . constitutes a significant problem.”72 Gilligan even praised the environmentalists’ lawsuit against USAID, deeming it a “‘stroke of good fortune both for AID and the future of developing nations.’”73

Good intentions mixed with practical concerns to push USAID officials to embrace green reforms. Gilligan “worried about AID’s public image as a ‘global soup kitchen’” and felt that if he could “show that it is helping to combat . . . environmental deterioration in developing countries, the Agency and its programs might be able to pick up support from new people.” This latter point was key, as USAID leaders were quite aware of public interest groups’ influence in Congress. While public interest advocates did not explicitly threaten to back cuts to USAID funding, the Agency’s directors feared they might in the future.

Observing these political dynamics, Gilligan perceived the possibility of turning public interest groups’ sway in Congress to the Agency’s advantage. Meeting with a group of environmentalists, including NRDC’s Jacob Scherr and Robert O. Blake in November 1977, Gilligan noted that the Agency’s funding situation remained difficult. He complained that even as Congress “added a number of other priority areas to AID’s mandate, including the role of women in development, energy needs in developing countries, and human rights . . .

71 Memorandum of Conversation. Participants: John Gilligan, Russell Train, Robert Blake,” November 14, 1977, Container 6, Folder 7, SCIP.
72 John J. Gilligan to Charles Warren, December 9, 1977, Container 107, Folder 13, SCNLO.
Congressional appropriations have not been increased to meet these new concerns.” This accumulation of challenges, Gilligan asserted, made it “very difficult, if not impossible, to place technically-qualified ecologists in . . . AID field offices.”

Given these political dynamics, public interest environmental groups’ leaders viewed an opening for cooperation. Convinced of Gilligan’s genuine commitment to reform, public interest groups looked for ways to use their power to help USAID. Responding to Gilligan, Robert O. Blake reminded him that public interest groups not only wanted the Agency to improve its assessment programs, they also expected USAID to “aim for economic development which is environmentally sustainable.” If the Agency continued enacting reforms, Blake noted, then public interest liberals stood ready to assist Gilligan by offering “assistance . . . to AID in gaining increased support from Congress and within the Executive Branch.”74 Public interest groups carried through on this pledge, becoming a friend to the Agency on Capitol Hill. In 1979 for instance, NRDC International Program head Tom Stoel testified before the Senate Appropriations Committee in favor of giving the Agency an additional five million dollars beyond what Congress had already appropriated.75

The new spirit of cooperation characterizing public interest-USAID relations and the shift from legal battles to deliberations over encouraging sustainable development changed the tenor of the campaign. As NRDC staffers Tom Stoel and Jacob Scherr put it in early 1978, public interest advocates’ mission going forward aimed to help USAID “lend a helping hand” to Third World nations.76 Pursuing this course required a significant rearrangement of the public interest

74 “Memorandum of Conversation. Participants: John Gilligan, Russell Train, Robert Blake,” November 14, 1977, Container 6, Folder 7, SCIP.
75 Testimony of Thomas B. Stoel, Senate Committee Appropriations, Foreign Assistance and Related Programs Appropriations for Fiscal Year 1980, 96th Cong., 1st sess., 1979, 1118.
characters involved. Up to this point, it had been lawyers from the various groups spearheading NGOs’ interactions with USAID. Now, the burden shifted away from the legal departments of public interest groups and towards the international environment departments at groups such as NRDC and the Sierra Club.

For U.S. public interest groups to have departments dedicated to international policy represented a recent change, one primarily spurred by the excitement generated by the June 1972 Stockholm Conference. At the Sierra Club, attorney Nicholas Robinson lobbied passionately for the Club to establish a formal body devoted to international issues, noting that due to the buzz surrounding Stockholm, the “major international foundations and funding organizations” were now actively “seeking recipients with well thought out projects” regarding international environmentalism.\textsuperscript{77} The Club managed to put together a program shortly before Stockholm, however, in the years that followed, the activities of its Office of International Environmental Affairs appeared listless. In part this reflected the immense diversity of international environmental problems, which one Sierra Club leader described as akin to a “grouping of apples, oranges, and pencil erasers.” However, rather than concentrating on a few issues, the Club throughout the 1970s dabbled in many different fields, spreading its resources quite thin.\textsuperscript{78}

Within a few years, other green groups developed their own international programs, including the Natural Resources Defense Council, which in 1975 started its International Program premised on the belief that “steps taken thus far by national governments and international bodies have been inadequate” to address global environmental problems.\textsuperscript{79}

\textsuperscript{77} “Sierra Club Minutes of a Regular Meeting of the Board of Directors,” February 5-6, 1972, Sierra Club Board of Directors Meeting Minutes, BANC FILM 2945, The Bancroft Library, University of California, [accessed September 24, 2014].
\textsuperscript{78} “Minutes: Sierra Club International Environment Committee,” February 4, 1972, Container 38, Folder 17, SCR; Ellen Winchester to Jean Chamberlin, Ted Tryzyna, Jim Henriot, Terry Simmons, “Priorities and Organization of the International Committee,” July 16, 1975, Container 3, Folder 16, SCIP.
\textsuperscript{79} “Funding Proposal for NRDC International Project,” January 9, 1975, Box 696, Folder 4168, RBF.
the Sierra Club tried to take on all issues at once, NRDC focused on “monitoring and influencing decisions of United States government agencies.” Even with the addition of groups like NRDC, the U.S. internationalist environmental community remained tiny, with a 1976 report placing the number of “full-time, ‘activist professionals engaged in this work’” at less than a dozen.

At the Natural Resources Defense Council, the two staff members concentrating on USAID were international program director Tom Stoel and staff lawyer Jacob Scherr. Stoel, a co-founder of NRDC, possessed the resume of a typical public interest professional. He boasted a bachelor’s degree from Princeton and a law degree from Harvard. He was also a Rhodes Scholar and had clerked for U.S. Supreme Court justice John Harlan prior to helping start NRDC. Scherr, who described himself as part of the “second generation” of public interest lawyers, came to NRDC in August 1975 with a law degree from the University of Maryland and a previous job at the American Institute for International Law. Meanwhile, at the Sierra Club the international program’s director (and only full-time staff member), Patricia Scharlin, was the rare public interest staffer without a law degree. Yet, Scharlin possessed more international experience than most U.S. environmentalists, having come to the Club after years working for the Carnegie Endowment for International Peace as a publications’ editor.

With its greater resources and focus on the U.S. government, NRDC spearheaded the USAID campaign. Stoel and Scherr’s first task was simple; recognizing that USAID “lacked a clear mandate . . . to provide . . . assistance to developing countries on environment,” they

80 Jacob Scherr, interview with the author, October 12, 2011, Washington, D.C.
81 Gerald O. Barney to RBF Files, “Natural Resources Defense Council – The International Program,” April 2, 1975, Box 696, Folder 4168, RG 3.1, RBF; Natural Resources Defense Council, “Report to Rockefeller Brothers Fund on Improving NGO Cooperation to Protect the International Environment,” (March 1, 1976), Box 696, Folder 4168, RG 3.1, RBF.
82 “Resume: Thomas B. Stoel, Jr.,” 1977, Box 696, Folder 4170, RG 3.1, RBF.
83 Jacob Scherr interview, October 12, 2011; “Resume: S. Jacob Scherr,” 1977, Box 696, Folder 4170, RG 3.1, RBF.
84 Nicholas Robinson, “Proposal for Consultations at the United Nations Regarding the Declaration on the Human Environment,” 1971, Container 38, Folder 12, SCR.
worked to insert language in the International Development and Food Assistance Act of 1977 authorizing the Agency to “furnish assistance . . . for . . . less developed countries to protect their environment.”85 With USAID now legally obligated to tackle environmental matters, NRDC’s staff faced an essential question: what exactly did they want USAID to do?

In answering this query, the NRDC staff first looked to increase their knowledge of ecological challenges in the Global South. For years, Northern environmentalists had cited their “fragmentary knowledge about the extent and nature of developing-world problems” as the principal reason they did little work in the Third World. To remedy this state of affairs, in April 1976 Stoel and Scherr pitched the idea of conducting a survey of “developing-world environmental problems and publishing the results in usable form” to the Rockefeller Foundation.86 However, overworked and unable to convince Rockefeller or other foundations to finance such an ambitious project, the NRDC staff sidelined it. Now, Stoel and Scherr saw an opportunity to revive their idea, this time by utilizing the resources of the U.S. government.87 In 1978 NRDC staff helped to place language in the Foreign Assistance Act committing USAID to undertake just such a study.88

Even as they waited for the studies’ conclusions, advocates also directed their attention to specific issues. Topping the list of ecological controversies that environmentalists believed USAID should tackle was the destruction of the world’s tropical forests. Interest among U.S. environmentalists in conserving these forests was not new. During the mid-1970s the Sierra Club funded a study of tropical forest management in Venezuela, while staff at NRDC discussed “the

86 “Funding Proposal for NRDC International Project,” April 1976, Box 696, Folder 4168, RBF.
88 Natural Resources Defense Council, “Description of NRDC’s International Activities,” August 1978, Box 696, Folder 4147, RG 3.1, RBF.
need” to establish “an active program on what the U.S. government is doing, or is usually not
doing, regarding tropical forest conservation.”\textsuperscript{89} Trying to better understand this issue, in April
1976 NRDC signed a contract with British scientist Norman Myers to write a book chronicling
the massive losses of flora and fauna occurring worldwide. Myers researched tropical forests
extensively, explaining that this “biome is considered to contain more species than any other and
looks likely to undergo more profound modification than any other.”\textsuperscript{90} By 1978,
environmentalists worried that within twenty years the world’s tropical forests might be
completely destroyed.\textsuperscript{91}

In recruiting USAID to the cause of tropical forest conservation, the environmentalists
formulated arguments that not only concentrated on the forests’ natural beauty and biodiversity.
Looking to development concerns, environmentalists took note of the fact that “one of the
principal reasons for the clearing of tropical forest lands is their use for the production of crops
and livestock.” In a January 1978 report, NRDC staff outlined multiple arguments for why
deforestation harmed agricultural productivity, asserting that tropical forests were “not well
suited to intensive agriculture,” given the poor nutritional value of their soil.\textsuperscript{92} Environmental
advocates’ cries of concern found friendly echoes inside USAID. In October 1977, the Agency’s
Assistant Administrator for Asia, John Sullivan, declared that “‘the destruction of forests
hampers economic growth in developing countries.”\textsuperscript{93}

In the spring of 1978, seeking to consult with a wide array of actors, USAID’s new
Director of the Office of Environmental Affairs, Bill Long, organized a conference on tropical

\textsuperscript{89} Patricia Rambach, "Sierra Club and Venezuela Join to Study Tropical Forests," \textit{Sierra Club Bulletin}, Vol. 59, No. 9 (October 1974): 30; Robert O. Blake to Patricia Scharlin, November 11, 1978, Container 11, Folder 37, SCIP.
\textsuperscript{90} Dr. Norman Myers, “Context for the Project,” May 1, 1976, Box 699, Folder 4182, RG 3.1, RBF.
\textsuperscript{91} Stoel, Scherr, and Crowley, \textit{Environment, Natural Resources and Development}, 7.
\textsuperscript{92} Stoel, Scherr, and Crowley, \textit{Environment, Natural Resources and Development}, 7-10.
forests. Collaborating with the State Department, Long assembled individuals from a diverse array of interest groups, from logging companies to environmentalists, for the U.S. Strategy Conference on Tropical Deforestation scheduled for June 1978. The conference itself proceeded smoothly; according to a staffer from the Rockefeller Brothers Fund, “Despite the divergency of views . . . there were no real confrontations and there developed a general consensus on the scope of the problem . . . and what should be done.” Following the conference, the Carter administration formed an interagency task force on tropical forests, while USAID started to invest in reforestation projects. In 1979, NRDC staff placed an amendment in the Foreign Assistance Act. It state that the “accelerating loss of forests . . . in developing countries undermines and offsets efforts to . . . meet the basic human needs of the poor,” and called on the President and USAID to support programs to combat deforestation.

To organize their work on tropical forests, NGO advocates formed a Tropical Forestry Working Group made up of representatives from major U.S. environmental groups and aid agencies like the World Bank. Members of the Working Group welcomed USAID’s new commitments, especially a project it co-financed in Panama. As NRDC noted, years of “overintensive shifting agriculture and the grazing of cattle” had led to substantial erosion and deforestation in areas near the Panama Canal. Collaborating with the Panamanian government, USAID helped to initiate a program of reforestation and watershed management that NRDC’s

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96 Patricia Scharlin and Larry Hamilton to Tropical Forestry Program Advisory Committee, “Future Program Directions,” July 3, 1979, Container 1, Folder 23, SCIP.
Tom Stoel praised as “innovative” and a “model for dealing with similar problems in other developing countries.”97

Attention to tropical rainforests was but one of a myriad of new ecological programs USAID experimented with. While top figures at the Agency like John Gilligan welcomed these changes, their enthusiasm did not always trickle down the ranks. Among many mid-level USAID staff, frustration prevailed over the proliferation of new requirements. Some of these tensions likely owed to the ongoing conflicts between the Agency’s career bureaucrats and the Carter-appointed leadership. Early in his tenure, Gilligan offhandedly mocked many USAID staff as “‘overage, overpaid, and over here,’” a statement that did not endear him to the career staff.98

Yet, staff discontent with environmental reform was not just a proxy for disgruntlement with Gilligan. Many among USAID’s staff believed that, despite all their hard work, their exertions registered “little impact on the reaction of CEQ, the Sierra Club, or other environmental groups.”99 They complained that conducting environmental assessments slowed the implementation of projects and that many of the new requirements represented “‘micromanagement’” of USAID by “‘well-meaning, but not especially economic development-oriented institutions.’”100 Not opposed to incorporating ecological concerns into their work, USAID staff’s main concern derived from the lack of expertise in their ranks on such matters. As

97 Testimony of Thomas B. Stoel, *Foreign Assistance and Related Programs Appropriations for Fiscal Year 1980*, 1116-1117.
100 “Memorandum of Conversation. Participants: John Gilligan, Russell Train, Robert Blake,” November 14, 1977, Container 6, Folder 7, SCIP.
one staffer described it, “requirements had been added . . . with little regard for how project managers were to find the expertise to determine these things.”

Aware of these difficulties and sympathetic to USAID staffers’ concerns, environmental advocates looked for ways to lend their expertise to USAID. This challenge especially intrigued the Sierra Club’s Patricia Scharlin. One of her main tasks at the Club’s international program was networking with the environmental experts produced by the 1970s “explosion of [ecology focused] degree and non-degree training programs and courses.” With access to this network and with USAID’s “urgent need” to bring “together the human and the information resources so that this knowledge can bear fruit in the actual field of operations,” she began formulating ways to connect environmental experts to the Agency. However, given her limited budget and almost non-existent staff, moving these ideas to implementation took time. In 1980, the Club managed to print an almost two-hundred page booklet for USAID staff offering a list of and contact information for a wide variety of environmental experts.

Assessing Accomplishments and Limits

In February 1980, the international staff at NRDC released a lengthy report titled Aiding the Environment. The report offered a detailed summary of changes at the Agency in the previous decade and outlined suggestions for further reforms. Aiding the Environment offered a tempered optimism, portraying progress as slow, but steady. The staff at NRDC praised USAID for having “changed from an agency which paid little conscious attention to environmental

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102 Patricia Scharlin to Jeff Tschirley, March 15, 1979, Carton 1, Folder 2, SCIP.
aspects of development into a leader within the international development assistance community” over a mere five year period.\textsuperscript{104}

Yet, much of NRDC’s adulation for the Agency focused on USAID’s intentions, not its accomplishments. To an extent, NRDC recognized the lack of concrete action as the product of the newness of USAID’s green mandate.\textsuperscript{105} However, the environmentalists did not attribute all of the distance between USAID’s statements and its actions to the lag time required to implement significant reforms. For example, reporting that the Agency had completed twenty-nine environmental assessments, NRDC cautioned that “even when issues were made and recommendations made, many EA’s have come too late to be of use in design” of actual projects.\textsuperscript{106} \textit{Aiding the Environment} also criticized the quality of environmental assessments, describing them as often “overly general and long,” judging USAID as having “a long way to go before it succeeds in incorporating into all of its efforts a systematic, anticipatory approach to environmental problems.”\textsuperscript{107} Yet, these were problems that environmentalists felt confident could be corrected with time. The report concluded that USAID would one day be recognized for having “helped to reverse the trend toward depletion and deterioration of natural resources essential to meeting basic human needs.”\textsuperscript{108}

While most of \textit{Aiding the Environment} examined policy, sprinkled throughout its pages were discussions of more ideological matters. The report demonstrated one of the important conceptual shifts wrought by the USAID campaign: how it eased U.S. environmentalists into feeling increasingly comfortable discussing development. Arguing that one could not care about

\textsuperscript{105} Blake, Lausche, Scherr, Stoel, Thomas, \textit{Aiding the Environment}, 112-113.
\textsuperscript{106} Blake, Lausche, Scherr, Stoel, Thomas, \textit{Aiding the Environment}, 53.
\textsuperscript{107} Blake, Lausche, Scherr, Stoel, Thomas, \textit{Aiding the Environment}, 225.
\textsuperscript{108} Blake, Lausche, Scherr, Stoel, Thomas, \textit{Aiding the Environment}, 226.
ecology without showing concern for reducing poverty, NRDC staff members cautioned that bringing a “sustainable improvement in the lives of the rural poor,” would inevitably fail “unless a higher priority is given to the maintenance and protection of the natural resource base.”109 In essence, environmentalists argued that the prudent use of natural resources was as essential as any other factor in development.

In their emphasis on sustainability, figures like Scherr and Scharlin tapped into larger intellectual currents of the moment. In 1980, the International Union for the Conservation of Nature and Natural Resources (IUCN), a global network of environmental NGOs and governments, released a manifesto about ecology and development titled the *World Conservation Strategy*.110 The document argued for the necessity of maintaining “essential ecological process and life-support systems” in order to ensure “‘people-centered’ development that achieves a wider distribution of benefits.”111 The IUCN report joined the USAID campaign in illustrating the possibilities for sustainable development and thus helped to marginalize environmentalists still wary of development. By the early 1980s, most U.S. environmentalists identified with sustainable development, a shift that as a Rockefeller Brothers Fund report noted owed much to the USAID campaign’s having “opened the door for many NGOs to encourage . . . other international financial and technical assistance agencies to give more attention to sustainable development.”112

Yet, just as the policy gains won by public interest groups’ exertions proved limited, so too were the advances they made in the realm of ideas. In interviewing USAID staff members for...

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112 William S. Moody to RBF Files, “Natural Resources Defense Council—Grant Control Sheet—Recommendation to October 1985 Executive Committee Meeting,” September 10, 1985, folder 4175, box 697, RG 3.1, RBF.
the *Aiding the Environment* report, NRDC staff members uncovered a surprising intellectual trend. Despite years of critiques of modernization ideas, many at the Agency remained enamored with its basic tenets. As the report commented, discussions with Agency staff revealed the existence of a “surprisingly uncynical attitude” about development which continued to uphold “the saving values of technology” while evincing a “very American tendency . . . to overrate how much change can be brought about and how fast.”113 *Aiding the Environment* did not deduce any grand conclusions from these observations, but the implication seemed clear: the road of reform still required substantial traversing, including at the level of ideas.

While the authors of *Aiding the Environment* seemed puzzled with this state of affairs, overall the future looked promising. With the exception of the 1975 lawsuit, the environmentalists’ work with USAID had been characterized by cooperation rather than confrontation. Public interest groups found government officials generally amenable to their regulatory proposals, with most contention involving policy details. This state of affairs illustrated the enduring strength of elements of post-war liberalism up to the 1980s. Throughout the campaign, U.S. environmentalists thought of USAID not so much as an opponent, but rather as a wayward and sometimes ignorant partner in need of being shown the correct path. Such a view perfectly fit public interest activists’ vision of themselves as a force out to rejuvenate liberalism. For environmentalists in the late 1970s, this still seemed a plausible project. They felt confident that a consensus existed in the U.S. political world that favored environmental protection. It was a confidence that would soon be dispelled.

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Part II:

Chapter 4: “A New International Regulatory Order?”
Building a Global Corporate Accountability Movement

The confidence shown by environmental advocates (and many other public interest liberals) about their political strength at the end of the 1970s suffered a major blow on election night 1980. Not only did Ronald Reagan win the presidency, but many of liberalism’s staunchest voices in Congress lost to right-wing opponents. In the weeks that followed, liberals girded themselves for a future they felt sure would be dominated by defensive battles aimed at protecting past gains from “being eviscerated.”¹ Liberal defeats began early, including one on an issue related to the USAID campaign. Building off that effort’s focus on regulating DDT exports, groups like the Natural Resources Defense Council pushed the Carter administration to regulate sales of other “hazardous products,” such as pesticides and some pharmaceuticals. This initiative resulted in Carter issuing an Executive Order that brought more government oversight to U.S. exports. Signed on January 15, 1981, the executive order survived a mere thirty-four days before the Reagan administration, describing Carter’s policy as a “‘cumbersome regulatory program,’” revoked it.²

The tale of Carter’s hazardous exports policy offers a tempting way of telling the wider story of the right-ward shift of U.S. and global economic policymaking between the 1970s and 1980s. In this telling, Carter’s executive order symbolizes the possibilities for liberal reformism still extant in the 1970s. Reagan’s rescinding of the executive order meanwhile becomes emblematic of the conservative backlash of the 1980s, which swept aside liberal notions in favor of right-wing ones.

¹ Natural Resources Defense Council Annual Report 1981-1982, Box 694, Folder 4158, RG 3.1, RBF.
On a global level, a similar story applies to the Third World’s quest for a New International Economic Order. Introduced in 1974 by a coalition of Third World countries intent on restructuring global capitalism, the drive to enact the NIEO all but ended in the early 1980s. The culprits behind its demise were many. With the explosion of the Third World debt crisis in 1982, many Southern countries found themselves in dire need of loans from the rich nations. Cast into the role of supplicants, pro-NIEO governments were in no position to make demands. Divisions among Global South nations also played a role. The coalition backing the NIEO resembled an impressionistic painting, coherent from a distance and increasingly incoherent upon closer examination. While united by broad demands for change, as Southern states negotiated over details, substantial differences in the economic and political interests of different countries became more apparent (and problematic). The idea of a singular “Third World” evaporated under the strain of conflicts between oil and non-oil exporting nations, between nations dependent on a single export commodity and those with more diversified economies, and ideologically between governments who wanted modest reforms to the economy and those demanding deeper transformations.3

The final stake in the heart of the New International Economic Order was the rise of conservative governments in the United States, United Kingdom, and West Germany in the late 1970s and early 1980s. Reagan signaled from the start that his administration had no interest in listening to Third World proposals, much less enacting them. Furthermore, he pushed an agenda of deregulation, privatization, and liberalization, the very opposite of the NIEO. Through U.S. bilateral aid, as well as the International Monetary Fund and the World Bank, the U.S. helped to reshape global development policymaking in the 1980s. By 1989, a baldly capitalist Washington

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Consensus united Northern and Southern policy elites in the belief that letting private industry spearhead economic development would solve Southern states’ woes.⁴

Yet, it is important to emphasize that neither the collapse of the New International Economic Order nor the ascent of the Washington Consensus happened the instant Reagan took his oath of office. Policy consensuses do not form overnight, nor are they as all-encompassing as the word “consensus” implies. For instance, the Washington Consensus principle which held that “a restrictive attitude” towards multinational corporate investment on the part of Southern governments was “foolish” required years of conflict to solidify.⁵ Indeed, many multinational corporations saw the early 1980s not as the dawn of a new era, but as a continuation of the 1970s – a period they viewed as defined by a global anti-corporate politics epitomized by the initiatives like the Nestlé boycott.

Business leaders certainly had cause for concern. The first years of the 1980s marked the high point of the Nestlé campaign, which won a historic victory in May 1981 when the World Health Organization approved the creation of the International Code of Marketing of Breast-milk Substitutes (also known as the WHO-UNICEF code). While activists faced hardships following the code vote, their troubles were not mainly caused by conservatism’s ascendance. Nor was the Nestlé fight the only such global corporate accountability effort happening in the early 1980s. Inspired by the boycott’s accomplishment, advocates from around the world started new NGO networks targeting the global pharmaceutical and pesticide industries. Public interest groups focused their efforts on the United Nations, still committed to implementing some form of the New International Economic Order. Thus, in the first years of the 1980s, far from the inexorable

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triumph of free market ideals, the future appeared a contest between the Washington Consensus and what U.S. ambassador to the United Nations Jeanne Kirkpatrick warned was the prospect of a “new international regulatory order.”

**INFACT Meets the New Right**

An early example of conflict between public interest liberals and conservatives over global political economy kicked off in 1979. This spat saw INFACT and its allies clash with a conservative think tank, the Ethics and Public Policy Center (EPPC). As historians such as Jason Stahl have documented, one of the critical institutions that propelled the conservative movement’s ascent in the 1970s were think tanks. Conservative think tanks varied in the scope of their research agendas, ranging from the Heritage Foundation (which looked at everything from education to defense policy) to more narrowly focused organizations like the Ethics and Public Policy Center. Created in 1976, the EPPC concentrated on international relations and questions of Judeo-Christian morality. Its founder, Ernest Lefever, identified the Nestlé boycott as an intriguing topic for study. A deeply religious man who worked for a time for the National Council of Churches, Lefever fretted over the leftward turn of many mainline Protestant churches during the 1960s and 1970s. Lefever viewed the Nestlé boycott as yet another manifestation of the churches’ “politicization.” In the fall of 1979, following suggestions from his wife Margaret Briggs and his friend (and neoconservative “godfather”) Irving Kristol, Lefever decided that the the Center undertake a research project to explore the Nestlé fight.

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8 Ernest Lefever to Community Leaders, September 1, 1980, Box 3, ACA.
While Lefever claimed he made this decision for purely intellectual reasons, other factors contributed to this decision. In October 1979, Lefever met with the head of Nestlé’s U.S. branch to discuss establishing a relationship between the company and the Center. That same month, Lefever also recruited Herman Nickel, the Washington, D.C. editor of *Fortune* magazine, to write an investigative article on the groups behind the Nestlé boycott. In March 1980, as Nickel prepared his piece, Nestlé contributed $5,000 to EPPC. That June, Nickel’s article, titled “The Corporation Haters,” appeared in *Fortune*. Focusing on the church groups backing the boycott, Nickel disputed the activists’ medical arguments and denounced both activist groups like INFECT and pro-boycott churches as “Marxists marching under the banner of Christ.”10 Soon after the article’s release, Nestlé donated an additional $20,000 to EPPC, which later reprinted and distributed Nickel’s piece as a pamphlet.

At first, INFECT and ICCR responded to Nickel by issuing a flurry of memos and press releases countering his arguments.11 Then, sometime in August or September 1980, INFECT received a remarkable document, one that allowed activists to pivot from defense to offense. Dated August 6, 1980, the document was a leaked memorandum, written by Nestlé vice-president Ernest Saunders to its CEO Arthur Fürer, detailing the company’s anti-boycott strategy. Notably, the memorandum proved that a relationship existed between Lefever and Nestlé. In it, Saunders praised the Ethics and Public Policy Center and Herman Nickel for representing “the best opportunity we have had yet to put the record straight,” while noting EPPC’s “willingness to undertake additional activities” to aid the company, such as by producing

11 Tim Smith and Leah Margulies to ICCR Board of Directors, “Recent FORTUNE Article, “The Corporation Haters,” (June 16, 1980),” undated, Box 4, ACA.

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a pro-Nestlé film. Activists gave the memo to the Washington Post, whose subsequent investigations uncovered the donations from Nestlé to the EPPC. For the next several months, the question of whether the Center had acted as an intellectual mercenary by taking Nestlé money in exchange for producing “The Corporation Haters” dominated the campaign, throwing the boycott’s foes on the defensive.

**The Reagan Reaction**

The confrontation with EPPC served as a warm-up for upcoming conflicts between INFACT and the Reagan administration. Upon Reagan’s election, boycott leaders sensed hard times ahead; INFACT Board member Mark Ritchie warned that the “improved climate for business” resulting from the “national rightward shift” would “mean more aggressive tactics on their [the conservatives’] part.” At the same time, within the Reagan administration, deliberations began over how to respond to what Jeane Kirkpatrick dubbed the “most pressing” issue the administration faced in the United Nations related to international business – the “so-called ‘Nestle’ or ‘Infant Formula’ Code.” The new administration had limited time to decide, as the WHO’s governing body, the World Health Assembly, would be voting on the code in May 1981.

Ideologically, conservatives opposed the code. Their arguments against it were many: some claimed the science failed to uphold the activists’ claims, while others feared that the

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14 Mark and Irene to everyone involved in the up and coming DMG meeting, “About a proposal for structuring the first part of the DMG meeting,” November 16, 1980, Box 1, ACA.
code’s restrictions on marketing represented an attack on free speech.\textsuperscript{16} Conservatives’ hostility to the WHO-UNICEF code also resulted from seeing it in the wider context of the international politics of development; Kirkpatrick described the code as rooted in “an approach to economics . . . that found its purest . . . expression in the New International Economic Order.”\textsuperscript{17} The Reagan administration viewed the code as a beachhead for the NIEO; Secretary of State Alexander Haig cautioned in a memo to U.S. diplomats, “this Code could set a precedent for other Codes relating to other aspects of international business.”\textsuperscript{18} Compounding the administration’s nervousness was that the code had been formulated by the United Nations. U.S. government officials worried that enacting the code would set a “precedent” for the U.N. acting as a “supranational Federal Trade Commission.”\textsuperscript{19}

Yet, for all their ideological convictions, a few weeks prior to the vote in the World Health Assembly, the U.S. government still had no official position on how it would vote. According to Secretary of State Haig, the U.S. intended to vote against the code if it took the form of a legally-binding regulation. However, he left open the possibility that the U.S. might abstain or even vote in favor of a voluntary code – the same position held by the Carter administration.\textsuperscript{20} This indecisiveness was due to conflicting political pressures put on the administration in the first months of 1981. Within the administration, individuals such as John Bryant, the Deputy Assistant Secretary at the Department of Health and Human Services, argued for a “yes” vote on health grounds. Prominent members of Congress also backed the code, including Republican Senators like Robert Dole who insisted that U.S. “opposition . . . would

\textsuperscript{16} A good summary of the varieties of conservative arguments about the WHO-UNICEF code can be found in Vernie Alison Oliveira, “The United States, Multinational Corporations, and the Politics of Globalization in the 1970s,” (PhD dissertation, Harvard University, 2010), 240-245.
\textsuperscript{17} Kirkpatrick, “Address before the Beatrice Corporation, Hong Kong, September 5, 1985,” 303.
\textsuperscript{18} “Confidential Cable from U.S. Secretary of State Haig to U.S. Missions,” 1981, Box 38, ACA.
\textsuperscript{20} “Confidential Cable from U.S. Secretary of State Haig to U.S. Missions,” 1981, Box 38, ACA.
damage our relations with other nations, including important U.S. allies, who are committed to the code’s adoption.” 21 Although feeling it “very unlikely” that the U.S. would support the code, INFACT still organized for this possibility, especially by having boycott coalition groups pressure members of Congress to publicly declare themselves in favor of it. 22

Ultimately however, they could not defeat the chorus of multinational corporate representatives and conservatives urging the U.S. to stand against the code. Nestlé representative Kenneth Lazarus urged Kirkpatrick to oppose the code in any form, dismissing as “‘ephemeral,’” the distinctions between a legally-binding regulation and a non-binding recommendation. Lazarus argued that Third World states would simply turn a voluntary code would turn into national law. U.S. companies selling breast milk substitutes agreed; Bristol-Myers proclaiming that the code would impose “unnecessary restrictions and prohibitions on legitimate commercial activities.” 23 Within the administration, Kirkpatrick and Reagan adviser Edwin Meese led the anti-code faction, and their side won the day. 24 Just days before the vote, the U.S. announced its intent to stand against an “inflexible code, global in scope and rigid in structure.” 25

The meeting of the World Health Assembly in mid-May in Geneva proved a dramatic affair. Lobbyists for the companies and the activist NGOs met with different nations’ delegates as each side tried to block the other’s last second maneuvering. Overall, however the political situation tilted in favor of the code’s approval. For many Third World states, the code appealed both on health grounds and as a way of advancing the spirit of the NIEO. Simultaneously, with

21 Mark O. Hatfield, Patrick J. Leahy, John C. Danforth, Daniel K. Inouye, Robert Dole, and Alan Cranston to Alexander Haig, April 29, 1981, Box 28, ACA.
23 Kenneth A. Lazarus to Jean Kirkpatrick, January 27, 1981 as quoted in Sethi 209; Richard L. Gelb to Daniel K. Inouye, April 24, 1981, Box 23, ACA.
the code’s legal status set as non-binding, Western European states decided to vote in favor. In the end, 181 countries voted in favor, with the U.S. casting the sole no vote.26

The U.S. stance instantly rebounded in the boycott activists’ favor. The drama began the day of the code’s passage. In response to the U.S. vote, two high ranking public health officials working at USAID, Drs. Stephen Joseph and Eugene Babb, resigned their positions in protest. Joseph delivered an impassioned address, declaring the Reagan administration’s action “contrary to the best interests of my country, inexplicable to my professional colleagues . . . and damaging to the health and growth of the world's children.” In the following weeks some 1,600 opinion pieces on the controversy appeared in newspapers across the United States, most condemning the Reagan administration.27 Shortly after the vote, INFACT scored another win, when it helped to block Ernest Lefever from becoming Assistant Secretary of State for Human Rights. Lefever’s defeat marked a second political victory for INFACT over the Reagan administration, giving advocates some confidence that a conservative in the White House did not mean the end of successful advocacy.

**Nestlé’s Countermoves**

The overwhelming support for the code demonstrated by the World Health Assembly vote marked the nadir of Nestlé’s attempts to combat the boycott. Reflecting years later, the company’s public relations head stated that in the second half of 1981, Nestlé “lacked credibility, was on the defensive reacting to others’ initiatives, and had no strategy for resolving the conflict

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Having tried to both ignore the boycott and combat it, in the summer of 1981 Nestlé executives found themselves in a perplexing situation: not only had they failed to weaken or end the boycott, but these efforts had often rebounded in favor of the activists. Moreover, the company saw little hope that an alliance with U.S. conservatives would bolster their position. When conservatives had intervened, whether through the machinations of the Ethics and Public Policy Center or the lonely stance of the Reagan administration, their initiatives had backfired.

Thus, in conceiving its next steps, Nestlé officials decided on a multi-pronged approach “based on the fundamental decision that we had to deal with the issue not the critics.” Part of this decision involved the company admitting that could no longer simply dismiss the validity of the charges made against them. By recognizing that a genuine problem existed and making substantive changes to their marketing policies, Nestlé heads believed they could divide the critics “into two distinct groups . . . the critics of conscience . . . [and] the activists.” The former group, made up of churches and public health groups, were seen as “honestly concerned with the better health of babies,” while the latter faction “were more concerned with political objectives” such as the “promotion of the New International Economic Order.” While the company expected to continue sparring with the “activists,” in dealing with “moderate church and civic groups,” Nestlé public relations staff planned to “explore whether [we] could work cooperatively with any of them to satisfy their legitimate concerns.” Doing so, company officials hoped, could

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produce a “breakthrough” leading to an “erosion of support for the boycott,” that would allow
the company to negotiate from a position of strength.\textsuperscript{31}

Nestlé inaugurated its new strategy in March 1982 with a press conference announcing
that, henceforth, it would make its promotional activities compliant with the WHO-UNICEF
code. This declaration marked an important rhetorical shift for the company. Previously, Nestlé
spokespeople had expressed support for the “aim” of the code without endorsing its actual
provisions.\textsuperscript{32} To show its commitment to this policy change, Nestlé representatives also
presented a seventy-page document consisting of instructions to its employees on how to
implement the code. Yet, here the company opened itself to criticism, since the document was
based on the company’s own interpretations of the code’s provisions.\textsuperscript{33} Citing the company’s
refusal to follow the exact words of the code as evidence of its refusal to change, INFACT
pledged to maintain the boycott until Nestlé demonstrated its commitments by “‘actions and
events.’”\textsuperscript{34} Fortunately for the activists, Nestlé’s interpretation of the code soon came under fire
from one of the most widely respected figures involved in the controversy, United Nation
Children’s Fund director James E. Grant. Writing to Nestlé in May 1982, Grant detailed
UNICEF’s “severe misgivings” with the company’s interpretation of the code, requesting that
Nestlé not “use the name of UNICEF . . . in any way which suggests our endorsement of
Nestlé’s instructions.”\textsuperscript{35}

Despite this rebuke, Nestlé continued to follow its strategic plan, creating two institutions
to spearhead its counteroffensive. The first of these, the Nestlé Coordination Center for Nutrition

\textsuperscript{32} See for example, Testimony of Thad Jackson, \textit{Implementation of the World Health Organization (WHO) Code on
Infant Formula Marketing Practices}, 60.
\textsuperscript{35} James P. Grant to Rafael Pagan, May 10, 1982, Box 37, ACA.
(NCCN), functioned as a public relations outfit, with veteran PR expert Rafael D. Pagan Jr. at the helm. By creating an institution solely devoted to the boycott, Nestlé officials accomplished two goals – professionalizing their response to the boycott and freeing other employees to return to normal work.\textsuperscript{36}

The company unveiled the second institution, the Nestlé Infant Formula Audit Commission (NIFAC), on May 3, 1982. NIFAC proved Nestlé’s masterstroke. The brainchild of Pagan, NIFAC would act as an independent accountability body that would “apprise the Company of any problems it discovers . . . in its application of the WHO or National Codes.”\textsuperscript{37}

The Commission recruited a group of public health experts and religious leaders as its commissioners, allowing them to review corporate documents and submissions from outside groups (including critics) to determine how well the company was abiding by the code of conduct. Upon receiving such complaints, NIFAC commissioners and their staff would investigate the allegations and issue quarterly public reports assessing each case.\textsuperscript{38} To head the Commission, Nestlé recruited Edmund Muskie, the former Democratic Senator and Carter’s last Secretary of State. Convincing Muskie to be the chair served the company’s purposes brilliantly. As a Senator, Muskie had been a leading ally of public interest liberals, giving him credibility with many of the groups (particularly churches) then pursuing the boycott.\textsuperscript{39}

INFACT wasted no time in attacking NIFAC, arguing that the fact that the Commission was “wholly funded by Nestle” offered “sufficient [reason] to make its every ruling and report

\textsuperscript{36} Sethi, \textit{Multinational Corporations and the Impact of Public Advocacy on Corporate Strategy}, 220.
\textsuperscript{37} “The Nestlé Infant Formula Audit Commission – (NIFAC) Charter, May 1982, Box 26, ACA.
\textsuperscript{39} Nestlé News, “Nestlé S.A. has announced the acceptance by former Secretary of State, Edmund Muskie, to be Chairman of its Infant Formula Audit Commission,” May 3, 1982, Box 26, ACA.
suspect. To prove their case, INFACT tested NIFAC by submitting evidence of code violations by Nestlé, as well as producing reports questioning the Commission’s conclusions. The activists believed such pressure would eventually show that NIFAC systematically downplayed Nestlé violations, thus proving the Commission to be nothing more than a public relations stunt. However, to the activists’ chagrin, NIFAC demonstrated enough independence to muddy charges that it acted as a rubber stamp for the company. The Commission met with activists, listened to their charges against Nestlé and considered their input when producing its reports. NIFAC’s commissioners did criticize Nestlé on a number of occasions, chiding company officials for taking “a superficial attitude or disregard” towards NIFAC. While activists never stopped seeing NIFAC primarily as a propaganda tool, they would eventually recognize that it made some positive contributions, with Doug Johnson admitting that, despite the Commission’s “severe limitations,” it “provided a channel through which Nestle . . . made changes in policy.”

Meanwhile, Nestlé’s bet that its public relations offensive, combined with NIFAC’s operations, would sow division among the boycott’s supporters and possible supporters soon registered results. Even before Nestlé began its counteroffensive, INFACT’s leaders privately brooded over the increasingly delicate state of their boycott coalition. No institution provoked more anxiety than the mainline Protestant churches, with Leah Margulies warning in March 1982 that “U.S. churches are . . . inclined to try to get out of the boycott.” By 1982 the boycott counted the backing of the Unitarian Universalists, both main branches of Presbyterianism, and

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40 Kelly Balogh to INFACT Staff, “Summary: Nestle Infant Formula Audit Commission Charter & By-Laws,” August 12, 1982, Box 26, ACA.
41 Doug Johnson to the Hon. Edmund Muskie, October 14, 1982, Box 5, ACA.
42 “Transcript of Proceedings: Press Conference with Hon. Edmund S. Muskie and Dr. Carl Angst,” April 21, 1983, Box 26, ACA.
43 INBC and IBFAN, “Record of Proceedings: The International Baby Milk Campaign: Strategies for Action,” minutes, p. 8, February 2-5, 1984, M97-182, Box 1, INFACT.
44 Leah Margulies and Ed Baer to Jonathan Churchill and James Post, March 31, 1982, Box 17, Folder 41, Part 1, INFACT.
the United Church of Christ, however retaining the churches’ backing required continuous work. Faced with rapidly declining memberships and squeezed by shrinking budgets, mainline Protestant churches had to contend with pressure from their constituencies, not all of whom believed the churches should be involved in social issues. Even some church members who wanted the church to engage with the breast milk substitutes’ issue saw INFACT as too radical, worrying that “if the boycott were to actually succeed . . . and companies were to withdraw their milk products from the third world, it would be tragic.”

Aware of these tensions, Nestlé tried to convince churches not to abandon the boycott. Its greatest effort involved battling with INFACT for the blessing of the largest mainline Protestant denomination in the U.S., the United Methodist Church (UMC). INFACT organizers had solid reasons for believing they could win the backing of the UMC; by 1982, they boasted of support from over thirty state, regional, and national bodies of the church. The roadblock standing in the way of winning the church’s full endorsement was its national leadership body, the General Conference on Ministries (GCOM).

In 1980, responding to pressures from both activists and companies, the GCOM established a commission of respected church figures, the Methodist Task Force (MTF), to examine “all aspects of the controversy.” The MTF positioned itself as the reasonable middle, insisting that the “church should not define the . . . controversy in narrow ideological terms.” For two years the Methodist Task Force deliberated over the church’s position. Its members met frequently with activists and company representatives while also poring over Nestlé documents.

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46 Sister Melmarie Gentry S.S.N.D. to All Bishops of the United States, April 24, 1981, Box 7, ACA.
The decisive turn in the Task Force’s thinking came in the months after the founding of NIFAC. The Commission’s operations impressed the Methodist Task Force, which “noted a certain evolution in the company’s attitude toward the Code” between 1980 and 1982. In September 1982, the GCOM announced that the United Methodist Church would not support the boycott, arguing that Nestlé had “made significant changes,” and that the church had “a responsibility to announce to the world that this company is acting responsibly.”

“Chaos at INFACT”

INFACT’s failure to gain the support of the United Methodist Church marked but one of many setbacks that occurred in 1982. The vigor of Nestlé’s counteroffensive threw the activists into what Doug Johnson and Leah Margulies both called the campaign’s “defensive” period. Compounding INFACT’s hard times were two internal crises. The first derived from still unanswered questions about INFACT’s organizational structure and the second stemmed from tensions between the national headquarters and local boycott groups. A common thread tied these difficulties together, as both were rooted in INFACT’s attempt to fuse public interest liberal and New Left models of activism.

Nationally, INFACT continued to be undermined by intra-staff conflict and disorganization, with staff complaining that they were “terrible at making decisions as a group” and that frequently “decisions [were] made and then reversed.” Later that year, an independent consultant brought in to evaluate INFACT described a myriad of problems, attributing them partly to “reluctance” among the management “to recognize and affirm organizational realities:

49 *UMCom News*, September 13, 1982, Box 7, ACA.
51 “INFACT Team Building,” June 16-17, 1982, Box 3, M97-182, INFACT.
that there is a ‘management group.’”⁵² In effect, the consultants echoed critiques of non-
hierarchical organizational models advanced by critics such as the feminist thinker and activist
Jo Freeman. In an influential 1971 article called the “Tyranny of Structurelessness,” Freeman argued that “there is no such thing as a structureless group,” only organizations with
acknowledged hierarchies and those with unacknowledged ones. Freeman described
“unstructured groups” as not “very good for getting things done,” noting how a lack of
delegation and concrete decision-making system inhibited their ability to complete tasks.⁵³ In
response to such diagnoses, INFACT’s national leaders redoubled their efforts at “transforming
ourselves from a ‘collective’ mode to an organization.”⁵⁴ Placing added pressure on INFACT was its dire financial situation. In mid-1982, INFACT recorded a deficit of $80,000 and in July,
the Board of Directors wrote to Johnson declaring an “organizational crisis” and demanding
changes, including a cessation of “All non-essential . . . work” to concentrate on fundraising.⁵⁵

INFACT’s woes at the national level trickled down to the grassroots. By September,
national organizers Betty La Sorella and Scott Sommer warned that local groups “are burning out
and becoming discouraged.” Grassroots efforts waned as organizers in cities with strong boycotts
such as Baltimore reported declines in participation of between 50 and 80 percent.⁵⁶ Four reasons
accounted for this crisis. First, campaign leaders feared that the company was, in Margulies’
words, “trying to undermine the BOYCOTT . . . by appearing publicly to follow the code when .
. . they have no real intention of doing so.”⁵⁷ Reports from grassroots organizers confirmed that

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⁵³ See Jo Freeman aka Joreen, “The Tyranny of Structurelessness,” JoFreeman.com,
⁵⁴ Ed Baer to Participants in the March 18-20 INFACT Planning Workshop” March 11, 1983, Box 2, ACA.
⁵⁵ Gerber, “From Bottles to Bombs,” 238-239; “Statement of the Board of Directors,” July 12, 1982, Box 1, ACA.
⁵⁶ Scott and Betty La Sorella to Doug Johnson, “Action Groups: Analysis and Recommendations,” September 1982,
Box 1, ACA.
⁵⁷ Leah Margulies and Ed Baer to Jonathan Churchill and James Post, March 31, 1982, Box 17, Folder 41, Part 1,
INFACT.
the company’s public relations offensive was working, with many answering a survey question “Does your group find itself having to remind people that the boycott is still on?” with an emphatic “yes,” blaming this state of affairs on the “Nestle impetus in March and April.”58

The second factor was sheer exhaustion. Weariness posed an acute problem since, in many cities, a handful of dedicated individuals (often less than five) sustained the local boycott organizing. This led to precarious situations where, if even one person dropped out, the whole local effort could collapse.59 The third factor weakening the boycott was the proliferation of causes then vying liberal and left-wing activists’ attentions. The 1980s overflowed with international controversies that inspired liberal-left activism. In Central America, the Reagan administration’s backing of the repressive regime in El Salvador and its support for the brutal contra rebels in Nicaragua inspired anti-intervention organizing in the U.S., with one Denver Nestlé boycott activist noting in August 1982 that “most members have become involved in Central America solidarity actions.” Simultaneously, the grassroots movement in solidarity with the anti-apartheid struggle grew, with a wave of divestment campaigns targeting universities, cities, and other institutions.60

The fourth reason for the boycott’s enervation lay in the continuing challenges arising from the relationship between local boycott campaigns and the national headquarters. National INFACT organizer Betty La Sorella worried about disconnects between headquarters and the field, noting that the grassroots received “no input to national plan which leads to confusion and

58 Richard L. Ulrich to Scott, August 26, 1982 Box 6, ACA; Mary Tonnes to Scott, August 26, 1982; Denver Justice & Peace Committee to Scott, August 26, 1982, Box 6, ACA.
59 Scott and Betty La Sorella to Doug Johnson, “Action Groups: Inventory,” September 1982, Box 1, ACA.
unclear strategies.”\textsuperscript{61} INFACT’s inability to financially support local groups also weakened the boycott. According to La Sorella, if “given attention and resources” several of the grassroots efforts “could do a good job.”\textsuperscript{62}

Most damaging to the national-local relationship was the disastrous attempt by INFACT to launch its Consumer Action Boycott plan (CAB). Conceived by United Farm Workers’ veteran Marshall Ganz as a series of coordinated trainings for grassroots leaders which would escalate the boycott, the plan stumbled from disaster to disaster.\textsuperscript{63} Between December 1981 and June 1982 the first CAB training was postponed five times, Ganz dropped out as facilitator, and INFACT cut the number of participating cities in half. When the first CAB meeting finally occurred it proved a disaster. Eight participants walked out to protest the event’s poor coordination and INFACT incurred substantial debt in putting the event together. The CAB meeting’s failure embittered many in the grassroots, with Cincinnati activists bemoaning that it “really hurt the morale of our group.”\textsuperscript{64}

1983: Shifting Strategies

After a year of frustration and hardship, the last two months of 1982 finally brought good news. INFACT was awarded several foundation grants, including $41,000 from the Veatch Foundation for grassroots organizing, while ICCR also obtained new infusions of money, including a grant from the International Organization of Consumer Unions, thanks to IOCU

\textsuperscript{61} Scott and Betty La Sorella to Doug Johnson, “Action Groups: Analysis and Recommendations,” September 1982, Box 1, ACA.
\textsuperscript{62} Scott and Betty La Sorella to Doug Johnson, “Action Groups: Inventory,” September 1982, Box 1, ACA.
\textsuperscript{63} “Objectives of Consumer Action Boycott,” undated, Box 5, Folder 39, M97-182, INFACT.
\textsuperscript{64} Leadership Group (Rob, Betty, Elaine, Scott) to National Chair, INFACT, “Re: C.A.B. History,” July 9, 1982, Box 5, Folder 39, M97-182, INFACT; “Statement of the Board of Directors, INFACT,” July 12, 1982, Box 1, ACA; Mary Tonnes to INFACT, August 26, 1982, Box 6, ACA.
president Anwar Fazal. While the funds eased many problems, boycott organizers recognized their tenuous position, deeming the campaign increasingly “hard to maintain.”

Considering their predicament, INFACT’s heads concluded that to win required a new round of confrontation with Nestlé. They hoped conflict could reenergize the grassroots by framing the campaign as a moral struggle, rather than a technocratic dispute. As Jessica Novea, a consultant to INFACT and veteran of the United Farm Workers’ boycotts reflected, “what affects people are matters of the heart. Whether or not Nestle abides by specific articles of the Code is important to us, but what is important to people . . . is what happens to babies.” Driven by such sentiments and new funds, INFACT defined its primary goal for 1983 as “re-activating the Nestle Boycott to serve as a visible and calculable force . . . whose size and existence Nestle cannot write off.” In practice, this meant reviving the CAB plan, which given INFACT’s “serious financial constraint[s]” had been “‘frozen’” pending fresh funds. With the money now in hand, the CAB plan received an update, becoming a program based on creating grassroots “Campaign Centers.”

To reinvigorate the campaign, the national staff decided to concentrate the boycott’s energy on one product, Taster’s Choice instant coffee. INFACT activists knew Taster’s Choice to be Nestlé’s most profitable product in the United States, earning the company $150 million in annual profits, equal to 14 percent of its total U.S. sales. Coffee appealed as a product for boycott activity since it was (relatively) simple for consumers to either forego or switch to another brand. Concentrating on Taster’s Choice thus held the promise of making Nestlé “fear

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65 “Notes from Washington Office Planning Meeting for Period January thru June 1983,” November 20, 1982, Box 1, ACA.
67 Campaign Department to INFACT DMG, “Proposals for a special strategy meeting for the local action section of the Nestle Boycott campaign,” November 8, 1982, Box 6, ACA.
68 INFACT letter to grassroots activists, February 25, 1983, Box 2, ACA
permanent loss of market share,” allowing INFACT to make the company believe that activists could “effectively run a campaign on one product and . . . continue this with a long list of products.” The Taster’s Choice initiative also differed from past phases of the campaign because INFACT leaders decided to rely less on allied organizations and more on its own supporters. By putting money and energy into building INFACT’s own grassroots, the national leadership hoped to avoid complications arising from coalition work, as “People recruited through the grass roots . . . come to the boycott not as organizational affiliates, but as people whose first concern is the boycott and INFACT.”

The Taster’s Choice campaign breathed new life into the boycott. In Chicago and Boston, INFACT invested substantial resources, including for the first time hiring local activists as full-time organizers. The Chicago effort impressed national INFACT, as Windy City activists gathered over 50,000 signatures within a few months for an international petition to Nestlé demanding it comply with the code. In Boston, organizers employed house meetings, which Johnson cheekily labeled a “‘Tupperware party . . . with a social justice bent,’” as their primary base-building technique. House parties consisted of meetings in which local activists invited friends, neighbors, co-workers, and strangers to their homes to socialize and plan. Boston activists meanwhile organized 131 house parties attended by 850 people. The new energy spread outside these cities, with reports coming in of everyone from prisoners in Attica Penitentiary to Girl Scouts in Geneva, Ohio initiating boycott activities. INFACT’s national leadership encouraged this revival of grassroots energy by agreeing to long-standing demands

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69 DJ to INFACT Board, “RE: Future Directions,” May 17, 1983, Box 5, ACA.
70 Doug Johnson to Eleanor Vendig, July 12, 1983, Box 2, Folder 49, Part 6, INFACT.
72 “Exciting News, June 6, 1983,” Box 6, ACA.
from local activists. For instance, INFACT decided to allow local groups to use INFACT as a tax-exempt “fiscal agent,” empowering grassroots groups to fundraise for themselves – an idea championed by INFACT’s D.C. chapter for years.73 These actions led many in the grassroots to view INFACT more positively, with activists in Denver (who had been among the most critical of the national leadership), now praising the new “focus on ‘people power’” as “great!”74

**A Global Fight**

By the middle of 1983, word of the revivified boycott in the U.S. traveled far. In June, International Baby Food Action Network coordinator Andy Chetley wrote to Doug Johnson praising the “exciting news that INFACT is pursuing new approaches to community organising in the US.” Chetley’s letter however went on request “that the international aspect of INFACT’s work is not weakened in the process.”75 Such an admonition (however mild), showcased the multi-front nature of the Nestlé boycott for U.S. activists. Running the campaign inside the United States offered more than sufficient challenges, yet those labors constituted only part of the effort. For what truly separated the Nestlé fight from most past attempts to tame corporate giants was the extent of its transnational linkages.

The key manifestation of the campaign’s internationalism was the International Baby Food Action Network, IBFAN. Formed at the tail end of the October 1979 WHO-UNICEF meeting, the Network operated with a twofold mission. It assisted in the “building of citizen pressure campaigns” around the world while also facilitating the “gathering of information from the Third World on current promotional activities of infant formula

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74 Jerry Stookey to Betty La Sorella, May 5, 1983, Box 6, ACA.
75 Andy Chetley to Doug Johnson, June 1, 1983, Box 31, ACA.
companies.” Initially, IBFAN was a mainly Northern operation, with only one individual from the Global South, then International Organization of Consumer Unions’ president Anwar Fazal, attending its founding meeting. However, its membership diversified rapidly, and, by February 1982, seven of its sixteen coordinators hailed from the Global South.

The early 1980s were a propitious moment for a group like IBFAN. Whereas during the 1970s civil society in much of the Global South faced constraint and repression, during the 1980s a flowering occurred, leading commentators to later dub the 1980s, “the NGO decade.” In Asia alone, between 1977 and 1982, the number of NGOs increased by 57 percent. From indigenous rights to human rights to trade unions, civil society both benefitted from and drove the waves of democratization that swept away authoritarian regimes throughout Africa, Asia, and Latin America. This explosion of civil society groups fed directly into IBFAN, with consumer groups such as Malaysia’s Consumer’s Association of Penang among the first Southern NGOs to join the Network. By the early 1980s, public health groups and feminist organizations also added their voices, with women’s organizations playing particularly key roles within IBFAN.

For U.S. public interest liberals, the addition of Southern NGOs to the breast milk substitutes fight brought a number of advantages. Most obviously, these groups could monitor corporate compliance with the WHO-UNICEF code much more effectively than U.S.-based public interest liberals. Southern advocates could also promote breastfeeding and lobby their

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76 Douglas Clement to “Dear Friends,” February 29, 1980, Box 31, ACA.
77 “Participants in the IBFAN Coordinating Council Meeting,” February 24-27, 1982, Box 31, ACA.
governments to translate the code’s language into national law.81 Combined with boycott campaigns spreading throughout Western Europe, activists in the U.S. hoped that IBFAN could set off a “never-ending spread of brushfires” that would leave industry “thoroughly confused and] obliged to be on guard at all times.”82 Relations with Southern NGOs also conferred legitimacy on U.S. activists. Sometimes accused of arrogantly speaking on behalf of Third World peoples, ties with Southern groups gave U.S. activists a powerful rejoinder.

The May 1981 passage of the WHO-UNICEF code of conduct energized IBFAN’s members. Channeling the mood of the moment, activist Hazel Brown from Trinidad and Tobago proclaimed that IBFAN groups will “go to parliaments, we’ll go to the courts, we’ll go to corporate headquarters, we’ll go to the streets if necessary” to hold the companies accountable.83 Yet, in returning to their homes, Southern IBFAN members soon became entangled in a myriad of challenges. Given the often poor communication and travel infrastructures in Southern nations, making initial contacts with potential allies proved painstaking. As Central America coordinator Marta Trejos lamented, it was “necessary . . . to travel to those countries and directly contact people there and to detect what they are really doing (and not just know what they say they do).”84 Organizers found some local communities skeptical of IBFAN, wondering whether it was just another international “savior” who would promise much and deliver little. For African coordinator Margaret Kyenkya, this challenge led her to take “great pains to emphasize . . . that IBFAN was not another international organization

81 IBFAN, “Gigantic Growth of IBFAN,” May 27, 1981, Box 33, ACA.
84 Marta Trejos to Doug, March 6, 1984, Box 31, ACA.
yet again sending experts . . . [but] a network on whose behalf I was extending the hand of co-operation.”

Figuring out logistical challenges and gaining the trust of partners were only the first challenges for IBFAN organizers, who next had to fight for better implementation of the WHO-UNICEF code, including lobbying their governments to transform the code into legislation. Summarizing such efforts in South and East Asia in September 1982, IBFAN’s Choong Tet Sieu reported that navigating the “widely differing political systems under which the groups are working” posed significant challenges. As of January 1983, only four countries – Argentina, Portugal, Trinidad, and Yugoslavia – had laws based on the code, with eleven other nations claiming laws with provisions weaker than those contained in the code. Reporting in June 1983, Choong Tet Sieu assessed the overall progress of making the code into laws throughout the Global South as “extremely slow,” noting that for every nation pushing strong legislation, others advanced proposals that were “very heavily industry influenced.”

Even as IBFAN members built their international networks, the organization also dealt with questions similar to those facing INFACT about its internal structure. Among the most involved activists, a distaste for bureaucracy prevailed; as Dutch activist Annelies Allain explained, core IBFAN activists “wanted a new kind of citizen organization, one where each group and each person could do what they were good at . . . [where] nobody was forced to do things, but all were committed to do the best they could” while benefitting from “their linkages with others.” IBFAN operated without a constitution, a headquarters or a hierarchical

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85 Margaret Kyenka to ICC Members, B.I.G., “Country Visit Report,” August/September 1983, Box 31, ACA; Marta Trejos to Doug Johnson, March 6, 1984, Box 31, ACA.
86 “IBFAN Coordinating Council Meeting – London 24-27 February 1982,” Box 31, ACA.
87 IBFAN, “Between the Lines: An Analysis of International Code Implementation,” January 1983, Box 38, ACA.
leadership, relying on an informal Coordinating Committee to maintain relations among members, with “Every step toward greater formalization . . . thoroughly discussed and debated.”90 IBFAN’s funding was very limited, relying on much the same pool of churches and foundations that INFACT depended upon.91 For its first years, the Network’s office was Allain’s apartment, in which she would frequently “‘discover piles of stuff under cupboards in the living room and on top of bookcases.”92

Not everyone working with IBFAN approved of its structure. Unsurprisingly, given their domestic experiences, the principal voices advocating for a more formal structure were U.S. activists. U.S. representatives to IBFAN such as INFACT’s Doug Clement and ICCR’s Ed Baer consistently warned throughout the early 1980s that IBFAN “lacked clear objectives and coordinated strategy.”93 The two men especially feared that IBFAN was “under-organized,” pointing to numerous lapses in management.94 Their perspectives, particularly in Clement’s case, stemmed from a sense of déjà vu. After all, only a few years before, they had fought similar battles within INFACT.

While they won some fights over formalizing IBFAN’s operations, the harping of U.S. activists came at a cost.95 For a number of IBFAN activists, including many from the Third World, the U.S. advocates’ criticisms suggested that U.S. groups saw themselves less as partners and more as leaders. At the IBFAN Congress in May 1981, Southern NGOs criticized Northern groups for “dominating decision-making, controlling the finances and telling others what to

91 Doug Clement to IBCoCo, “IBFAN Accounting Format,” December 17, 1982, Box 31, ACA.
92 Annelies Allain to Lise, July 28, 1981, Box 33, ACA.
94 Ed Baer and Doug Clement, “Notes of IBFAN Planning Session,” November 22, 1982, Box 31, ACA;
95 Doug Clement to IBCoCo, “Re: IBFAN Accounting Format,” December 17, 1982, Box 31, ACA.
do.” Allain, who maintained close links with Third World groups, felt that INFACT failed to recognize the level of difficulty for Southern activists, by “overestimat[ing] people’s time + energy” while demanding that they rapidly formalize their operations. What kept these conflicts manageable was the national and regional emphasis of IBFAN groups; as Annelies Allain noted, the “network is busy where it should be – at home.”

North-South NGO tensions stayed somewhat muted however, given the essential mutualistic relationship between them. While Northern groups depended on Southern partners to fight for the code on local and national levels, Southern groups relied on their Northern partners to sustain pressure on Nestlé by means of the boycott. As Peruvian IBFAN activist Margarita Segura explained, the boycott gave Southern advocates leverage, as “old habits do not disappear simply because an executive . . . says they will.” As the first years of the 1980s rolled by, one of INFACT’s main tasks became exporting the boycott to other countries in the Global North. By October 1982, boycotts existed in seven nations (the U.S., Canada, West Germany, England, Ireland, Sweden, and Australia), with new initiatives beginning in other European states, as well as Japan. Of these, the Canadians organized the second largest boycott after the U.S., with a Nestlé commissioned survey finding that about 10 percent of Toronto’s two million people refused to buy the company’s products.

“Multinationals Will Have to Change”

In the early 1980s the globalization of the breast milk substitutes campaign seen in the expansions of IBFAN and the boycott would have ramifications beyond the specific issue. The concrete successes of the boycott, most notably the WHO-UNICEF code, turned the Nestlé

97 Annelies Allain to Doug Clement, December 9, 1981, Box 33, ACA.
98 Annelies Allain to Lise Munck, July 28, 1981, Box 33, ACA.
99 Margarita Segura to Members of INBC, July 10, 1983, Box 35, ACA.
100 Chetley, The Politics of Baby Foods, 54.
boycott into a beacon of inspiration for activists across the world. As International Organization of Consumer Unions’ president Anwar Fazal explained in 1982, the “infant formula campaign gave us a model for global organizing. It involved people at the community level in protest against a Nestlé outlet . . . and at the international level enabled us to take on directly the U.N. agencies and the trade associations of multinationals.” Fazal believed that, by utilizing this model, activists could ring in a new era, proclaiming that the “1980’s will see a global consumer movement that is the strongest ever in history. With our new way of global organizing, and with our new power, multinationals will have to change. . . They have no choice.”

In retrospect, Fazal’s optimism about the prospects for the liberal-left agenda in the 1980s seems painfully naïve. At the time however, political trends told a different story. For, at the very moment that Fazal uttered those words, not only was the Nestlé boycott gaining strength globally, but two sister NGO campaigns had started targeting the global pesticide and pharmaceutical industries. Inspired by the organizing model of IBFAN, these NGO coalitions grew out of work by groups such as the Natural Resources Defense Council and IOCU aimed at reigning in “hazardous exports.” Advocates paid particular attention to pesticides and pharmaceuticals for many of the same reasons that breast milk substitutes drew so much interest. Each of these industries sold products hyped as essential for bringing modernity to Southern “backwardness,” whether in infant care, agricultural production or basic health. The purveyors of these products tended to be multinational corporations, whose marketing and promotional activities often prioritized profits over safety. These were also booming industries; between 1971 and 1985, imports of pesticides to Latin America increased by 48 percent, to Africa by 95

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Throughout the 1970s, scandal after scandal emerged about illnesses and deaths resulting from pesticide and pharmaceutical use. As early as 1972, the WHO reported that 500,000 people suffered annually from accidental poisoning by pesticides.\footnote{Karen A. Goldberg, “Efforts to Prevent Misuse of Pesticides Exported to Developing Countries: Progressing Beyond Regulation and Notification,” \textit{Ecology Law Quarterly}, vol. 12 (1985): 1025-1051.} In the years that followed, numerous stories emerged about pesticide poisonings, prompting discussions at the U.N. about possible fixes, as well as helping inspire the U.S. environmentalists’ lawsuit against USAID over its promotion of DDT in 1975.\footnote{Statement of S. Jacob Scherr, House Committee on Government Operations, \textit{U.S. Export of Banned Products}, 95th Cong., 2nd sess., 1978, 34-35.} Concurrently, a number of scandals about the global pharmaceuticals industry reached the global public, such as the controversy over diryrone, a pain reliever designed to compete with aspirin. Diryrone was shown to reduce white-blood cell counts, increasing risks from disease. Yet, even as the drug’s dangers became common knowledge in the North, companies continued selling it in poorly regulated markets in the Global South, often placing minimal or no warnings on the bottles.\footnote{See Milton Silverman, Mia Lydecker, Philip R. Lee, \textit{Bad Medicine: The Prescription Drug Industry in the Third World} (Stanford, CA: Stanford University Press, 1992), 86-106 and Masuma Mamdani, “Early Initiatives in Essential Drugs Policy,” in \textit{Drugs Policy in Developing Countries}, eds. Najmi Kanji, Anita Hardon, Jan Willem Hammeijer, Masuma Mamdani and Gill Walt, (London: Zed Books Ltd., 1992), 1-19.} Putting aside health risks from unsafe medications, medicines were often quite expensive, leading many Southern nations to spend around half of their annual health budgets on drugs by the early 1980s.\footnote{Charles Medawar, \textit{Drugs and World Health: An International Consumer Perspective} (London: IOCU/Social Audit, 1984): 9.}

Over the course of the 1970s, attempts to regulate the international pesticide and drug markets produced meager results. In the United States, environmentalists at NRDC and the
Sierra Club pushed for the government to adopt a hazardous exports policy, resulting in President Carter’s short-lived Executive Order. Internationally, the coalition of nations pushing for the New International Economic Order began incorporating the medicines issue into their fight. In 1976, a gathering of Non-Aligned Movement nations passed a resolution demanding “the preparation of a list of priority pharmaceutical needs of each developing country and the formulation of a basic model list of such needs as a general guideline for action by the developing countries.”107

The Non-Aligned Movement’s resolution energized ongoing work at the World Health Organization regarding pharmaceuticals. Under the leadership of its Director-General, Halfdan Mahler, the WHO increased its attention to pharmaceuticals as part of creating what Mahler termed a “new international health order.” In 1975, the WHO convened a special meeting on medicines that ended with a commitment to ensure that “the most essential drugs are available at a reasonable price.”108 Two years of research by WHO about the global pharmaceutical landscape led them to publish a Model List of Essential Drugs listing two hundred drugs shown to be “therapeutically effective.” Many of these medicines were not protected by patents, making them cheaper to buy and giving Third World states the chance to produce them domestically. In subsequent years, the WHO assisted nations in implementing what became known as “essential drugs” policies, much to the chagrin of the multinational drug companies.109

Wishing to encourage initiatives like essential medicines and to press the U.N., multinationals, and governments to greater action, a number of advocacy NGOs and activist-
journalists published books about the pesticide and pharmaceutical industries in the early 1980s. Fittingly, one of these books, *The Health of Nations*, was written by Mike Muller, the U.K. journalist whose pamphlet *The Baby Killer* launched activism on breast milk substitutes in 1974. For pesticides, the most influential work was *Circle of Poison*, written by journalist David Weir in 1981. In the book, Weir devoted page after page to refuting arguments in favor of pesticides. Most notably, he attacked the central justification for the Green Revolution – that without massive pesticide use, millions would die of starvation. Weir pointed out that 70 percent of pesticide use in the Global South went to export crops for Northern markets, not domestic food production. Like most activists, Weir did not call for the elimination of pesticides, but for their regulation, coupled with an “integrated pest management strategies” (ie., ones not only reliant on chemicals), such as those used by USAID in the wake of the 1975 lawsuit.

With international bodies like the WHO increasingly attuned to issues surrounding pesticide and pharmaceutical use, the inchoate band of public health professionals, scientists, and activists wishing to tackle these concerns began to coalesce. The hub for such individuals would be the International Organization of Consumer Unions, with the pharmaceuticals campaign starting first. Fazal knew that many activists interested in medicines would be in Geneva in May 1981 to attend the World Health Assembly. He and IOCU arranged for fifty individuals from twenty-seven countries to convene afterwards for a meeting that one U.N. staffer described as “‘infectious’ and full of ‘‘enthusiasm . . . confidence and power.’” By its close, the delegates agreed to create a new NGO coalition, Health Action International (HAI).

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Simultaneously, public health experts and activists approached Fazal asking him to “do something about pesticides like you have done about breastfeeding and about pharmaceuticals.” Advocates decided that “rather than having a big global meeting in Holland [as originally planned] which will be dominated by the North, we should instead begin work and build up groups in the South.” Thus, a year after the formation of Health Action International, a band of twenty advocates from sixteen countries gathered in Penang, Malaysia to form the Pesticide Action Network (PAN). Both NGO networks based their structures and activities on IBFAN and grew rapidly, with PAN counting three hundred groups from fifty countries by 1986 and HAI having fifty members by 1985.

The birth of two new global public interest networks and the creation of the WHO-UNICEF code in the space of one year sent chills through multinational corporate boardrooms. Business leaders blamed this activist upsurge on the Nestlé boycott, with the corporate magazine Business International advising “industries vulnerable to these attacks” to “closely examine the long saga of the infant formula controversy” in order to understand the tactics that activists had “learned and perfected.” Meanwhile, businesses’ allies in the Reagan administration and the U.S. conservative movement identified the WHO-UNICEF code as, in the words of U.S. deputy ambassador to the U.N. Kenneth Adelman, a “stunning defeat . . . [for] corporate enterprises” that appeared to be “the opening skirmish in a much larger campaign.”

Seeking to formulate a counter-strategy, the Heritage Foundation directed one of its subdivisions, the United Nations Assessment Project, to focus on the flowering of anti-corporate initiatives seeking to turn the U.N. into a global regulator. The multiple backgrounders and reports produced by Heritage in 1981 and 1982 presented a portrait of the international politics of development quite troubling to conservatives. In public interest groups’ drives to create international codes of conduct, conservatives perceived the opening of a new front in the fight for the New International Economic Order. As explained by Jeane Kirkpatrick, this pro-NIEO coalition consisted of an “iron triangle uniting nongovernmental organizations, third world representatives . . . and ideologically sympathetic international bureaucrats.” While Third World states and U.N. officials had backed the NIEO for years, conservatives’ worries stemmed from “a ‘new wave’ of extremist, anti-free enterprise consumer organizations,” such as IBFAN, HAI, and PAN, who threatened to “swell the anti-capitalist chorus.”

For many multinationals’ executives, confronting activists on a global stage appeared a new and challenging endeavor. In crafting their response, officials from targeted industries turned to the battle-tested veterans from Nestlé for advice. Happy to help, Nestlé officials such as public relations operative Rafael Pagan chided their compatriots for having thus far “paid little attention to the New International Economic Order,” which Pagan likened to an “unguarded fire.” Eager to provide lessons from the boycott, business journalists and scholars soon turned the Nestlé boycott into a popular case study in textbooks and business schools, such that the

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campaign became “business ethics folklore;” within a few years. Pagan’s admonitions and corporate leaders fears also lined the pockets of people like Pagan, who started a consultant firm advising industries how to combat public interest campaigns. However, preparing their responses took time, and in the interim, businesses feared for their future. Summing up the pessimism prevalent in conservative circles, Jeane Kirkpatrick declared in 1983 that it would be a “long road back to . . . get fair treatment for free market economics.”

The “War on Multinationals” Begins

Part of the sense of resignation evinced by some corporate and government officials stemmed from a belief that they faced a monolithic “consumerist movement.” Indeed, the connections among IBFAN, HAI, and PAN were close. Yet, the image of a singular “consumerist” movement belied the diverse tasks facing PAN and HAI. Most significantly, the different policy and political dynamics of the pesticide and pharmaceutical industries led activists to trace divergent paths.

For the pesticides campaign, the principal factor shaping their activism was the relationship between the international pesticide industry’s lobbying association, the International Group of National Associations of Manufacturers of Agrochemical Products (known as GIFAP) and the United Nations. For decades, both the United Nations’ Food and Agriculture Organization (FAO) and the WHO shared custody over issues related to pesticides. As agitation around pesticides increased, GIFAP members began pushing the FAO to headline the U.N.’s engagement. Whereas during the 1970s the World Health Organization gave critical support to

NIEO ideas, the FAO remained sympathetic to corporate interests. In the bureaucratic wrangling over which agency would tackle pesticides that happened in the early 1980s, the FAO came out on top. It thus gained the privilege of organizing the creation of a code of conduct for pesticide marketing and use. Having kept pesticides out of the WHO’s purview, GIFAP members chose to support a code (albeit reluctantly). As an olive branch to their critics, GIFAP even acceded to Oxfam Great Britain staff member David Bull drafting the first version of the code of conduct.

As talks began over the code, PAN employed the playbook for global campaigning developed by IBFAN, such as by establishing regional networks of NGOs. U.S. public interest liberals welcomed this approach, with environmental groups such as the Sierra Club, the National Wildlife Federation, and NRDC all involving themselves with the Pesticide Action Network. However, showing public interest groups’ ambivalence towards radical activists, some U.S. groups maintained an institutional distance from PAN. Attending the founding conference for PAN’s Latin American branch, Sierra Club International Program staffer J. Gary Taylor reported that, along with “more modest proposals,” some activists present urged PAN to demand the “abandonment of the capitalist system.” The presence of leftist groups led Taylor to recommend against the Sierra Club formally joining PAN, instead urging that they “identify opportunities for one-on-one collaboration with the more like-minded organizations.” Yet, Taylor’s skepticism mixed with optimism. He saw in PAN the possibility of “the first real Third World NGO movement with the . . . momentum and following that could mature into a global

political force with the potential to galvanize world-wide public opinion on not only pesticides, but other issues.”

The potential for PAN to become a “political force” gained substance over the course of 1984. While a small number of pesticide reformers struggled to exert influence over drafting the code of conduct, other groups worked to give the Pesticide Action Network a public face. During late 1983 and early 1984, a number of activists (including NRDC’s Jacob Scherr) developed a plan for an “international public education and media effort” which they dubbed the “Dirty Dozen Campaign.” The centerpiece of the campaign would involve actions designed to highlight the health and development problems caused by twelve key pesticides. Acknowledging the complexities of this initiative, PAN North America representative Monica Moore admitted that these twelve pesticides “might not even . . . be regarded as the most dangerous ones.” However, she insisted that the twelve were “demonstrative of the problem as a whole.”

In realizing the Dirty Dozen campaign, PAN allowed its members to act “independently in their regions as local initiatives.” This looseness meant that the June 5, 1985 launch date for the Dirty Dozen campaign featured a great diversity of events. Some groups held press conferences, while others engaged in direct action protests, such as in New Zealand where activists “tied themselves to the fences surrounding the only plant” in the nation still producing a

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128 J. Gary Taylor to International Committee, “Mexican Trip Report,” August 2, 1983, Container 38, Folder 14, SCR.
130 The Dirty Dozen pesticides were: HCH/GAMMA HCH, Campechlor, Chlodan/Heptachlor, Chlorodimeform, DDT, Dibromochlopropane, The Drins (Aldrin, Dieldrin, Endrin), Ethylene Dibromide, Paraquat, Parathion, Pentachlorophenol, and 2,4,5-T. See “IOCU Against the Dirty Dozen,” May 1985, LTDL, http://legacy.library.ucsf.edu/tid/day68e00/pdf
Dirty Dozen pesticide. The campaign’s commencement garnered substantial media coverage and appeared the promising start of a longer effort, with Business International stating that “MNCs should be aware that they will be targeted” for the foreseeable future.

“The Right Pharmaceuticals at the Right Prices”

While the pesticide companies achieved an early win by maneuvering for the FAO to craft a code of conduct, the pharmaceutical industry prepared for confrontation. Pharmaceuticals clearly fell under the WHO’s mandate and while Halfdan Mahler was no radical, his promotion of “essential drugs” policies and WHO’s support for the breast milk substitutes code appeared giant warning signs to industry. Drug companies followed the campaign to create the WHO-UNICEF code closely, seeing it as “a warm-up for a coming WHO effort to impose unacceptable controls over all pharmaceutical commerce.” At first, drug companies attempted to blunt activist energies. In August 1981, the International Federation of Pharmaceutical Manufacturers’ Associations (IFPMA) released a voluntary code of conduct for its members. This move was intended to weaken support for a potential future U.N.-sponsored code. However, IFPMA’s code relied on vague language, and its sole mechanism for punishing infractions by members was the risk of “adverse publicity,” leading HAI to dismiss the code as “a distraction from any question of regulation.”

The companies’ gesture faded quickly, as Health Action International advocates effectively worked with WHO delegates to advance a reform agenda. At the May 1982 meeting of the World Health Assembly, nations from North and South spoke in favor of the WHO

developing a code of conduct for medicines modeled on the breast milk substitutes code. The Assembly passed a resolution urging further study of such a code, prompting U.S. Pharmaceutical Manufacturers Association president Lewis Engman to rail that the “‘code movement has as its real goal the redistribution of wealth worldwide.’”136

The World Health Assembly was not the only place where substantial movement on the medicines issue was taking place. On May 29, 1982, mere days after the Assembly concluded, the government of Bangladesh announced a radical new medicines policy. Under its provisions, Bangladesh banned almost 1,700 drugs (many of them seen as redundant or lacking in therapeutic value), introduced price controls, and initiated an industrial policy that encouraged the expansion of the country’s domestic manufacturing sector. The decree came as one in a series of programs instituted by Bangladeshi leader Lt. General Hussain Muhammad Ershad, who had seized power in a military coup less than two months before. As part of consolidating his regime, Ershad asked his advisers to look for initiatives that could bolster popular support and demonstrate the new government’s nationalist bonafides. Cognizant of how medicine costs ate away at the budget, coupled with the poor health conditions suffered by many Bangladeshis, Ershad appointed a commission of doctors to devise a new drugs policy. The eventual decree drew extensively from WHO work on essential drugs; banning medicines that the WHO had dismissed as unnecessary, while supporting the purchase and production of “essential medicines.”137

The proclamation of this new law induced a harried response from the global pharmaceutical industry and the U.S. government. Companies and rich nations’ governments

alike feared that, if the law survived, Bangladesh’s example would become a precedent to be copied by other Third World states. Thus, within hours of the law’s passage, the U.S. ambassador to Bangladesh called Ershad, insisting he immediately rescind the law. The State Department, at the urging of the U.S. Pharmaceutical Manufacturers Association, put additional pressure on Bangladesh, with one spokesmen commenting that the U.S. government believed “that these regulations may inhibit future foreign investment in Bangladesh.”

Over the next months, industry groups and the U.S. government inundated Bangladesh with letters and demands for meetings and dispatched delegations (often made up of drug company executives) all aimed at pressuring Bangladesh into curtailing or overturning the law.

Public interest groups quickly rose to defend the Bangladeshi decree. Anwar Fazal issued a call to arms to his fellow activists, proclaiming the “actions of the [Bangladeshi] Government to remove the anarchy and dishonesty in sections of the ‘Pharmaceutical-Health Complex’ . . . must be supported by all those who wish to support rational and equitable health and social policies in developing countries.”

In the U.S., public interest liberals rallied to Bangladesh’s side, with Public Citizen calling U.S. efforts to “pressure the Bangladeshi Government to delay the withdrawal from the market of dangerous, ineffective, useless or unnecessarily expensive drugs” as “unconscionable.” Ultimately, pressure from the pharmaceutical industry and Northern governments failed to overturn the law. In the years that followed, studies by the U.N. and other groups concluded that the law decreased the use of unsafe drugs, lowered

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Bangladesh’s import bills, and seeded a flourishing domestic medicine industry. While the
Bangladeshi government’s steadfastness was by far the most important reason its policy
survived, pressure from HAI and U.S. public interest groups contributed. By raising the issue
through letters and meetings, advocates ensured that the Reagan administration and
pharmaceutical companies’ could not push Bangladesh without countervailing scrutiny. As one
of the Bangladeshi officials who created the law, Nural Islam, told a staffer from the Interfaith
Center on Corporate Responsibility in 1984, “without the support . . . from health care people
throughout the world, they [the Bangladeshis] might have succumbed to tnc pressure.”

The resilience of the Bangladeshi government instilled a fighting confidence among the
activists at HAI. On a global scale, its members identified the 1984 World Health Assembly as
an important opportunity. HAI poured resources into the meeting, with twenty lobbyists from
thirteen nations heavily lobbying the delegates. Activists left satisfied that concrete progress
had been achieved, as the WHA requested that Mahler hold a meeting of experts the following
year to encourage rational drug use. HAI’s Europe coordinator Virginia Beardshaw
pronounced that the upcoming “WHO meeting on drug marketing . . . directly parallels the 1980
WHO-UNICEF meeting on infant and young child feeding which developed the International
Code on the Marketing of Breast Milk substitutes.” For pharmaceutical companies and the
Reagan administration, these results boded ill, as “Stiff resistance efforts by the US government
and private sector representatives were unable to prevent last week’s adoption of a strongly

World* (Stanford, CA: Stanford University Press, 1992), 125-145; Reich, “Bangladesh Pharmaceutical Policy and
143 Annie Street to Friends of Supporters of the 1982 Bangladesh Drug Reform Ordinance, “Urgent Request for
Support of Bangladesh Drug Reform,” May 14, 1984, Box 105, Folder 2068, EPP.
144 “World Health Assembly 7-21 May, 1984: An Observer’s Report,” undated, LTDL,
146 Virginia Beardshaw, “HAI Goes to the World Health Assembly,” undated, Box 106, Folder 2086, EPP.
worded, binding resolution promoting ‘rational drug use.’” This contrast in assessments seemed to offer further proof that the 1980s would be years of contest, not free-market consensus in the international politics of development.

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Chapter 5: “A Quixotic Campaign”: U.S. Environmentalists Confront the Multilateral Development Banks

In constructing a “new international regulatory order,” advocates at groups like Pesticide Action Network and International Organization of Consumer Unions knew that they would have to confront not only corporations, but also multilateral institutions like the World Bank. In the early 1980s the World Bank was the most important aid institution on Earth, spending around five billion dollars annually on everything from rural health clinics to massive dams.\(^1\)

Agriculture was one of its central concerns, and in promoting agricultural “modernization,” it frequently supported pesticide use with minimal oversight. This included for chemicals banned in the U.S. Knowing this, several U.S. public interest groups, along with PAN and IOCU, decided in the early 1980s to challenge the Bank.\(^2\)

While consumer groups took the lead in this initiative, they received substantial assistance from U.S. environmental groups such as the National Wildlife Federation and the Natural Resources Defense Council. Not only did U.S. environmentalists possess years of experience working on pesticides, but by the time this campaign launched in 1984, they were already embroiled in their own initiative targeting the World Bank. Starting the year before, advocates at several public interest environmental groups began an effort aimed at reforming the environmental practices of the World Bank, as well as those of regional multilateral development banks (MDBs), such as the Inter-American Development Bank.

What became known as the “MDB Campaign” saw U.S. environmentalists engaging with the international politics of development at a much deeper level than they had previously.

Environmentalists built on the analyses they began developing in the USAID campaign, which

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critiqued many modernization schemes for being both ecologically harmful and failing to alleviate poverty. However, the MDB campaign proved to be a much grander and contentious affair than had the USAID reform effort. In part, this was because the World Bank and the other MDBs are much larger institutions. Furthermore, as multilateral institutions, pressing for effective changes at these aid agencies proved a far more complicated task.

In building the power to influence the MDBs, U.S. environmentalists expanded their notions of who constituted the “public,” as they came into contact and learned to collaborate with an incredible diversity of actors around the world. At the same time, in dealing with a domestic political landscape dominated by the anti-regulatory politics of the Reagan administration, public interest liberals also received an education in odd alliances. While conservatives held no love for environmental regulations, neither did they feel fondly about multilateral institutions like the World Bank – a dislike public interest liberals would exploit to make substantial progress in a short amount of time.

**Barbara, Brent, and Bruce**

Three people played outsized roles in launching the multilateral development banks’ campaign in the United States. The man who spearheaded it, Bruce Rich, grew up in Buffalo, New York, the son of well-off, moderate Republican parents. Rich gained an internationalist perspective early in his life, instilled in him by years of family trips around the world. As an undergraduate at Yale in the late 1960s, Rich demonstrated a predilection for scholarship and languages. While espousing liberal views, he eschewed campus politics, feeling that most of his fellow students’ activism was “for show and not well thought out.” Graduating in 1970, Rich spent much of the next decade as a language teacher in various European and Latin American countries before attending law school at the University of Pennsylvania beginning in 1978.
Initially, Rich planned to become a human rights lawyer, a burgeoning field in the late 1970s fueled by the ascent of activist groups like Amnesty International and the Carter administration’s focus on human rights. However, given his broad interests, upon finding that environmental groups tended to be “better funded,” Rich shifted course. After graduation, he moved to D.C. and floated among several public interest groups before landing a short-term position with the Natural Resources Defense Council’s International Program in the autumn of 1981.3

Rich arrived at a moment of flux for NRDC’s global work. The USAID campaign had become a routine affair, with NRDC helping to pass legislation and monitoring the Agency’s compliance with its new environmental mandates. Given some leeway to explore issues not being addressed by the international program, Rich surveyed the possibilities. He consulted a recent mammoth report issued by the Carter administration (done under the guidance of NRDC co-founder and Council on Environmental Quality chairman Gus Speth), entitled Global 2000. The Global 2000 report detailed the many environmental challenges confronting humanity. Reading it solidified Rich’s desire to tackle development issues, an interest that led him to the World Bank.4

What Rich found in his research would surprise many Global North environmentalists. Beginning in the early 1970s, green advocates looked at the World Bank as a friend. In 1970, Bank president Robert McNamara had established an Office of Environmental Affairs (OEA) to conduct ecological assessments of Bank-funded projects. While not seen as perfect, U.S.

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environmentalists viewed the World Bank’s record as “‘evolving continuously in a positive direction’” and saw the Bank as a model for other aid agencies to follow.\(^5\)

Probing into the World Bank’s track record, Rich increasingly saw such accolades as the product of ignorance combined with wishful thinking. Rich relied extensively on the staff of the Bank’s Office for Environmental Affairs for his information, especially tropical forest expert Robert Goodland. In conversations between the two, Rich found himself particularly intrigued by Goodland’s mentions of an ongoing project in Brazil. Known as Polonoroeste, this project looked to highway construction as a way to catalyze development. Specifically, Polonoroeste called for the improvement of the BR-364 highway which connected several western Amazonian states with the population centers of eastern Brazil. Polonoroeste also envisioned building off-roads to direct migrants to new settlements built to encourage the growth of a commercialized agriculture sector in Amazonia.

For the Brazilian government, opening “uninhabited” lands for settlement fulfilled a number of aspirations. First, the desire to colonize Amazonia represented a dream of the Brazilian state dating to the country’s founding. Renowned for its vast forest cover and tremendous biodiversity, Amazonia represented untapped wealth, accounting for 42 percent of the nation’s land mass and only around 3 percent of its population.\(^6\) Second, Polonoroeste promised to ameliorate the nation’s poverty in a manner that would allow the government to avoid tough discussions (much less policy) to confront the nation’s massive inequalities in land ownership. As Brazilian President Emilio Médici declared in 1970, Amazonia promised to be


“the solution to two problems: men without land in the Northeast and land without men in Amazonia.”

One major stumbling block stood between the Brazilian government’s desires and the actual implementation of the Polonoroeste plan – money. In the late 1970s, with the country’s finances strained by mounting debt, the government knew it could not afford to fund such an ambitious scheme alone. It thus approached the World Bank for co-financing. In the late 1970s, responding to Brazil’s inquiry positively, the World Bank began negotiations over details. As part of the Bank’s standard procedures, in 1979 it dispatched a team to investigate the Polonoroeste proposal, a group that included Bruce Rich’s friend Robert Goodland.

Assessing the trip as it came to a close, Goodland could not shake his belief that, as proposed, Polonoroeste presented a surefire ecological and social catastrophes. He warned that the project would encourage rapid colonization with little oversight, resulting in the destruction of invaluable plant and animal life. Moreover, Polonoroeste would bring about the decimation of indigenous peoples due to disease, as well as devastating the forests that provided them their livelihoods. Furthermore, many in the Bank’s survey team also insisted that the Polonoroeste project would fail as an engine of economic growth, given that the region’s poor soil quality made farming a dubious proposition. In talking through these matters with Rich, Goodland recounted how the World Bank’s Brazil program officer and other higher ups had responded to his critiques by shutting him out of future deliberations over Polonoroeste. While other Bank

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8 Barbosa, *The Brazilian Amazon Rainforest*, 40-43; 56.

officials raised objections, the chorus of critique proved insufficient. By 1981, the Polonoroeste project received the green light from the Bank’s Board of Directors. Under the final agreement, Polonoroeste would consist of thirty-nine settlement projects, with the Bank providing $434.5 million in loans.10

Even as he absorbed these details, Rich also searched for like-minded advocates who might aid him in a future confrontation with the World Bank. One early and crucial figure Rich encountered was Barbara Bramble. The two met at NRDC’s offices, where Bramble briefly maintained a desk after being fired from her job at the Council on Environmental Quality, another victim of the Reagan administration’s purge of liberals from the federal bureaucracy.11 A “foreign service kid,” Bramble grew up moving all over Latin America with her family before attending George Mason University and then George Washington University Law School. Long interested in politics, Bramble saw herself as a “topic agnostic,” intrigued by numerous liberal causes until she found her passion on the first Earth Day. In its wake, Bramble paid more attention to environmental issues, which she described as “something new, terribly important, and interesting.” She worked as a public interest lawyer for several years before serving at CEQ, where she focused on international issues, including USAID reform.12

After being fired, she was temporarily hired by NRDC before the National Wildlife Federation recruited her to create an international program. Like the Sierra Club, the Federation dated to the pre-World War Two era of large membership-based groups. While affected by the 1960s rise of public interest liberalism, NWF cultivated a reputation as an especially

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“responsible” and uncontentious member of the environmentalist community. Attracting a wide array of backers, NWF counted several million members by 1983.13

One of Bramble’s first priorities in starting the Federation’s international program was to connect with environmentalists around the world. In pursuit of this objective, in May 1982 she flew to Nairobi for a United Nations Environment Program conference celebrating the tenth anniversary of the Stockholm Conference. While there, she met a number of Global South environmental activists who constituted the “core of people . . . who could put together a global citizen's movement.” Bramble’s time in Nairobi also jolted her thinking about environmentalism. She found that many Southerners drew a distinction between what Kenyan activist Achoka Aworry described as a “Northern concept of environment [that] places more emphasis on the biophysical nonhuman component” and a Southern “concept [that] is oriented toward human welfare.”14

One of the individuals who articulated this case was Brazilian agronomist and activist José Lutzenberger. After years spent working at a West German chemical company, Lutzenberger left in the mid-1960s to devote his life to defending the Earth. He teamed up with like-minded individuals and together, in 1971, they founded one of the first environmental NGO in Brazil, the Associação Gaúcha de Proteção ao Ambiente Natural (the Gaucho Association for the Protection of the Natural Environment or AGAPAN). The Brazilian environmentalists modeled AGAPAN, to an extent, on U.S. public interest groups like NRDC, emphasizing expertise and lobbying.15 In Nairobi, Lutzenberger delivered an address slamming philosophies of modernization as drivers of ecological destruction, speaking of the colonization of the

13 An excellent summary of NWF’s history can be found in Gottlieb, Forcing the Spring, 212-215.
Amazon as an object lesson in “how devastation, even when it is committed by small people is always caused by the shortsightedness and greed of the powerful.”\textsuperscript{16} Interactions with figures such as Lutzenberger convinced Bramble of the inseparability of development and environment and that “cooperation among NGOs North and South was the key to making anything happen.”\textsuperscript{17}

The other key figure whom Bruce Rich met in the early 1980s was Brent Blackwelder. Like Rich, a native of Buffalo, NY, Blackwelder developed an enduring love of “natural places” as a child playing in the forest. Graduating from Duke University in 1964, Blackwelder spent much of the decade teaching at an African-American college in Arkansas before heading to the University of Maryland to pursue a doctorate in philosophy. On campus during the first Earth Day, he stopped at a table staffed by volunteers working for the congressional campaign of Democrat Paul Sarbanes and decided to pitch in. Blackwelder’s time with Sarbanes’ campaign gave him a love for political combat and reinforced his dedication to the environment.

Dropping out of academia, by the mid-1970s Blackwelder helped to create the Environmental Policy Institute (EPI), another of the wave of D.C.-based public interest environmental groups founded in the early 1970s. Blackwelder focused on water issues, especially combatting “super-dams” that ravaged rivers and surrounding ecosystems while displacing individuals and small communities.\textsuperscript{18} Many of these battles took place in Congress, as advocates challenged the U.S. Army Corps of Engineers, the main body behind dam construction. Blackwelder’s successes often derived from fights over appropriations, experiences that infused him with an appreciation for the “power of the purse.”\textsuperscript{19} Blackwelder’s interest in

\textsuperscript{16} José Lutzenberger, “Address to the NGO Symposium on the Environment and the Future,” undated, Container 5, Folder 23, SCIP.
\textsuperscript{17} Bramble interview, December 28, 2010.
\textsuperscript{19} Brent Blackwelder, interview by author, Washington, D.C., March 22, 2012.
the multilateral development banks arose as an outgrowth of his domestic work. In 1983, the
Environmental Policy Institute hosted its annual National Conference on Rivers which featured
discussions of the “extensive destruction caused by large water projects.” Among those in
attendance included Bruce Rich, who spoke with Blackwelder about his research on the World
Bank – a conversation that prompted Blackwelder to exclaim “‘let’s go after them!’”

A division of labor soon arose among the trio of Barbara, Bruce, and Brent. Rich, a
dogged researcher and prodigious writer, assumed the role of policy expert. Blackwelder, with
his connections and experiences in Congress, became the political operator. Balancing out these
two “kamikaze lobbyists,” Bramble brought her knowledge of the workings of government, her
international connections, and the comparatively substantial resources of the National Wildlife
Federation.

Early discussions led the three to decide to confront all of the multilateral development
banks at once. Supplementing the work of the World Bank, between 1959 and 1966 nations in
Africa, Asia, and Latin America had banded together with the U.S. and other major powers to
start regional multilateral development banks based on the model of the World Bank. Bad as its
history was, the World Bank still far outpaced the African Development Bank, the Asian
Development Bank, and the Inter-American Development Bank’s environmental track records
were even worst. While deciding to concentrate on the World Bank, Rich, Bramble, and
Blackwelder agreed they should avoid centering on any one project. As Bramble noted,

Fund,” March 1984, Box 1248, Folder 7738, RG 3.1, RBF; Blackwelder interview, March 22, 2012.
22 Bramble interview, December 28, 2010; Adrian Cowell, The Decade of Destruction: The Crusade to Save the
Amazon Rain Forest (New York: Henry Holt and Company, 1990), 133.
focusing on a single case study “would have been hopelessly useless; it would have pigeonholed us” and allowed for Bank defenders to claim that the advocates had selected one “bad apple.”

To change World Bank policies presented a daunting task. For a U.S. public interest group to influence a multilateral development bank, it first needed to organize House and Senate members to pass a reform bill through Congress. Given that Congress possessed no direct authority over the MDBs, such legislation instead had to contain instructions for the Treasury Department, which maintained the U.S. government’s formal ties to the multilateral development banks. In turn, the Treasury Department would then need to relay Congress’ instructions to the U.S. representative (known as the Executive Director) sitting on the Board of Directors of whichever multilateral development bank was being targeted. The U.S. Executive Director would then have to work with the Executive Directors representing other nations to nudge them towards casting votes in line with the program passed by Congress.

The U.S. Executive Director was one member of the World Bank’s Board of Directors, which consisted of twenty members representing all of the Bank’s member countries. Of those twenty, five served on the behalf of a single country, those being the five nations that contributed the most money to the World Bank. The other fifteen Executive Directors were elected to represent often eclectic collections of countries. The Executive Directors voted on an array of items (including project approval), with the value of their votes weighted based on the level of contributions the nation or nations they represented gave to the Bank. As the World Bank’s

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largest funder, the U.S. claimed a disproportionate portion of the Bank’s allotment of votes, possessing 20.84 percent of the total shares in 1981.25

The logistical complexities facing U.S. groups wishing to alter Bank policies represented only part of the problem. The political will to act on the part of the U.S. government would also be crucial. Unfortunately for public interest liberals, the idea of the Reagan administration pushing for environmental reforms at the World Bank seemed all but ridiculous. Yet, environmentalists also knew that conservatives, for their own reasons, felt little fondness for the World Bank. In 1981, the Office of Management and Budget (OMB) proposed major cuts in U.S. contributions to the World Bank. OMB asserted that U.S. funds going to the Bank were “less easily targeted to achieve maximum political and security benefits for the United States,” because the World Bank was a multilateral, rather than a U.S. institution.26 Some in the Treasury Department however differed with conservatives at OMB, seeing the Bank as important to overall U.S. engagement with the global economy. Trying to temper conservative ire in 1982, Treasury released a report finding that “the MDBs, by and large, have been most effective in contributing to the achievement of our global economic and financial objectives.”27 Yet, after praising the MDBs, the report still prescribed a substantial reduction in U.S. contributions to them in coming years.

Given that the report said nothing about ecology, environmentalists had no reason to expect more than a cordial brushoff from the Reagan administration in raising their concerns. Thus, with no good option available to them, Blackwelder recommended the advocates turn to

Congress to build awareness and support among friendly legislators as a general first step. With the House of Representatives still in Democratic hands, the environmentalists started with established allies. They first approached Representative Michael Lowry, an ardent environmentalist from Washington State who served on one of the subcommittees that oversaw U.S. relations with the development banks. Blackwelder drafted an amendment for Lowry to introduce in the subcommittee that would have the U.S. government instruct the Treasury Secretary to direct the U.S. Executive Directors at the individual banks lobby for improved environmental assessments.28 Reticent to move the amendment forward, the subcommittee’s chairman, California Democrat Jerry Patterson, offered to hold a hearing about the multilateral development banks’ environmental records in exchange for the amendment’s withdrawal. Consulting with the environmentalists, Lowry decided to accept Patterson’s proposal. Writing to Bramble and Rich, Blackwelder acknowledged his “disappointment that the amendment was not brought to a vote” but noted that “if we bring out the troops for an impressive hearing . . . I believe we can inspire this Committee to go far beyond the amendment we were proposing.”29

On June 28, 1983, the House Banking, Finance, and Urban Affairs’ Subcommittee on International Development Institutions and Finance convened for two days of hearings. The opening day saw Blackwelder, Bramble, and Rich discuss ecological matters; while the second day featured anthropologists and spokespeople for indigenous rights organizations. Blackwelder, Bramble, and Rich approached the hearing in true public interest fashion, presenting reams of data hoping their expertise would sway power-holders. They regaled the attendees with tragic tales of badly designed and implemented programs that had wrought havoc on biodiverse areas

28 Letter from Tom Stoel, Brent Blackwelder, Bruce Rich, Patricia Scharlin, James Tripp, Liz Raisbeck, Jay Hair, and Brock Evans to Senator Charles Percy, April 15, 1983, folder 25, container 10, SCIP.
while deepening the poverty of hundreds of thousands of people.30 Seeking to reveal “the mistaken priorities of development theory, not just to modify specific projects, nor even simply to reform the MDBs themselves,” the assembled activists also indicted the ideals of modernization they saw as informing Bank policies.31 Reflecting upon modernization in general, Bramble struck a humble note, observing that “the industrialized world has been trying to learn how to make a process of change happen for other people, when we really do not understand the process ourselves.”32

Where Blackwelder and Bramble delivered critiques, Rich concentrated on policy fixes. He offered five steps agreed upon by U.S. environmental groups. Of these, the two most comprehensive called for Congress to pass legislation directing the Treasury Secretary to urge the U.S. Executive Directors at the various multilateral development banks to use their power to lobby for reforms such as increased staffing and “mechanisms” allowing for more input from the “public . . . especially in the countries and regions impacted by a given project.”33 To put teeth into these ideas, Rich recommended requiring the “U.S. directors of MDB’s . . . to strongly oppose all projects which clearly and unambiguously would result in unnecessary and unacceptable” ecological harm.34

To fortify their case that such reforms were not only desirable but practical, the advocates repeatedly referenced the environmentalists’ campaigning in the 1970s to reform the practices of

32 Testimony of Barbara Bramble, Environmental Impact of Multilateral Development Bank-Funded Projects, 92.
the U.S. Agency for International Development. Rich opened his remarks by reminding the
hearing’s attendees that, “For a number of years it has been U.S. policy” for USAID to
“undertake programs and activities in the area of environment and natural resources” contrasting
this progress with the lack of attention to the environment seen at the World Bank.35 Bramble
spoke even more forthrightly, recalling that “several years ago when we were working with
AID” to “promote the notion of environmental assessments to them, we were getting the same
story . . . ‘We can’t possibly accommodate you.’ Except now they do.”36

Waiting for the World Bank

Among those listening to testimonies such as Bramble’s included several Treasury
Department employees, including its Director of the Office of Multilateral Development Banks,
James Conrow. Conrow tread a careful line in his remarks; while not dismissing the
environmentalists, he maintained that Treasury had “not seen specific evidence . . . that shows
the development banks are making a mistake in their particular approach.”37 The following two
day parade of horror stories apparently shifted his perspective. A month later, his colleague Bob
Banque reached out to the environmentalists, saying that “the witnesses seemed to have a lot of
information . . . he was seeking.”38 Bruce Rich followed up with Banque and Conrow, who
evinned genuine interest in the environment, and the men began looking for ways to cooperate.39

Meanwhile, both Treasury and the environmental advocates waited for the World Bank’s
response to the hearings and to a plethora of other materials forwarded by Congressman
Patterson to the World Bank. Inside the Bank’s downtown D.C. headquarters, located a mere two

38 Fay Williams to Pat Scharlin and J. Gary Taylor, July 21, 1983, Container 10, Folder 35, SCIP.
39 “NRDC 1983 Activities Concerning Development Aid Agencies,” January 1984, Box 697, Folder 4172, RG 3.1, RBF.
blocks from Rich’s office, the hearing produced exasperation and worry. The World Bank in 1983 was an institution in flux. After a momentous twelve years in office, Robert McNamara had stepped down as Bank president three years before and was replaced by Bank of America CEO Alden W. Clausen. While Clausen shared McNamara’s intense attention to detail (apparently taking “time out of his wedding day festivities to find a $10 bookkeeping mistake”), he lacked McNamara’s zeal for social reform. As president, Clausen believed that the World Bank should promote economic growth through the private sector, stating that the Bank aimed to be “supply-siders, rather than Robin Hoods taking from the rich and giving to the poor.”

Early in his presidency, Clausen made some promising remarks about the environment, stating in November 1981 that, “environmental precautions are essential for continued economic development.” Behind closed doors however, many top Bank officials expressed annoyance over the notion of adding ecology to their list of priorities. World Bank Vice President for the Operations Policy Staff, S. Shahid Husain, complained that “excessive concern about the environment would lead to delays in development,” while Visvanathan Rajagopalan, one of the Bank’s directors for South Asia, recalled thinking of the Office of Environmental Affairs as a “bloody nuisance.”

Unsurprisingly, the World Bank’s Office of Environmental Affairs remained the locus of dissent within the Bank. Its staff quietly welcomed the June hearings as a chance to press their own belief that the Bank had to improve its environmental record. Writing to S. Shahid Husain,

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OEA director James Lee argued that the “importance of these [Congressional] hearings . . . should not be discounted. Further hearings are planned, and the U.S. contribution to the Bank . . . will in the future reflect growing Congressional interest in these matters of environment, natural resources, and indigenous peoples.”\(^4\) For his trouble, Lee subsequently received the assignment of coordinating (but not writing) the response to the questions sent to the Bank by Representative Patterson’s subcommittee.\(^5\)

Seven months after the Congressional hearings, the World Bank issued its rebuttal. The document brusquely dismissed activists’ critiques, stating that “nearly all of the criticisms raised . . . refer to projects undertaken ten or more years ago . . . As a result, the statements may create the misleading impression that past trends continue.” The document also repeatedly mentioned the work of the Office of Environmental Affairs, as if its mere existence negated environmentalists’ criticisms. The Bank also tried to redirect fault for environmentally harmful projects onto Southern nations, stating that many of these countries “are not yet fully committed to the task of dealing with such environmental issues.”\(^6\)

The World Bank’s response infuriated its critics. In a letter to Congressman Patterson, representatives of nine U.S. environmental NGOs denounced the Bank’s “evasive, unconstructive, reactive tone,” stating that their testimonies had in fact “seriously understated the


gravity of the problem.” Environmentalists raised such hackles with members of Congress knowing that word would reach the Bank leadership of their frustration. Advocates felt sure the Bank could not ignore these complaints when filtered through Congress because, as Rich explained, “‘nothing so concentrates a banker’s mind as being separated from his money.’”

For, although the executive branch handled U.S. relations with the multilateral development banks, Congress retained oversight authority over U.S. appropriations to the MDBs. In the case of the World Bank, U.S. money was crucial for sustaining its division known as the International Development Association (IDA), which provided low-interest loans to poorer countries. Unlike other parts of the World Bank which functioned like a commercial bank (i.e., making loans and collecting interest), IDA needed regular infusions of money from member countries to operate. This fact made it especially vulnerable to Congressional intervention.

Clausen knew that not since 1972 had Congress appropriated the level of funding for the Bank requested by the executive branch. He also knew that, if anything, congressional hostility to the World Bank had intensified in the early 1980s, giving him little room to maneuver. Clausen felt perplexed by the ire expressed by conservatives towards the World Bank under his leadership. As the former head of Bank of America, Clausen was hardly a leftist. Upon taking office, Clausen pushed for the Bank to evangelize free market reforms, hiring noted conservative development economist Anne Krueger to direct the Bank’s research department. However, Clausen also felt that implementing this agenda would require more funds from the U.S. In 1981,

47 Thomas B. Stoel, Jr., Michael Bean, Bruce M. Rich, Fran Lipscomb, Barbara Bramble, Liz Raisbeck, Jack Lorenz, Katherine Fuller, Brent Blackwelder and Pat Scharlin to the Honorable Jerry Patterson, February 15, 1984, Container 10, Folder 36, SCIP.
48 Cowell, The Decade of Destruction, 134.
51 Babb, Behind the Development Banks, 82-85.
he succeeded in getting the administration to back a replenishment for the International Development Association. However, even as the administration backed Clausen, officials also suggested to Clausen that this support should not be seen as a harbinger for the future.\textsuperscript{52}

Clausen thus saw the beginning of a U.S. environmentalist campaign aimed at the World Bank as adding yet another layer of problems. Assessing the situation in February 1984, Clausen considered a memorandum from J. William Stanton, his political adviser and a former GOP congressman. Stanton’s conclusions were not encouraging. He explained that the environmentalists represented a “very influential group” who “have their following in Congress – mostly from the liberal-Democrat wing.” Stanton cautioned that if these groups “set out to fight . . . because of environmental concerns, we will lose votes in Congress,” recommending (albeit unhappily) that the Bank enter into dialogue with U.S. greens aimed at persuading them to be “neutral, or . . . supporters, if given an opportunity.”\textsuperscript{53} While acknowledging environmentalists’ influence, others at the Bank expressed frustration at the prospect of talking with them. To Ernest Stern, the Vice President for Operations (and perhaps the most influential person at the World Bank behind Clausen) the U.S. public interest groups were misguided idealists who “should support IDA as it is!” assertig that “dying and poverty stricken people” posed the greatest threat to sustainability.\textsuperscript{54}

Rich, Bramble, and Blackwelder understood these dynamics were in play. Using this knowledge to their advantage, they decided to offer a deal to the World Bank’s leadership.

\textsuperscript{53}J. William Stanton to Mr. A.W. Clausen, “Friday Meeting with Environmentalists,” February 23, 1984, Clausen Papers – Environment, Population and Natural Resources – Meeting 1984-03, 1629799, WB IBRD/IDA 03 EXC-05, WBA.
\textsuperscript{54}“Briefing Note: Visit to Mr. Clausen by Senior Officials of the Major Environmental Organizations,” February 23, 1984, Clausen Papers – Environment, Population and Natural Resources – Meeting 1984-03, 1629799, WB IBRD/IDA 03 EXC-05, WBA. The document itself was prepared by James Lee, but the copy in the archives included hand-written margin comments signed off by “ES.”
Writing to Clausen in March 1984, they noted that their organizations’ collective “five million members” represented, “potentially a new constituency in this country of considerable importance for multilateral development assistance.” In other words, they suggested that U.S. environmentalists would use their political sway to support future U.S. appropriations to the World Bank – provided that the Bank improved its ecological stewardship. At the same time, environmentalists also hinted that they could become even tougher antagonists, commenting that if the Bank continued promoting harmful projects, “the very basis of the credibility of our continued public support for the Bank” would be put “at stake.”

To address environmentalists’ agitation, on February 24, 1984 Clausen, James Lee, and other senior World Bank officials met with Rich, Blackwelder, Bramble, and NRDC international program director Tom Stoel. Overall, this encounter involved more posturing than meaningful dialogue. The environmentalists called for hiring more professional environmental staff, insisting that the World Bank’s current “environmental unit could not possibly address all the environmental issues arising out of Bank projects.” Clausen meanwhile avoided making solid commitments, stating that he wanted “to broaden and deepen the policy dialogue,” while also demanding that environmentalists hold the Bank “accountable for what we do and not for the size of a particular staff or budget.” While Clausen mostly listened, when the conversation turned to finances, Clausen’s tone grew caustic. He made a “very strong statement that he did not think it was appropriate . . . to withhold support for IDA simply because . . . of the things the Bank was doing (or not doing).” Clearly one conversation would not fix the problems at hand.

55 Thomas B. Stoel, Jr., Bruce Rich, Barbara Bramble, and Brent Blackwelder to A.W. Clausen, March 7, 1984, Clausen Papers – Environment, Population and Natural Resources – Meeting 1984-03, 1629799, WB IBRD/IDA 03 EXC-05, WBA.
56 “Mr. Clausen’s Meeting with Representatives of Environmental and Population Groups,” February 24, 1984, Clausen Papers – Environment, Population and Natural Resources – Meeting 1984-03, 1629799, WB IBRD/IDA 03 EXC-05, WBA.
**First Accomplishments**

With the World Bank appearing reticent to seriously address environmentalists’ critiques, during the spring and summer of 1984, U.S. environmentalists decided to continue focusing on Congress. The National Wildlife Federation tried to activate its millions of members, urging them to write to Representative James Patterson (who chaired the June hearing) asking “him to hold more hearings.”\(^{57}\) To calm World Bank concerns about their intentions, the environmental groups “for the first time” supported a U.S. contribution to the International Development Association.\(^{58}\) At the same time, the environmentalists successfully pushed for the addition of non-binding language aimed at mobilizing Treasury’s influence with the MDBs into appropriations legislation.

Even as they worked on longer-term objectives, environmentalists also pushed for additional congressional hearings as a way of keeping pressure on the World Bank. On September 11, 1984, Blackwelder, Bramble, and Rich again appeared before Patterson’s subcommittee. Patterson outlined sixteen recommendations for MDB reform co-produced by his committee staff and Bruce Rich. A number of the recommendations involved hiring more environmental staffers, whether at the various MDBs or at the Treasury Department. Other recommendations urged more ecologically-minded training for Bank staff, and called on Treasury to develop criteria laying out when the U.S. would vote against proposed projects.\(^{59}\) Rich thanked the subcommittee for its work, calling it “an important first step.” However, he

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went on to assert that, according to environmental advocates, “the recommendations as they now stand need to be considerably strengthened.”

Even as Rich collaborated with Patterson’s subcommittee, he also requested that the subcommittee of the House Science and Technology Committee hold a hearing. In this case, the advocates shifted course somewhat, utilizing Polonoroeste as a case study. Previously reticent to highlight a single project, the advocates decided to concentrate on Polonoroeste. Here was a project that affected huge swaths of the world’s most famous rainforest, wrecked indigenous peoples’ lives, and did little to ameliorate poverty. Having been approved only a few years prior (and against the counsel of the Bank’s own environmental staff), Polonoroeste also discredited World Bank claims that its environmental record had improved in recent years. A final reason to highlight Polonoroeste was logistical; as Bramble explained, “Polonoroeste became the standard-bearer because we had film.” The footage she referenced came from Adrian Cowell, a British documentarian then making a film series about the Amazon who offered to screen part of his film before Congress.

The star witness at the hearing would be José Lutzenberger, the Brazilian activist who Bramble met in Nairobi in 1982. Lutzenberger’s participation not only electrified the proceedings but was an example of the campaign’s budding internationalism. In his testimony, Lutzenberger described why anyone who concerned with poverty alleviation should be skeptical of the Bank, elucidating how in southern Brazil “a relatively healthy, sustainable peasant

61 Bruce Rich, “Multilateral Development Banks,” June 12, 1984, Carton 10, Folder 37, SCIP.
culture” had been replaced by “enormous cash crop monocultures of soybeans, mostly for export, not to feed Brazilians but to feed cows . . . in Europe.”

His testimony also moved past simplistic analyses pitting a monolithic “Global North” against an equally monochromatic “Global South.” Asked whether environmental protections represented a form of “cultural imperialism,” Lutzenberger derided the charge as an “argument [that] usually comes from our powerful” who are the ones “who concentrate the land and concentrate technocratical power and destroy the capability of the simple man to help himself.”

His presentation not only helped the campaign in the U.S. but also spread awareness of the issue in Brazil, where his testimony was rebroadcast on national television.

Following the hearing, the environmentalists prepared their next broadside against the World Bank. In mid-October, a widened circle of environmentalists and human rights organizations from the U.S., Denmark, the United Kingdom, France, Switzerland, Sweden, India, Ecuador, and Brazil and eleven members of the West German parliament wrote to Clausen. Their letter laid out eight steps that would all but suspend Polonoroeste pending significant alterations. A few days later, The New York Times published an article on Polonoroeste and on that same day, Democratic Congressman James Scheuer wrote to Treasury Secretary Donald Regan asking Treasury to pressure the Bank to lean on the Brazilian government to “limit and control development” in Polonoroeste.

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63 Testimony of José Lutzenberger, House. Subcommittee on Natural resources, Agriculture Research and Environment, Committee on Science and Technology, Tropical Forest Development Projects: Status of Environmental and Agricultural Research, 98th Cong., 2nd sess., 1984, 11.
64 Lutzenberger, Tropical Forest Development Projects, 209.
66 Bruce M. Rich, etc. to A.W. Clausen, October 12, 1984, Box 697, Folder 4175, RG 3.1, RBF.
A month passed before Rich received the World Bank’s reply to his October letter to Clausen. Accustomed to communicating directly with the Bank’s senior leadership, Rich was taken aback when he saw that the response’s author was World Bank Brazil Division Chief Robert Gonzalez Confino. More troubling, the reply read like a form letter, affirming that the World Bank “is continuing to monitor the situation closely and that your concerns will be considered as Polonoroeste continues.”68 For the environmentalists, it appeared that, despite all their labors, they had failed to “spur the World Bank even to enforce its own loan conditions.”69

Uncertain what to do, Rich turned to an unlikely supporter.

**Friends on the Right**

The person Rich turned to, Republican Senator Robert W. Kasten of Wisconsin, was not exactly a friend of public interest liberalism.70 The son of a prominent banker and a “business-oriented conservative,” Kasten served two terms in the House of Representatives in the mid-1970s, followed by a failed bid for the governorship before his election to the Senate in 1980. Kasten’s opponent in that race, Gaylord Nelson, a great postwar liberal and a champion of environmental issues, had famously conceived the idea of Earth Day.71 Castigating Nelson as a “traditional, liberal big-spender who favored government solutions,” Kasten won the Senate race by a margin of less than 1 percent.72 Once in office, he secured a position as chairman of the subcommittee of the Senate Committee on Appropriations which oversaw foreign aid programs, including U.S. contributions to the multilateral development banks.73

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70 Barbara J. Bramble to Patricia Scharlin, March 5, 1984, Container 10, Folder 37, SCIP.
Kasten shared the antipathy of many conservatives to foreign aid. He viewed assistance programs as harming the ability of Third World countries to grow economically by making those countries dependent on outside assistance for their livelihoods. Comparing aid agencies to domestic anti-poverty programs, Kasten argued in 1981 that aid agencies like the World Bank acted as “one big welfare program with all the cumbersome bureaucracy associated.”

Given Kasten’s conservatism, Rich and Blackwelder had not expected much when they first appeared before Kasten’s subcommittee in March 1984. For most of the hearing, Kasten hewed to conservative talking points, grilling Rich and Blackwelder for their support of the United Nations Environment Program. Then, during his closing comments, Kasten unexpectedly informed the two men that “I agree with your statement of the problem [regarding the World Bank], and there may be ways that you can work with the committee.” This suggestion lingered for nine months. Then, after receiving the World Bank’s curt dismissal to advocates’ September 1984 letter, Rich, “almost in desperation,” contacted Kasten. Meeting in late January 1985, Rich showed Kasten the World Bank letter. Outraged, Kasten promptly dispatched a letter to Clausen:

“I believe they [the environmentalists] raised a number of legitimate concerns and suggested some reasonable approaches . . . The response . . . was at best a brush-off, but frankly, more correctly described as an insult . . . As you know better than anyone else, securing support for U.S. contributions to multilateral development institutions is difficult at best. That the World Bank would respond in such a cavalier fashion to groups . . . who would otherwise support their programs is most difficult to understand.”

Kasten’s letter proved a turning point. In noting the difficulties of “securing support” in Congress, Kasten put Clausen on notice: if the Bank continued to resist improving its

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75 Statement of Robert Kasten, Senate Committee on Appropriations, Foreign Assistance and Related Programs Appropriations for Fiscal Year 1985, 98th Cong, 2nd sess., 1984, 950.
76 Robert W. Kasten to A.W. Clausen, January 24, 1985, Folder 19, Box 39, M93-010, Robert W. Kasten Papers, Wisconsin Historical Society (hereafter designated as “RWK”).
environmental record, the result could be cuts in U.S. appropriations. As Rich later recalled, Kasten “scared” the World Bank leadership in a way that the environmentalists and Democrats in Congress could not. Most Congressional liberals backed foreign aid, fearing the effects large-scale cuts might have on the world’s poor. Kasten felt no such compunction. He seemed, according to Rich, both “crazy enough to actually cut funding to the Bank” and possessed the power to make good on such threats.77

Kasten’s disdain for multilateral institutions was coupled with his belief that embracing the World Bank campaign could boost his political fortunes. Having beaten Nelson by a slim margin, Kasten could not legislate as an unabashed conservative and be sure of reelection. He thus looked to solidify his environmental record, cognizant of Wisconsin’s proud conservation heritage and the continuing national strength of public interest environmental groups. Championing World Bank reform allowed Kasten to burnish his green credentials while avoiding conflicts with U.S.-based industries.78 These political calculations appeared to pay off, as only months after he sent his letter to Clausen, the Wisconsin Wildlife Federation named Kasten its “Conservationist of the Year.”79

The decision to reach out to Kasten appeared a wise one. Less than twenty-four hours after Clausen received Kasten’s letter, James Burnham, the U.S. Executive Director at the World Bank, called Rich to request a meeting as soon as possible.80 At first, Clausen and the World Bank leadership tried to establish a dialogue just with Kasten, excluding the environmentalists. Kasten nixed this idea, demanding the environmentalists be included. Clausen then offered to

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78 Alex Echols to Bob Kasten, “Environmental Initiatives,” December 31, 1986, Box 40, Folder 1, RWK.
80 Rich, Mortgaging the Earth, 124.
meet with Kasten and the environmentalists, a move Ernest Stern opposed, fearing that it was pointless as “‘we will not be able to satisfy the group.’”81

Interviewed in the summer of 1985, Bruce Rich confessed that, “‘to tell you the truth, some conservatives like Kasten . . . have produced more than some of the liberals.’”82 Not everyone involved in the campaign liked the decision to ally with Kasten however. One of the main dissenting voices was Patricia Scharlin, head of the Sierra Club’s International Program, who warned that, given “how tenuous the Congressional commitment is to foreign aid” environmentalists “must be sure to demonstrate that we support foreign aid and that our criticism . . . is meant to be constructive.”83 Reviewing a draft letter to be sent to Clausen for instance, Scharlin filled the pages with dismissive comments, deeming the draft’s language “too harsh” and “naïve” and worrying that the letter made environmentalists appear to be “against funding” the multilateral development banks, declaring the “SC against this.”84 She also cautioned that such rhetoric “could play into the hands of Helms and his type,” referring to the notoriously anti-foreign aid Republican Senator from North Carolina.85 Echoing her views, the centrist think tank the Overseas Development Council complained that environmental critics “portrayed [the World Bank] as a near-satanic institution with a seemingly insane desire to raze tropical rainforests [and] displace tribal Indians.”86

Yet, for the environmentalists challenging the World Bank, the insistence by figures like Scharlin that the campaigners stay amicable appeared, at best, quaint and at worst, profoundly unproductive. Rich in particular scoffed at the effectiveness of many of his peers, asserting that

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81 Ibrahim Shihata to A.W. Clausen, March 5, 1985 as quoted in Wade, “Greening the Bank,” 665.
83 Patricia J. Scharlin to International Committee, May 24, 1985, Carton 1, Folder 18, SCIP.
84 Draft letter to Mr. A.W. Clausen, October 11, 1984, Container 11, Folder 5, SCIP.
86 John W. Sewell to Stephen Viederman, April 6, 1987, Box 1388, Folder 8672, RG 3.2, RBF.
many public interest groups’ work “represented, at best, only a challenge” to the policies of “large bureaucratic institutions like the multilateral development banks.” To Rich, a “challenge” to the MDBs was not enough; he asserted that these institutions would not make substantive reforms “unless they are confronted with a crisis.” Rich based his view on his earliest experiences with the World Bank. As part of his research in 1981 and 1982, he talked extensively with the staffs of different environmental groups, such as the British think tank, the International Institute for Environment and Development. In 1980, the Institute had issued a book, *Banking on the Biosphere*, which commended the Bank for boasting “the most advanced environmental policy and practices of any aid organization.” Yet, from his conversations with the authors, Rich felt they had downplayed negative aspects of the Bank’s record and even “agreed to sweep some of the bad things under the rug” in the interest of maintaining good relations with the World Bank.

Sharing Rich’s skepticism about the efficacy of a conciliatory stance towards the World Bank was Barbara Bramble. Bramble’s doubts stemmed from a decision made by her organization, the National Wildlife Federation, before she began working there. In 1981 the Federation awarded its National Conservation Achievement Award to the World Bank, declaring that “‘Perhaps better than any other institution, the World Bank represents the idea that economic and environmental goals do not have to conflict.’” For Bramble, such praise now proved a source of embarrassment. Making matters worse, the Federation had given the Bank a physical award.

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award, a “statue of a white whooping crane” which sat prominently displayed in the World
Bank’s entry way, as if to mock environmental advocates.91

**Brazil Takes Center Stage**

The principal campaigners found little time to argue with their cautious colleagues
however, given the campaign’s rapidly evolving dynamics. The year 1985 saw environmentalists
focused increasingly on halting the Polonoroeste project. In part, they concentrated on
Polonoroeste for symbolic reasons; it offered a perfect “example . . . to illustrate the stakes that
are involved in World Bank programs in terms of human and natural resources.”92 In addition,
advocates recognized that they needed concrete victories and stopping a single Bank project
seemed much more possible than quickly overhauling the entire institution.

Yet, even as environmentalists plotted their next moves, changes were already afoot at
the World Bank. In March, its leaders quietly instituted a temporary suspension in the flow of
funds for Polonoroeste. They did so partly because of outside pressure and partly because of a set
of changes happening within the Bank itself. Reviewing the Polonoroeste project in February
1984, the Bank produced a report concluding that it had been “‘implemented to date in an
unbalanced and sometimes defective manner with emphasis on infrastructure rather on
institutional development, services to farmers or protection of the environment.’”93 The report
placed most of the blame for these negative outcomes on the Brazilian government, insisting that
the paradox of Polonoroeste was that there existed “no option ‘to develop or not to develop,’ but
only one of ‘how to’” develop.94

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92 Natural Resources Defense Council, “Proposal for Support of the NRDC International Program,” March 1985,
Box 697, Folder 4172, RG 3.1, RBF.
93 Internal memorandum dated February 25, 1985, op. cit., para. 14 (emphasis OED) as quoted in World Bank,
*World Bank Approaches to the Environment in Brazil: A Review of Selected Projects - Volume 5: The Polonoroeste
While the Brazilian state certainly bore the principal blame for Polonoroeste’s problems, the Bank could not ignore its culpability. The World Bank’s internal review stated that its staff should have paid “‘more attention . . . very early in the program to the proper strengthening of all agencies participating.’” Beyond this initial bad decision, the report also noted that, in the years since funds started flowing, the World Bank “‘should have reacted more firmly and more rapidly in those instances where conditions were not fully met.’”

By early April, news of the temporary suspension of World Bank funds became public. Interviewed by *The New York Times* about the World Bank’s announcement, Rich celebrated that, for “‘the first time . . . ever,’” the bank had “halted disbursements for environmental reasons.” However, NGO advocates knew, from decades of experience, to keep alert for institutional backtracking. This was one of the many concerns on their minds when the long-awaited second meeting between environmentalists and World Bank leaders finally occurred on May 22, 1985. Clausen opened the gathering by delivering a few perfunctory remarks, followed by a talk by Ernest Stern, who proceeded to “drone on” about matters mostly “disconnected from the subject of the meeting and redundant for anyone who followed the Bank at all closely.” Growing impatient, Kasten leaned over to Clausen and “whispered in his ear. Clausen immediately interrupted Stern, and gave the floor to the environmentalists.”

Rich, Bramble, and Blackwelder, joined by anthropologist David Maybury-Lewis, pressed Clausen and Stern to address their critiques of several World Bank projects, but made little headway. Aggravated by the barrage of criticism, Stern at one point turned to Rich and remarked that “‘if we wanted to we could finance nothing but health and education projects. But

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95 *World Bank Approaches to the Environment in Brazil – Volume 5*, 69.
we would be avoiding our responsibilities as a development institution.”98 To environmentalists, this comment offered a profound insight into how the Bank’s leadership understood development. Even after a decade of criticism (including from within the Bank) of grand modernizing projects, Stern’s comments indicated that these ideals retained great salience. Clearly, environmentalists would have to wage battles of both policy specifics and big ideas.

A major step forward for the campaign occurred the same month as the meeting with Clausen. A smaller, affair, this gathering featured three academics-turned activists: a U.S. anthropologist, a Brazilian anthropologist, and a British political scientist. The Brazilian, Mary Allegretti, had flown to D.C. with a request and a proposition. The request was simple – she needed money to continue her human rights and environmental advocacy in Brazil and hoped that U.S. groups might be of assistance. On the other hand, her proposition represented something new and exciting to the Northerners present. Up to this point, U.S. public interest environmental nonprofits’ dealings with Southern environmentalists had occurred with the U.S. groups’ organizational doppelgangers. People like Mary Allegretti or José Lutzenberger hailed from middle and upper middle class backgrounds, had advanced degrees, and worked in professional organizations, much like many U.S. public interest liberals. Allegretti however came to D.C. with an intriguing offer: she could connect U.S. environmentalists directly with communities of some of Brazil’s most marginalized people.

Allegretti’s connection was with a group of Amazonian seringueiros (rubber tappers), whose families had migrated to Amazonia in the nineteenth century to take part in Brazil’s rubber export boom. In the 1960s, the many decades-old system of debt-bondage faced by the seringueiros began to fall apart. As a result, many rubber tappers achieved some degree of

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98 This quote, and the following paraphrase, is the author’s recollection of Stern’s statement as quoted in Rich, *Mortgaging the Earth*, 127.
personal and economic independence. However, this same process brought new challenges. As some large landowners abandoned rubber production, questions of who owned what land proved ambiguous. This fluid situation made Amazonia appealing to mining interests and cattle ranchers. During the 1970s, ranchers in particular started entering the forests and claiming large swaths of land. Some rubber tappers resisted, and while they remained mostly non-violent, their opponents showed no such restraint.\(^9\)

To combat these intrusions, *seringueiros* began forming labor unions. Among the key organizers was Chico Mendes, who, as his friend and colleague Gomercindo Rodrigues recalled, “was proud to call himself a socialist, and he wanted to be remembered as a socialist.”\(^10\)

Receiving assistance from the Confederação Nacional dos Trabalhadores na Agricultura (the National Confederation of Agricultural Workers or CONTAG) in the mid-1970s, Mendes and others began organizing a union for rubber tappers, while also joining forces with the emergent leftist Partido dos Trabalhadores or Workers’ Party.\(^11\) Mobilizing to defend their livelihoods, the *seringueiros* convened meetings whenever loggers entered their lands. As Mendes explained, they organized “teams of people to take the lead in confronting the workers cutting down the trees . . . [to] convince the workers employed by the landowners to leave the area. The rubber tappers also dismantle the camps used by those workers to force them out.”\(^12\)

In 1978, Mendes met Mary Allegretti as she traveled in his home state of Acre conducting research for her anthropology master’s thesis. Over the next two years they forged a close partnership. Their first major collaborative work was a mixture of education programs and

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health clinics called Project Seringueiro, which began operations in 1981 and was partly funded, thanks to Allegretti’s networking, by the development group, Oxfam Great Britain. By 1985, with Brazil in the midst of a transition to civilian and democratic rule after two decades of military dictatorship, Allegretti decided she could be most influential if she moved to the national capital, Brasília. There she worked for the Instituto de Estudos Socioeconômicos (Institute for Socioeconomic Studies or INESEC), a policy think tank and advocacy group founded in 1979. Tasked with working on indigenous affairs, Allegretti sustained her connection and activism with the seringueiros. As she familiarized herself with the political scene in Brasília, she increasingly worried that the rubber tappers’ struggles remained absent from political debate. In order to raise their profile and solidify their organization, at the start of 1985 Allegretti and Mendes began planning a national conference of rubber tappers.

In search of funds and other assistance for this endeavor, Allegretti looked to England and the United States. One of the first people she contacted was her friend Tony Gross, a British political scientist then running Oxfam Great Britain’s Amazonian programs. Gross could not squeeze more funds from Oxfam, but through his contacts in the anthropology and human rights communities, he suggested that Mendes and Allegretti contact the U.S. environmentalists campaigning against the MDBs. Gross contacted indigenous rights advocates in Washington, D.C., who steered him to Bruce Rich, then in the midst of trying to “launch an international

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campaign of concerned groups to pressure the World Bank” on Polonoroeste.\textsuperscript{106} In May 1985, Allegretti and Gross traveled to Washington, D.C. with a few contacts and much hope.

The key meeting Allegretti and Gross held was with U.S. anthropologist Steve Schwartzman. A doctoral candidate at the University of Chicago, Schwartzman’s research focused on indigenous peoples in the very parts of Amazonia under threat from Polonoroeste. He came to Washington, D.C. in the early 1980s “looking for an institution I could affiliate with” to take on the multilateral development banks.\textsuperscript{107} Employed as a consultant for the U.K. group Survival International, Schwartzman heard about Allegretti and Gross’ visit from Bruce Rich. Schwartzman invited them to his house in the D.C. neighborhood of Mt. Pleasant, just blocks from the offices of the local INFACT chapter.\textsuperscript{108}

Over the course of a long night, the three spoke about how they could collaborate. As Mendes reflected in 1988, the rubber tappers would come to consider the backing of U.S. and European environmentalists one of their “biggest assets,” commenting that it “was only after international recognition and pressure that we started to get support from the rest of Brazil.”\textsuperscript{109} U.S. groups also profited immensely from this relationship. For the U.S. campaigners, connecting with the rubber tappers gave them “people to fight for – not just birds and trees.”\textsuperscript{110} Their ability to name individuals and communities who wanted the MDBs reigned in made the advocates’ case all the stronger before skeptical audiences, such as members of Congress, the Reagan administration and the Bank. As Larry Williams, the Sierra Club’s international

\begin{footnotes}
\textsuperscript{106} Bruce Rich, “Multilateral Development Banks,” June 12, 1984, Carton 10, Folder 37, SCIP.
\textsuperscript{108} Scott M. Sommer to Staff and DMG, “Recent Visit to 6 Cities,” February 23, 1982, Box 2, ACA.
\textsuperscript{109} Mendes, \textit{Fight for the Forest}, 51.
\textsuperscript{110} The details of this meeting are recounted in Revkin, \textit{The Burning Season}, 192-193.
\end{footnotes}
program’s D.C. lobbyist reported, “the indigenous NGO’s are considered in Washington to be a tremendous resource.”

Following up on their initial conversation, in September 1985 Schwartzman flew to Brasília to participate in the National Meeting of Rubber Tappers. Bringing seringueiros together from across Brazil, the gathering ended with 130 rubber tapper leaders endorsing a plan for a different model for development. Their proposal called for the Brazilian state to legally recognize territories used by the rubber tappers as a “common resource,” rather than as lands with a single owner. These areas would be designated as “extractive reserves” in which seringueiros could continue producing rubber, while maintaining their economic autonomy and acting as guardians of Amazonia’s biodiversity. The rubber tappers’ inclusion of conservation as one of their precepts grew from their interactions with U.S. environmentalists; Schwartzman praised them for “defending the forest,” a task he insisted “was important not just for the Amazon . . . but for the world.” Indeed the plan promised not only material benefit, but intellectual ones. Extractive reserves offered a “viable development alternative” which Allegretti argued could show that the “concept of development shared by the Bank and the Government of Brazil” was not the only option for bettering people’s lives.

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111 Larry to Mike and Ed, “Memo on incorporation of Protected Areas into Int’l Campaign, February 28, 1986, Container 2, Folder 12, SCIP.
“The Time is Right for It to Happen”

The excitement produced by the *seringueiros*’ meeting energized the campaign, with Sierra Club staffer Larry Williams proclaiming that “There is a great need for environmental controls to be placed on the activities of the MDBs . . . and the time is right for it to happen.”\(^{115}\)

The sense of momentum felt by activists was also boosted in September 1985 when A.W. Clausen announced he would resign as World Bank president the following summer. While the timing surprised many, that Clausen wanted to depart was no shock. Despite his impeccable free-market credentials, Clausen never enjoyed more than a tepid relationship with the Reagan administration. In part, the administration disliked his cautious managerial style and his failure to appoint several individuals recommended by the administration to top posts.\(^{116}\) Additionally, Clausen frustrated the Reagan administration by making public his displeasure with their lack of support for Bank appropriations. By the fall of 1985, Clausen concluded that he had achieved many of his goals in one term and saw no need for a second.\(^{117}\)

As the World Bank entered a period of institutional uncertainty, the activist coalition continued to grow. In October, Bruce Rich and Environmental Policy Institute staff member Jim Barnes embarked on a month-long trip in Western Europe. Similar to INFACT’s attempts to spark Nestlé boycotts in other countries, the U.S. environmentalists wanted to catalyze activist efforts targeting the World Bank in Europe. Speaking to parliamentarians and finance ministry officials from West Germany, the Netherlands, Belgium, and Denmark, Rich and Barnes requested “assistance in utilizing the political process to help convince treasury ministries to support . . . reform.” Based on these conversations, the two men reported that their proposals

\(^{115}\) Larry Williams to the International Committee, “Status Report on Current International Legislation in the Congress,” October 30, 1985, Container 2, Folder 12, SCIP.


were “received positively” “and that they believed it was “feasible to extend the campaign . . . to key donor countries.” Rich and Barnes also met with environmental, indigenous rights, and development NGO representatives in the nations they visited. On their return, they boasted that the “elements of an excellent NGO network are now in place.”

U.S. environmentalists thus finished 1985 on a strong note. In December, Congress passed legislation, based on their input, regarding the environment and the banks. The new law listed a number of policies that Congress requested the Treasury Department instruct the U.S. Executive Director at the World Bank to carry out. The principal policies included advocating for more “professionally trained staff to undertake environmental review of projects” and pushing the multilateral development banks “to increase the proportion of their lending programs supporting environmentally beneficial projects.”

This was a surprisingly easy victory for environmental advocates. In the House of Representatives, they counted the backing of Wisconsin Democrat David Obey, a devoted liberal who chaired the subcommittee of the House Appropriations Committee dealing with international organizations. In the Senate, Robert Kasten also vigorously supported reform proposals, demanding of the multilateral development banks’ not only “institutional changes, but changes in the product,” while vowing to “watch the progress of the banks in changing their policies . . . and work closely with environmentalists and critics.” Having these two powerful men from different parties backing the law made it appear there was “no opposition in the Congress . . . to the efforts being made reform the MDBs environmental performance,” a fact

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120 Alex to Bob, “Talking Points for Audubon on MDB’s/World Bank,” November 20, 1985, Box 39, Folder 19, RWK.
that Larry Williams dryly noted was “obviously . . . not a normal situation for legislative issues supported by the Sierra Club.”

It would not be the last time this “quixotic campaign” managed to avoid becoming entangled in partisan politics. However, as the second half of the 1980s opened, public interest liberals would find few such exceptions, as seen especially in the fights over corporate accountability.

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121 Larry Williams to the International Committee, “Status Report on Current International Legislation in the Congress,” October 30, 1985, Container 2, Folder 12, SCIP.
Part III:

Advocacy in a Washington Consensus World, 1984-1993
Chapter 6: An “Isolated Incidence”:
Waking from the Dream of a New International Regulatory Order

The ability of U.S. environmental advocates to find common ground with some conservatives was the vital factor that allowed them to conduct an offensive campaign throughout the 1980s. For most progressives, the decade was defined by a “generalized conservative backlash” coupled with the loss of the reformist momentum of the 1960s and 1970s. The stark change in the political fortunes of liberals during the 1980s prompted introspection, as seen in a conversation held in March 1988 among a number of Nestlé boycott activists. Analyzing their predicament, the activists identified the decay of liberal-left institutions and organizations (such as labor unions and radical student movements), as an essential ingredient. The weakening of these pillars was both driven by and benefitted by corporate America. According to the activists, corporations had “usurped and defined as their domain” notions of corporate ethics, increased their “ownership/influence of media,” and grown “ever more transnational,” a series of process resulting in “corporate power . . . [becoming] accepted as how life is” by most people in the United States.¹

The resignation and even despair of these activists appeared a far cry from their confidence of only a few years before. In 1984, consumer activists won a tremendous victory, as Nestlé finally agreed to fully comply with the International Code of Marketing of Breast-milk Substitutes. Concurrently, activists at the Pesticide Action Network and Health Action International lobbied for the U.N. to create similar codes of conduct covering the pesticide and pharmaceutical industries. Public interest advocates viewed such codes as fulfilling two purposes. First, codes of conduct would help change the behavior of individual corporations and

¹ ACTION Staff, “Changes in Conditions 1960’s/70’s and 1980’s/present,” March 25, 1988, Box 19, ACA.
second, codes could also assist in the construction of a broader new international regulatory order to be implemented by the United Nations.

Cautiously optimistic about these goals as late as 1985, within a few short years the public interest vision of a global economy more regulated for the “public interest” seemed distant, perhaps unattainable. While the fates of the campaigns focused on breast milk substitutes, pesticides, and pharmaceuticals differed in the details, the activists would share disappointments stemming from two principal sources. First, public interest groups faced opposition from corporations, the conservative movement, and the Reagan administration. Recognizing advocates’ hopes to make the U.N. into an implementing body for global reform, the U.S. fought with and defunded agencies like the World Health Organization. The weakening of the United Nations, when combined with the undermining of the coalition of pro-New International Economic Order nations, shaped a global political environment quite unfavorable to public interest groups’ agendas.

Conservatism’s rise deepened the difficulties for public interest advocates, but it did not create them. Even under favorable political conditions, such as those that existed in the U.S. in the mid-and-late 1960s, holding public and private institutions accountable was never easy. The Nestlé boycott offered a poignant illustration of this point. In 1983, the boycott reasserted itself by targeting a specific Nestlé brand, Taster’s Choice. In 1984 Nestlé finally gave into activists’ demands, announcing it would fully implement the WHO-UNICEF code. Seen as a great victory, the reasons the boycott ended as much revealed liberal activists’ weaknesses as their strengths. Nor was the end of the boycott in 1984 really the end. Four years after its termination, the boycott was relaunched and continues to the present day. The boycott’s story presented a conundrum for public interest groups. Compared to other campaigns, the activists at INFACT
had key advantages, including an emotionally captivating issue, a broad and diverse bevy of supporters, and an opponent whose mistakes were both frequent and consequential. Furthermore, that campaign surpassed the normal limits of public interest agitation by using grassroots organizing and militancy to assert influence. Yet, even with all of these strengths, the Nestlé boycott’s inability to secure a lasting victory pointed to the existence of structural limits to the public interest model’s effectiveness.

Closing the Boycott

The frustrations aired by activists in March 1988 did not emerge overnight. Going back to the last months of 1983, many at INFACT yearned for closure to the boycott. While an end of the year review found that concentrating their energies on Taster’s Choice had been “successful in motivating some of the [local] groups to greater efforts,” it also noted the difficulties of turning this initiative into a “plan and structure” for making the grassroots a real “part of our organization.”\(^2\) Moreover, the focus on Taster’s Choice could not fix long-standing problems, such as exhaustion among grassroots activists. For many local groups, especially those who started boycotting Nestlé in the summer of 1977, a “lack of enthusiasm for intensifying and/or continuing the boycott” pervaded, as many of them asked INFACT’s leadership “to declare an end to the Boycott and declare a ‘win.’”\(^3\)

At the same time, INFACT’s leaders contended with unrest in the institutional boycott coalition. Despite her best efforts with the Interfaith Center on Corporate Responsibility’s church members, Leah Margulies noted that she “couldn’t get them to ‘buy in’ heavily in the Taster’s Choice Campaign.” According to Margulies, this reflected the continuing decline in memberships and status of the mainline Protestant churches, which were in the midst of an

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2 “Overall Analysis of Action Groups and Action Campaign,” undated, Box 5, ACA.
3 Dick Ullrich and John Springer to Ed Baer, Leah Margulies, Betty LaSorella, Pat Young, and Regina Murphy, “RE: Status of Nestle Boycott,” May 16, 1983, Box 6, ACA.
“intensifying struggle . . . for dominance by both left and right” leading some “church progressives . . . to take more moderate positions.” The churches were not alone in itching for an end. Groups ranging from liberal activists to public health professionals also felt drained by years of boycotting and also nudged INFACT to reach a conclusion.⁴

Even the brightest spot of the global effort, the rise of boycotts in other nations, could not save the sagging campaign. The non-North American boycotts paled in size to those in the U.S. and Canada; INFACT counted a staff and budget ten times larger than that of the next largest foreign group.⁵ Two main reasons accounted for these disparities. The first was timing. Many European groups began their boycotts shortly before the formation of the Nestlé Infant Formula Audit Commission, the creation of which thrust activists into a defensive posture beginning in the spring of 1982. NIFAC’s ability to convince many in the public (and even some activists) that Nestlé now embraced the WHO-UNICEF code not only dampened enthusiasm for the fight in the U.S., but also made it harder for European groups to energize grassroots and institutional support.⁶

A second factor differentiating the U.S. and Canadian efforts from others related to differences in cultural and legal landscapes. West German organizers explained their campaign’s weakness as rooted in a lack of “experiences with boycotts. For many people it is very difficult to believe that they have some power with a boycott.”⁷ In other nations, legal structures governing nonprofit activism threw up hurdles. Reporting from the United Kingdom, the Baby Milk Action Coalition detailed its hardships with fundraising, blaming the “very awkward . . .

⁴ Victoria Van Slyke, “Four Hour Briefing With Leah Margulies, September 16-17, 1983” and Victoria Van Slyke, “Two Day Briefing With Rick Hoye, September 15-16, 1983,” undated, Box 5, ACA.
⁶ “Minutes of Meeting with Nestle-Findus Concerning Marketing of Mother’s Milk Substitutes,” August 25, 1983, Box 35, ACA.
⁷ Aktionsgruppe babynahrung (AGB) to INFACT, November 17, 1982, Box 35, ACA.
charity laws that prevent any financial support for political activities – and boycotting is always considered as a political, not an ethical activity.”

Stark differences between national campaigns invariably affected inter-group relations. For instance, in December 1983, International Baby Food Action Network coordinator Annelies Allain expressed her concern to Leah Margulies that the European and Asian groups “have sometimes felt left out of . . . decision making which was exclusively geared to North American needs.” Some at INFACT recognized these disconnects. International program director Grace Egeland warned that “If treated merely as members on paper, resentment may foster among our European co-workers.” Egeland proposed a permanent liaison between Western European and North American members; however her idea was rebuffed in favor of yet another “ad hoc” arrangement. In general, while committed to international ties, U.S. boycott leaders also worried about the complexities of working with a “Big, unwieldy” coalition of groups, declaring that the global coalition “moves slow and we have to move fast.”

Given the weariness of the U.S. grassroots and of its national partners, combined with an ever more complicated international scene, in the winter of 1983 INFACT’s leaders decided to try and end the campaign. Sensing a need to “create [a] climate anticipating victory” in December 1983 INFACT threw one last organizing punch, holding a press conference to announce its “final four demands.” The demands focused on provisions of the WHO-UNICEF code still not enforced by Nestlé: placing hazard warnings on labels of breast milk substitutes,
revising company literature for doctors and mothers, halting “gifts” to health workers, and stopping free supplies of breast milk substitutes except to infants who medically needed them.\textsuperscript{14} Two days after announcing the four demands, activists delivered petitions to Nestlé offices and released balloons symbolizing dead children –actions designed to make the campaign appear still vibrant.\textsuperscript{15}

Yet, unbeknown to all but a few of INFACT’s leaders, these actions coincided with a promising development. A few days prior to declaring the final four demands, INFACT head Doug Johnson randomly encountered Nestlé executive Niels Christiansen on an Amtrak train travelling between New York City and Washington, D.C. The two men struck up a conversation, with Johnson explaining the final four demands and Christiansen expressing the company’s desire to reach a resolution to the conflict. The two ended their chat by pledging to continue their discussion.\textsuperscript{16} The talks that followed were not the first secret discussions between INFACT and Nestlé. From January 1982 to the spring of 1983, activists and company representatives held thirteen meetings, yet these generated almost no progress.\textsuperscript{17} Given this history, Johnson did not expect that his run-in with Christiansen would be any different. Yet, circumstances had changed. Later that day, Johnson received a phone call from Nestlé inquiring about holding further meetings. The two sides agreed to bring in UNICEF officials as impartial mediators, and during the first weeks of January the sides intensively discussed INFACT’s final four demands.\textsuperscript{18} By January 20, Nestlé agreed to implement them.

\textsuperscript{14} Johnson, “Confronting Corporate Power,” 339.
\textsuperscript{15} “Some Highlights from Nationwide Action, December 17, 1983,” Box 6, ACA.
\textsuperscript{18} Chetley, \textit{The Politics of Baby Foods}, 131.
The change in Nestlé’s outlook reflected the company’s own weariness with the boycott. With the gap between INFACT’s demands and Nestlé’s policies smaller than ever, the company decided that additional compromise was worth the price of terminating the campaign. As Doug Johnson later recalled, the full weight of this breakthrough “only started to sink in when I got home and started to cry – a mixture of relief, anger, joy, [and] sadness.”\(^{19}\) Four days later, Nestlé vice-president Carl Angst and William Thompson, the head of the International Nestle Boycott Committee (the negotiating body for the boycott) appeared at a joint press conference. There the two men summarized the agreement Nestlé and INBC had reached: in exchange for Nestlé instituting the final four demands, the INBC pledged to suspend the boycott.\(^{20}\)

Stirring as the moment was, it also ignited one of the most intense internal debates of the entire campaign. In rushing to reach an agreement, INFACT’s leaders maintained, at best, inconsistent contact with their Western European and Southern partners. Many of these groups did not know about the talks and most first heard about the boycott suspension in their local newspapers the day after it was announced.\(^{21}\) Understandably, European and Southern activists responded to the news with a mix of shock and anger. At an IBFAN meeting a few days later, activists from Denmark, West Germany, Sweden, and Norway asserted that the suspension had come “too soon.” They pointed out that Nestlé still refused to apply the code in Europe and also insisted that it was “important to listen to [the] 3\(^{rd}\) world” in making such calls.\(^{22}\)

This last charge stung INFACT’s leaders especially sharply. With their backgrounds in the New Left, activists like Doug Johnson prided themselves on approaching their relationships with Southern partners based on ideals of solidarity, not paternalism. As recently as October

\(^{19}\) INBC and IBFAN, “Record of Proceedings: The International Baby Milk Campaign: Strategies for Action,” minutes, M97-182, Box 1, INFAC.

\(^{20}\) “Joint Statement of INBC and Nestlé,” January 24, 1984, Box 24, ACA.


\(^{22}\) “IBFAN Internal Conference,” January 31, 1984, Box 35, ACA.
1983, in enumerating the organization’s primary goals, INFACt leaders had placed guaranteeing an “opportunity for 3rd world to influence 1st,” near the top of the list. Yet, at the moment of decision, these principles bent to the breaking point. In part, this reflected the speed with which the talks evolved and the generally inconsistent communications among organizations in different countries. However, U.S. groups prioritized their own self-identified needs. Feeling the boycott collapsing around them, they seized an opportunity to end it.

Furthermore, once talks with Nestlé began, U.S. boycott leaders felt added pressure to, if possible, conclude the boycott before February 1984. This pressure was due to their desire to have a concrete proposal for closing the boycott ready before the start of the month International Baby Milk Campaign: Strategies for Action conference, to be held in Mexico City. This gathering would mark the first time that the majority of groups involved in the broad breast-milk substitutes campaign assembled in one place. While seeing the conference “as a springboard to build and solidify . . . international grassroots relationships,” INFACt’s leaders also insisted as early as October 1983 that “despite any other public pronouncements, the conference must serve INFACt goals.”23

Anticipation and tension filled the air as attendees converged in Mexico City a mere nine days after the announcement of the boycott suspension. U.S. activists approached the conference with a mix of pride and caution. While Leah Margulies urged activists to celebrate a “great victory,” Doug Johnson’s speech to the conference tried to soothe European and Third World activists’ anger over their exclusion from the decision to suspend the boycott. Johnson spoke carefully, recognizing that this “victory means many things to many people but it belongs to all of us,” while also explaining the details of how the suspension happened, highlighting the

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23 Victoria Van Slyke, Doug Johnson, and Doug Clement, “Planning Session on the ‘International Conference,’” October 18, 1983, Box 35, ACA.
support of UNICEF (an agency that most Global South activists trusted). However, no one speech could overcome the conflict between North American activists and their European and Southern colleagues. Over the next days, the issue of the suspension appeared repeatedly. At one point, the Latin American delegates issued a statement summarizing the extreme frustration felt by most European and Global South groups, declaring that “we do not need to be instruments of the campaign but active participants of it.”

A number of African and Latin American groups also expressed fears that IBFAN’s work would suffer if the boycott ended. As IBFAN’s Africa coordinator Margaret Kyenkya later explained, groups in the South were “‘beneficiaries’ of the boycott in that any positive and real change in Nestlé’s marketing practices means a removal of some pressure on our people to use breast milk substitutes.” Kyenkya went on to make a personal case for why Southern voices needed a full hearing, proclaiming “breastfeeding promotion is not just . . . jumping on the bandwagon to shout ‘Breast is Best’ because it is the ‘IN-thing’ . . . To you and me, breastfeeding promotion . . . is a fight for our RIGHTS.”

Following the speeches in Mexico City, meeting attendees split into a series of small strategy groups to discuss the campaign’s future. Completing their deliberations on the conference’s final day, the committees then presented their conclusions publically. The last group to speak was the Nestle Campaign Strategy Group, who had been assigned to figure out next steps with regards to the boycott. Its members began their presentation by acknowledging that they had “been through a deep, intense struggle,” declaring that “during our discussions, it was at times not at all clear” they would come to an agreement. The Strategy Group then offered their proposal, which was subsequently adopted. European and Southern NGOs agreed to accept

24 INBC and IBFAN, “Record of Proceedings: The International Baby Milk Campaign: Strategies for Action,” minutes, M97-182, Box 1, INF.ACT.
25 Margaret Kyenkya, “Dear Friends,” May 1984, Box 31, ACA.
the boycott suspension, while being guaranteed an equal voice in all future decision-making. The European and Third World groups also emphasized that suspension did not mean termination. The Strategy Group pledged to use the next six months to intensively monitor Nestlé’s compliance with the code, recommending that, if the company “violated” the agreement, NGOs retained the right to “further measures . . . including the potential resumption of the Boycott.”

Despite these compromises, European groups remained in a difficult position after the Mexico City conference. Many still rightfully resented their exclusion from the January talks. West German activists went so far as to “not end the boycott” arguing that Nestlé had not “made enough effort to solve the four points at issue.” Given such tensions, Johnson and Clement made one of their top priorities “trying to avoid a divorce” with the Europeans, searching for a “middle ground of critical cooperation/critical pressure on Nestle.” In a series of meetings through 1984, the U.S. groups mostly won over the Europeans. U.S. groups appealed to the need for a united front and described in detail the state of the U.S. campaign. Speaking quite bluntly, U.S. activists insisted that “there was no more to win by the boycott, not enough momentum left, and it was good to stop now before Nestle had time to notice.”

U.S. groups also reinvigorated efforts to aid their Global South groups, who, after Mexico City, recommitted themselves to strengthening the International Baby Food Action Network by bolstering regional connections, promoting breastfeeding initiatives, and lobbying for code-based legislation. As one of their attempts to smooth relations, INFACT staff accelerated work on a program called “twinning.” An idea bandied about for years, twinning

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26 INBC and IBFAN, “Record of Proceedings: The International Baby Milk Campaign: Strategies for Action,” minutes, M97-182, Box 1, INFAC.T.
27 “INBC Europe Meeting, Copenhagen,” August 24-26, 1984, Box 35, ACA.
28 DJ & DC, “INBC Planning Meeting,” September 5, 1984, Box 5, Folder 9, Part 6, INFAC.T.
29 “Notes about an Action Planning Meeting of the PM/Tampere Action Group,” October 9, 1984, Box 31, ACA.
30 “IBFAN African Breast Feeding Conference Overwhelming Success,” undated, Box 31, ACA.
would “match a single U.S.-action group with a single Third World group, each group providing practical and moral support for its ‘twin.’” However, preparations dragged on for months and “fundraising by the U.S. groups” went “far slower than . . . hoped,” leading Clement to recommend that INFACT “not set over-ambitious goals.”

At the same time, as INFACT dealt with international groups eager to continue fighting, at home the boycott suspension caused a further deterioration in the activist coalition. By September 1984, “several endorsing organizations had already terminated the boycott” and, according to Doug Johnson and Doug Clement, most other INFACT partners “would as soon have the Boycott over, especially churches.” For Johnson, Clement, and other INFACT leaders, these trends presented a significant challenge. While affirming that their “position [was] now in place: time for the Boycott to be over” they also wondered “how to maintain pressure on Nestle . . . without [the] Boycott.” However, determined above all to reach a final settlement, INFACT undertook a series of talks with Nestlé in the fall of 1984 that cleared a path to the finish line.

A last-minute communication with Nestlé again tipped the balance. Writing to INBC Europe’s coordinator, Nestlé senior vice-president Carl Angst stated that Nestlé “favours strong national codes,” a view the company offered to publicize. At the same time, Nestlé also sent a telex to Johnson promising to take action to stop the distribution of samples of breast milk substitutes at health centers and hospitals. Nestlé’s accommodations reflected the management’s intensified desire to end the boycott due to ongoing business negotiations. In March 1984, Nestlé executive Carl Angst had received word that Carnation, a major U.S. food

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31 Carol-Linnea Salmon and Jackie Orr to Pawan, July 23, 1984, Box 2, ACA.
32 Doug Clement to Janice Mantell, Thomas Koch, Wolfgang Sutter, Margaret Bennet-Alder, “Re: Twinning,” November 21, 1984, Box 5, ACA.
33 “Planning Meeting – DJ & DC,” September 5, 1984, Folder 9, Box 5, Part 6, INFACT.
34 “Endorser/Action Group Work Planning Meeting Notes,” October 19, 1984, Box 2, ACA.
company, would soon come up sale. Nestlé saw buying Carnation as an opportunity to expand its presence in the food market in a massive way, given that Nestlé’s purchase of Carnation would constitute the largest non-oil corporate merger in U.S. history up to that point. Given these high stakes, Nestlé’s heads wanted to minimize any potential pitfalls in the negotiations. Among their worries was that Carnation’s negotiators would be nervous about merging with a company targeted by a global boycott – giving Nestlé a powerful incentive to end the controversy.\(^36\)

On Thursday, October 4, 1984, the two sides met for a press conference in Washington, D.C. to end seven years of conflict. The official end of the boycott was announced by activists, while Nestlé reaffirmed its commitment to the WHO-UNICEF code. Speeches from both parties hinted at lingering tensions, as when Johnson commented that activists still had “a relatively narrow, an important, but a relatively narrow, agenda of concerns with Nestle.” Boycott activists also offered conciliatory remarks, acknowledging that “Nestle has taken some risks.” Meanwhile, Nestlé’s Carl Angst expressed mixed sentiments, recalling NGOs’ “severe and frequently abusive criticism” of the company, while also assuring those in attendance that “we learned quite a bit.” Wrapping up, Johnson described the end of the boycott as a moment of progress embedded in ongoing conflict, stating that “we’re sitting up on the platform together. We don’t yet share a world view.”

**How Effective Was the Boycott?**

Asked to put a monetary value on Nestlé’s losses due to the boycott, Carl Angst replied that he could not “tell you what it cost us.”\(^37\) This answer might seem evasive, but it captured an important truth: determining the precise impacts of a boycott is difficult. What might seem the

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\(^{37}\) “Minutes of Press Conference,” October 4, 1984, Box 24, ACA.
clearest measurement – profits lost – is almost very hard to measure, considering the sheer number of factors at play. Writing in 1986, Doug Johnson argued that the company’s lower than projected growth in the U.S. in the early 1980s (the company had aimed for 15 percent growth for 1980-1981, but only achieved 2.4 percent) was attributable to the boycott. However, as Johnson also pointed out, given the growth of national and international markets for Nestlé, most of those lost profits were recouped elsewhere.\footnote{Johnson, “Challenging Corporate Power,” 340-341 and 330.} Clearly the boycott cost the company at least a few million dollars, especially due to cancellations by a variety of religious and professional institutions of conferences scheduled to be held at Nestlé owned Stouffer’s Hotels.\footnote{“The Impact of the Nestle Boycott,” undated, Box 4, Folder 20, Part 1, INFAC T.}

Implementing the code of conduct also affected the company’s finances; with Nestlé public relations head Raphael Pagan estimating compliance costs for the company at between $15 and $20 million.\footnote{Kevin Higgins, “Nestle gains formula accord; product boycott is suspended,” \textit{Marketing News}, February 17, 1984: 5.}

The boycott also affected the company in other, more unquantifiable ways. Morale within Nestlé suffered and attention by senior management on the boycott distracted from the company’s normal operations.\footnote{James E. Post, “Assessing the Nestlé Boycott: Corporate Accountability and Human Rights,” \textit{California Management Review}, vol. XXVII, no.2, (Winter 1985), 124.}

Whatever the exact costs were to Nestlé of the boycott, there is no doubt that it seriously affected the company. This can be seen in documents from the early 1990s recording meetings between tobacco companies and Nestlé. In the first years of the 1990s, INFAC T began preparations for an international campaign aimed at tobacco companies. Catching wind of this, executives from several major companies looked to Nestlé for advice about dealing with INFAC T. In these talks, Nestlé executives evinced a begrudging respect for INFAC T, with one

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\footnote{Johnson interview, May 5, 2011.}

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calling the activist group “one of the best in the business – with a great deal of impact.”43 In one meeting between Nestlé senior official Geoffrey Fookes and representatives of British American Tobacco, Fookes went further, detailing what Nestlé saw as INFACT’s most effective approaches. Fookes pointed to INFACT’s success in targeting Stouffer’s hotels and “Pickets outside RUSTY SCUPPERS” (a restaurant chain owned by Nestlé) as having an impact. Strategically, Fookes confirmed that Nestlé’s biggest challenge had been “the involvement of the churches” in the boycott, characterizing it as particularly “difficult to tackle.”44

**Building a World of Codes**

While Nestlé publicly downplayed activists’ efficacy, for the core team at INFACT and their many admirers, the end of the boycott proved that anything was possible. To Terry Gips of the Pesticide Action Network, the boycott’s success represented “probably the greatest consumer victory ever” and proved that “nothing, no matter how big or overwhelming, can stand in the way of an idea whose time has come.”45 INFACT leaders envisioned a future in which public interest groups “set [the] agenda for international organizations to deal with transnationals.”46 Such expansive objectives would, of course, not be the work of any one group. Fortunately for INFACT, they could count on their friends at the Pesticide Action Network and Health Action International. However, this optimism would soon dim, as fights to regulate pesticides and pharmaceuticals hit obstacles that prevented either from achieving comparable successes.

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46 “Infant Formula Campaign Strategy Meeting,” November 29–December 2, 1983, Box 4, Folder 12, Part 6 (M97-182), INFACT.
The limits were not immediately apparent. In June 1985, the Pesticide Action Network launched its “major offensive,” the Dirty Dozen campaign, which involved a “public education and media effort . . . to expose twelve of the most toxic and widely used pesticides.” Advocates released reports, held press conferences and educational events, and mounted protests aimed at generating pressure on companies producing any of twelve selected pesticides. Meanwhile, in Rome, talks at the Food and Agriculture Organization (FAO) to draft a code of conduct for the advertising and use of pesticides proceeded, with advocates from the Pesticide Action Network matching wits with industry representatives, each jockeying to insert their desires into the final document.

As time passed however, PAN’s representatives lowered their expectations for the code. In part, this shrinking of aspirations came as the product of their experiences with the FAO. Unlike the World Health Organization (which showed openness to progressive ideas), the FAO’s leadership adhered to a distinctly pro-corporate stance. Still, believing some version of a code preferable to none at all, PAN decided not to give up on the process. However, when FAO released its final version of the code of conduct, the document proved a substantial disappointment. Reviewing the text, Oxfam Great Britain researcher David Bull called it “loose, full of loopholes, rife with internal contradictions, totally lacking in legal force, and far short of what most pesticide activists would wish for.” In public however, activists celebrated the introduction of a second U.N. code of conduct for a multinational industry. Bull explained this seeming dissonance by describing the “greatest value of the Code” as providing a baseline for “lobbying, campaigning and public awareness,” noting in a clear allusion to the breast milk


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substitutes code, that the “experience of other Codes demonstrates that enforcement is dependent upon the level of public concern generated.”

Of the many disappointments Pesticide Action Network organizers felt with the code, the absence of a “prior informed consent” provision hurt the most. Prior informed consent would establish mechanisms by which Global South countries buying pesticides could learn whether the pesticides they were purchasing were banned or heavily regulated in the exporting country. PAN lobbied fervently for prior informed consent to be included in the FAO code, calling it a “moral obligation” for Northern states. In the end however, they lost to business opposition, in what David Bull called the “biggest disappointment” of the code.

Rather than give up on prior informed consent however, advocates continued to push for its future inclusion, adopting a strategy of lobbying “not only the FAO, but also other national and international bodies to include PIC.” In 1987, the G-77 nations’ representatives at the Food and Agriculture Organization declared themselves in favor of prior informed consent, while pressure also grew (especially in Western Europe) for new regulatory legislation regarding hazardous exports. Taking a page from IBFAN’s playbook, pesticide reformers also collected examples of corporate violations of the code, which in 1989 they compiled into a report called Missing Ingredients.

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50 The International Business Issues Monitor to Public Affairs/Government Relations; Consumer Affairs; Regional Managers; Environment; Product Safety; European Manager; International Marketing; Strategic Planner, “International Organization of Consumers Unions,” September 28, 1987, LTDL, http://legacy.library.ucsf.edu/tid/zvd47b00/pdf?search=%22september%201987%20consumers%22 [accessed August 14, 2014].
pesticide industry again chose negotiation over confrontation. Working with the U.S.
Environmental Protection Agency and sympathetic officials at the FAO, the companies agreed in
1989 to let a prior informed consent provision into the code of conduct.53

The ability of the hundreds of NGOs participating in the Pesticide Action Network to
push against rightward policy trends to strengthen a piece of international regulation was an
impressive feat. Bolstering that accomplishment, the Dirty Dozen campaign won significant
victories, as a number of countries either restricted or banned pesticides from among the list of
twelve. Yet, the Pesticide Action Network still struggled with that oldest of public interest liberal
quandary: holding large institutions accountable over long stretches of time. Writing in the mid-
1990s, two PAN North America activists spoke to this concern. Commenting on laws that
activists helped to win in different nations, they pointed out that at “worst, routinely unenforced
bans and restrictions on the Dirty Dozen present a cynical, false veneer of progress as these and
other ‘regulated’ pesticides continue to be sold freely throughout the countryside.”54 With global
pesticide use continuing to expand in the 1990s, even this most successful of public interest
causes still had an array of obstacles ahead of it.

When “Starving the Beast” Went Global

Meanwhile, advocates trying to control the global use of pharmaceuticals experienced a
series of setbacks and defeats during the second half of the 1980s. The pesticide industry decided
to accommodate activists, but pharmaceutical companies girded for battle, finding an ally in the
Reagan administration. As with the breast milk substitutes and pesticide fights, up until the mid-
1980s, public interest advocates’ prospects for winning a better regulated international medicines
market appeared promising. In May 1984, the World Health Assembly called for the World

53 Paarlberg, “Managing Pesticide Use in Developing Countries,” 323-330; Erika Rosenthal and Monica Moore,
54 Rosenthal and Moore, “The Dirty Dozen.”
Health Organization to host a meeting the following year focused on pharmaceuticals. The meeting would grapple with a number of issues, including misleading corporate advertising of drugs, addressing the high costs of many medicines, and promoting so-called “essential medicines.” Advocates hoped this gathering would mirror the 1979 WHO-UNICEF Meeting on Infant and Young Child Feeding, which led to the creation of the marketing code for breast milk substitutes. Not only did activists feel confident that a more regulated global drug market was possible, so too did officials from global pharmaceutical companies, who grudgingly acknowledged that the “‘vigorous campaign by the activists has had some discernible effect.’”^55

The 1984 World Health Assembly also angered industry by confirming the WHO’s dedication to its Action Program on Essential Drugs. This initiative promoted the adoption by Third World nations of “essential drug” plans. Under such policies, cash-strapped Southern states would concentrate their health budgets on purchasing only the most needed medicines. The most dramatic realization of the essential drugs idea happened in Bangladesh, where thousands of medicines were banned by governmental decree in 1982. Pharmaceutical firms took the Bangladeshi drugs law as proof that essential drugs plans represented an anti-market endeavor.^56

As if to confirm businesses’ worst fears, the director of the WHO Action Program starting in 1983 was Ernst Lauridsen, a Danish doctor who sympathized closely with public interest groups’ agenda. Upon his appointment, Lauridsen sought out advocates from Health Action International (the NGO network founded in 1981 to push for reforms in the global pharmaceutical market), emphasizing to them the “importance of HAI and other NGOs in helping to support progressive drug policies.” At that same meeting however, Lauridsen predicted that, even with activist

backing, a time would “come in the future when industry pressure would make it difficult for WHO . . . to remain effective.”

However, the companies were not the only, or even strongest, opposition to public interest advocates’ agenda. That honor would go to the U.S. government. While apprehension in the United States about the United Nations dated to the international organization’s founding, during the 1980s the U.S. government embraced an actively adversarial stance. Reaganite conservatives saw the U.N. as an incubator and a tool of the international radical left, whether through its embrace of the Palestinian liberation movement or the New International Economic Order. In 1983, Senator Nancy Kassebaum of Kansas, complaining of the “tyranny of the Third World majority in the United Nations,” introduced an amendment to cap future U.S. contributions to no more than 20 percent of any particular U.N. agencies’ budget. The following year, the Reagan administration withdrew from the United Nations Education, Science and Culture Organization (UNESCO), claiming the agency had become overly politicized. Then, in 1985, Kassebaum won passage of a version of her amendment, which Reagan signed into law. Soon after, the spigot of U.S. dollars started running dry, throwing the United Nations into the worst financial crisis in its history.

Despite a reputation for being “apolitical” and well managed, the World Health Organization did not escape U.S. pressure. In 1986, the U.S. paid only $10 million out of its “assessed contribution” of $62.8 million and gave no sign it would soon reverse course. In

57 Chetley, A Healthy Business, 119-120.
public, the U.S. claimed its funding cuts aimed were meant to nudge U.N. agencies to streamline their operations through greater fiscal prudence. Yet, public interest advocates suspected ulterior motives existed. At meeting after meeting of the WHO, U.S. representatives had repeated their “strong position” that the U.N. “should not be involved in efforts to regulate or control the commercial practices of private industry.” Meanwhile, the Heritage Foundation, which possessed close ties to the Reagan administration, recommended that the United States “reconsider its membership” in the WHO if the agency continued trying “to regulate advertising by private companies.” Heritage believed weakening the World Health Organization to be a crucial tactic for preempting the implementation of any sort of new international regulatory order. In part, Heritage identified undermining WHO as key to defeating NGO agitation; its analyst Burton Pines explained that what gave “IOCU and similar groups muscle is the legitimacy which they achieve through their association with the U.N.”

The budget cuts played an important role in undermining the possibility that WHO would serve as a global overseer of the pharmaceutical industry. The reduced contributions plunged the World Health Organization into financial disarray, with its budget slashed by a quarter. As an institution which the Congressional Research Service described as “very tightly managed . . . with little waste to cut,” the loss of funds was absorbed not by staff reductions, but through the gutting of many WHO programs. For instance, the lack of money slowed a WHO-UNICEF childhood immunization program, leading WHO Assistant Director-General Warren Furth to

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63 Quoted in Anita Hardon, “Consumers versus Producers: Power Play Behind the Scenes,” in *Drugs Policy in Developing Countries*, 61.


despair that “‘millions of children will not be immunized and many will die.’” Many among the WHO staff presumed that the cuts were intended as a warning against any support for a medicines’ code of conduct. Such claims were bolstered by comments made by WHO Director-General, Halfdan Mahler. In a 1987 speech, Mahler alluded to past meetings between himself and governments’ officials who had “hint[ed] that a positive response on my part [to their demands] is the key to voluntary contributions to WHO.” Mahler further speculated that some of the pressure from governments actually represented the “influence of commercial lobbies who falsely believe that WHO is blocking their expansion” – likely a subtle reference to the pharmaceuticals industry.

Mahler’s anger at being pushed around by the rich countries was clear in this speech. Yet, this did not mean he or the WHO staff wholeheartedly agreed with the policies urged by Health Action International. While proud of the WHO’s work on the breast milk substitutes issue and critical of multinational corporations, Mahler also felt that years of fights between activists and companies at the WHO had created a “‘difficult climate in which to maneuver.’” Mahler further commented that “‘on the question of codes of practice, it was important to move forward in a spirit of cooperation, and not deliberately to seek confrontation.’” He worried that conflict over a potential medicine code of conduct might undermine the WHO’s essential drugs program, declaring at a meeting of the Executive Board that the agency “‘must concern itself first and foremost with the ‘have-nots’ and focus its efforts on measures to ensure that they had access to

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essential drugs.”’”72 Sharing Mahler’s sense of the situation, many staff at the World Health Organization also looked askance at political controversies over regulation. Sympathetic to public interest critiques, many of the staff still felt that “recourse to ideological campaigns” represented a “dangerous, counterproductive undertaking.”73

Given these factors, by the middle of 1985, the advocates at Health Action International understood they could not overpower or outwit both companies and U.S. government. They decided to bid a tactical retreat by deemphasizing a code of conduct as a principal goal of their efforts. As Charles Medawar, one of the leading HAI activists observed, given the complexity of the pharmaceuticals’ issue, the fervent opposition from business and rich nations, and WHO’s limitations, it seemed “unrealistic to expect WHO to become involved in formal, full-scale international regulation.”74 Instead, advocates identified their primary goal as supporting the WHO’s essential drugs program, with Medawar explaining that “reducing the number of drugs must come first. There is no point in trying to control the promotion of . . . drugs that are not wanted in the first place.”75 However, in public, advocates continued to vigorously lobby for the code of conduct, in part hoping to misdirect their opposition and partly to keep the issue alive in case political dynamics shifted.76

The first place where WHO weariness, U.S. intransigence, and public interest groups’ reorientation of strategy collided was in Nairobi, Kenya at the November 1985 WHO Conference of Experts on the Rational Use of Drugs. In preparing for this event and seeking to minimize contention, Mahler instructed his staff to use the 1979 WHO/UNICEF Meeting on Infant and

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76 Chetley, A Healthy Business, 86.
Youth Feeding as a model for what not to do. Gone were the small working groups that formed the core of the 1979 meeting; instead each of the ninety two delegates received just ten minutes to speak. Furthermore, while in 1979 participants could offer recommendations for the final report, in Nairobi that task fell solely to the WHO. Not content to limit NGO participation in the formal proceedings, the WHO even tried to stop public interest agitation outside of the formal conference. When WHO staff heard that advocates wanted to hold a parallel NGO conference in Nairobi, Mahler and other WHO leaders pressed HAI to cancel.77

Unsurprisingly, advocates left Nairobi disabused of prior hopes that the meeting might result in a breakthrough for their cause. In Mahler’s closing remarks, he forthrightly stated that “there is no place for supranational regulation of drug promotion by WHO.”78 While delegates pledged support for studying the idea of “ethical criteria” for pharmaceuticals’ marketing, to public interest groups this seemed a frail alternative. Yet, Nairobi was not a debilitating defeat. There was progress in implementing WHO’s essential medicines program and Mahler did thank NGOs in his opening remarks for “maintaining vigilance . . . and supporting essential drug programs.”79

Over the next few years, Health Action International and its allies continued to square off with the drug companies and the Reagan administration. By this time, the advocates “shelved the idea” of a code of conduct for pharmaceuticals, instead concentrating on essential drugs and challenging individual medicines.80 However, even in trying to stay pragmatic and supportive of

77 Chetley, A Healthy Business, 85.
79 WHO, The Rational Use of Drugs, 15.
80 The International Business Issues Monitor to Public Affairs/Government Relations; Consumer Affairs; Regional Managers; Environment; Product Safety; European Manager; International Marketing; Strategic Planner, “International Organization of Consumers Unions,” September 28, 1987, LTDL, http://legacy.library.ucsf.edu/tid/zvd47b00/pdf?search=%22september%2028%201987%20consumers%22 [accessed August 14, 2014].
the World Health Organization’s agenda, advocates still encountered problems. For one, the
WHO’s financial crisis made the leadership even less amenable to engaging with controversial
issues. Furthermore, in 1987, Halfdan Mahler announced that he planned to retire the following
year. In January 1988, the World Health Assembly gathered to elect a new director. In a multi-
candidate race, Japanese doctor and WHO Western Pacific Regional office head Hiroshi
Nakajima emerged the victor. Nakajima’s ascension was unexpected. He was not the first choice
of the United States, Western European or Latin American nations, but won because of intense
lobbying by the Japanese government.

Prior to becoming its Director-General, Nakajima earned a reputation at the World Health
Organization for “prefer[ing] compromise to conflict,” as well as for a sometimes muddled
leadership style that contrasted sharply with Mahler’s charisma.81 While not a Washington
Consensus ideologue, Nakajima had little interest in emphasizing initiatives that made WHO into
a countervailing force to corporate power.82 Meeting with industry representatives in February
1988, Nakajima spoke of starting a fresh “dialogue with industry.” Taking a direct swipe at
groups like Health Action International, he bemoaned that achieving more amicable WHO-
corporate relations “will be hard because your counterparts (the consumer groups) are so strong,
but I’ll try.” Leaving this gathering, one corporate official summarized its spirit (and the shifting
politics at the WHO) by noting that, while “the late 70’s and early ‘80s might have been
characterized as a period of confrontation . . . Now we are entering a period of accommodation
where WHO and industry can talk to each other.”83

81 Chorev, The World Health Organization between North and South, 156-157.
82 Fiona Godlee, “WHO in Retreat: Is It Losing Its Influence?” British Medical Journal, vol. 309 (December 3,
83 Antonietta Corti to INFOTAB Members, March 17, 1988, LTDL, http://legacy.library.ucsf.edu/tid/xjn55b00/pdf
[accessed August 13, 2014].
If a single moment signaled the end of the fight to form a new international regulatory order however, it was the May 1988 World Health Assembly. Before the meeting convened, WHO leaders issued a “thinly veiled warning to IOCU to behave,” which advocates heeded for fear of further alienating themselves from the United Nations. While at the WHA an Ethical Criteria for Medicinal Drug Promotion was created, its language was, according to HAI, “considerably weaker than many industry voluntary codes and no better than the IFPMA code.”84 Meanwhile, the International Business Issues Monitor, a newsletter tracking issues important to multinationals, described the meeting as “generally positive & more favorable toward industry,” attributing the convivial atmosphere in part to Mahler’s warnings and partly to “better industry strategy.”85 Perhaps only coincidentally, shortly before the meeting the Reagan administration paid $20.5 million in arrears to the World Health Organization, citing its desire to give “‘favored’ treatment to WHO.”86

Following the 1988 World Health Assembly, the bad news continued for public interest advocates. In January 1989 Dr. Ernst Lauridsen, the public interest groups’ friend and head of the essential drugs program at WHO, resigning. Lauridsen made his reasons clear by citing the “‘water[ing] down’” of the essential drugs program under Nakajima’s direction.87 Also in January 1989, the World Health Organization’s Executive Board issued “Decision 11” regarding the International Organization of Consumers Unions. Decision 11 informed IOCU that it was expected to adopt a “different style” (i.e., less confrontational) in future interactions with the

84 Quoted in Anita Hardon, “Consumers versus Producers: Power Play Behind the Scenes,” in Drugs Policy in Developing Countries, 61.
85 International Business Issues Monitor to Public Affairs/Government Relations; General Counsel; International Operations; International Marketing; Strategic Planner; “Results of the 1988 World Health Assembly,” May 13, 1988, Tobacco Institute, LTDL, http://legacy.library.ucsf.edu/tid/rge77b00/pdf [accessed August 13, 2014].
U.N. This reprimand pushed advocates to tread carefully, as only a few staff from Health Action International ended up attending the 1989 World Health Assembly, and those who did kept a low profile. While the essential drugs program remained, its mission was circumscribed to offering advice to nations that requested support, rather than proactively promoting reform. Reflecting on these events, HAI’s Andrew Chetley remarked that, by the end of the 1980s, “HAI had decided that limits of changing international policy had virtually been reached.”

“Nestlé Has Not Kept Its Promises”

If the decline of the fight for an international regulatory framework for medicines showed that the dream of replicating the WHO-UNICEF code of conduct had faded, an event held in Washington, D.C. in June 1988 illustrated that even activist victories had limitations. On June 28, former INFACT director Doug Johnson appeared at a press conference to lament that “until recently . . . [I] believed that I would never stand again in a press conference making a statement about a Nestle boycott. But the fact is, Nestle has not kept the promises it made.” Three months after Johnson uttered those words, people around the world restarted the boycott of Nestlé to protest the company’s continued marketing of breast milk substitutes.

The revival of the Nestlé boycott brought into stark relief some of the essential questions that created public interest liberalism in the United States. After all, the movement arose in large part because of activists’ realization that implementing agreements and laws was at least as daunting a task as winning an initial agreement. Activists involved in the Nestlé boycott had long recognized this; as Leah Margulies noted in 1979, the true “problem” with the campaign in the

88 “WHO-IOCU Official Relations,” undated, Box 104, Folder 2048, EPP.
91 Chetley, A Healthy Business, 123.
92 Doug Johnson, “Statement to the Press,” June 28, 1988, Box 22, ACA.
long-term “will be enforcement and monitoring.” Activists tried to address such concerns during negotiations over drafting the code of conduct, pushing for the formation of a WHO-UNICEF “Central Office” that would review and monitor corporate advertising to ensure that the firms complied with the code. However, by the final draft of the code, the Central Office proposal had been removed. Without such an institution, the task of enforcement fell to underfunded NGOs and the companies themselves – opening the door for the creation of Nestlé Infant Formula Audit Commission.

With the end of the boycott, questions about the best ways to hold companies selling breast milk substitutes accountable shifted, as the relationship between company and critics entered a gray zone between confrontation and cooperation. Discussions of this challenge soon collided with debates over competing visions for INFACT. Many of the original staff, such as its executive director Doug Johnson and international director Doug Clement, wanted INFACT to stay focused on the baby milk issue. But, many of INFACT’s newer staff believed the organization should next focus on a different industry. Meeting in May 1984, the Board of Directors sided with the latter faction, deciding to reorient INFACT’s work towards halting the nuclear arms race. This change in direction was certainly a dramatic one, as it meant all but abandoning INFACT’s involvement with the international politics of development. However, in the context of intensifying early 1980s Cold War tensions, the urge to do something to calm the arms race made sense.

However, INFACT’s Board of Directors did not entirely abandon the breast milk substitutes issue, agreeing in 1984 to form an Infant Formula Compliance Unit within INFACT.

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93 Leah Margulies, “Response to the Boycott – WHO Expectations,” September 11, 1979, Box 1, ACA.
94 Richter, Holding Corporations Accountable, 77.
While Doug Johnson seemed the ideal person to head this office, as the boycott concluded he decided to leave INFACT to live in South America. The task of running the Compliance Unit thus went to Doug Clement, who had been INFACT’s first staff member. A skeptic of the General Electric boycott from the start, Clement’s opinion only solidified with time. By January 1986, he and the other Compliance Unit staff decided to leave INFACT, with Clement writing that he was “extremely pessimistic about the survival of INFACT if it pursues the weapons campaign” due to its “questionable” strategy. Negotiating with the INFACT leadership, the Compliance Unit staff left to start a new organization. Initially “working out of an attic bedroom annex in Doug Clement’s house” this small band plotted the formation of a new organization which they named Action for Corporate Accountability (ACA or Action).

Consulting with the still operating International Baby Food Action Network, Action’s staff identified distribution of samples of breast milk substitutes in maternity wards throughout the Global South as the primary unresolved issue related to the baby foods’ controversy. Reports from IBFAN found companies, including Nestlé, exploiting ambiguities in the code’s language to continue offering samples in maternity wards, with one Indian pediatrician reporting that in “certain maternity hospitals in Bombay almost all the newborns are introduced to the formula in the first two to three days of life.” In numerous meetings between activists and company representatives, Action and IBFAN representatives reiterated that the code “does not permit donations of infant formula . . . if they are used by manufacturers or distributors as a sales inducement.” Still wary of drawing activist ire, the companies at first acknowledged this

98 Douglas Clement to Eleanor, Lisa and Ule, “INFACT’s Future Direction,” January 14, 1986, Box 17, ACA.
99 “Official Minutes: INFACT Board of Directors Meeting,” January 1986, Box 17, ACA.
100 Dr. R.K. Anand, “Statement to the Press,” October 4, 1988, Box 22, ACA.
101 Patricia Young and William P. Thompson to Edmund S. Muskie, March 16, 1988, Box 35, ACA.
problem. They argued that “there is a lag time in implementation” of the code while assuring critics they were committed to its strictures.102

As time passed however, the continuing lack of commitment to the code not only by Nestlé, but by firms such as American Home Products, posed a major dilemma for corporate accountability activists. As Action leaders noted, if activists could not mount “a successful defense of the first Nestle boycott agreement, a message will be sent that as long as corporations are able to out last and out spend us, they will prevail.”103 To preserve their gains, advocates first turned to the United Nations, hoping to strengthen the code. Working with Third World and Scandinavian states, IBFAN engineered the passage of a resolution at the 1986 World Health Assembly. The resolution clarified reporting requirements for companies and declared that distribution of samples in maternity wards must be “through the normal procurement channels and not through free or subsidized supplies.”104 Reviewing these events, Doug Clement, who almost a decade before had complained about IBFAN’s ineffectiveness, now praised the network for its “superb work,” recalling one corporate lobbyist who approached him “looking tired and a bit dazed and said ‘Your people are very professional.’”105

The World Health Assembly resolution gave IBFAN another policy weapon to wield, but it did not fix the problem. Throughout 1987 and into 1988, advocates kept receiving word of abuses from overseas, such as one Indian pediatricians report that in “certain maternity hospitals in Bombay almost all the newborns are introduced to the formula in the first two to three days of life.”106 In January 1988, Action director Janice Mitchell noted that Nestlé remained recalcitrant

102 “Meeting with American Home Products,” October 28, 1986, Box 23, ACA.
103 “Taking on the Multinationals,” undated, Box 22, ACA.
105 Douglas Clement to The Board, May 30, 1986, Box 31, ACA.
on the supplies issue, noting that the company had a “problem with the word ‘eliminate’; they are committed to ‘reducing’ supplies.” Since monitoring and meetings proving insufficient tools, it appeared that only escalation could elicit change. While resurrecting the boycott appeared a logical next step, Mitchell cautioned that such a campaign had to be “clear” and “winnable”; as “calling a Boycott a second time is difficult enough—to lose it would be a disaster.” Many supporters of the first boycott echoed Mitchell’s trepidation. When asked about the idea, the head of the American Public Health Association reported that many of his members “thought Nestle was responding well to pressure,” while cautioning that restarting the boycott was a “grave matter,” especially with uncertainty over “the amount of public support for a new campaign there would be.”

Despite the nervousness expressed by many sympathizers and even among Action’s own staff, the intransigence of the companies convinced the group’s leadership that they needed to at least threaten a second boycott. Several months of preparation led to the June 28, 1988 press conference where Janice Mitchell called for Nestlé to produce a plan to fully comply with the WHO-UNICEF code. Mitchell stated that if “this plan is not available by October 4 – the fourth anniversary date of the end of the first boycott – the Nestle boycott will be renewed.” Mitchell went on to label American Home Products “Nestle’s single worst competitor,” declaring that AHP would also be targeted. Three months of back-and-forth letters followed, with neither side budging. On October 4th, 1988, activists carried out their promise. Johnson proclaimed that, “The first boycott lasted for seven years. We are prepared to boycott again for seven years, if

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107 JM to AA, GIFA, MK, January 28, 1988, Box 33, ACA.
108 “NG Notes on a telephone conversation with Bill McBeath, APHA,” June 20, 1988, Box 22, ACA.
109 Janice Mantell, “Statement to the Press,” June 28, 1988, Box 22, ACA.
necessary, until Nestle and American Home Products bring their marketing practices into full compliance with the WHO/UNICEF marketing code.”

At first, activists hoped the new boycott might, if not equal the first campaign in size, still generate considerable pressure. Endorsements again began trickling in and the boycott globalized quickly; by March 1989 boycott campaigns had commenced in the United Kingdom, Ireland, Norway, and Sweden. During the first six months, activists concentrated on “fundraising, media, and getting the word out,” with the goal of giving “Nestle the feeling that controversy is growing among key publics that dispersed actions are brewing.” Embracing a lesson from the first boycott, Action focused on four main Nestlé products (including Taster’s Choice) as a way of showing impact by driving down sales of particular items. Activists felt confident that the “Nestlé boycott will undoubtedly again contribute . . . to protect[ing] infants.”

Unfortunately for the activists, the concerns voiced earlier about renewing the boycott were soon born out. In the United States, the new Nestlé boycott failed to attract the same passion and commitment as the first one. Two reasons explained the difference in outcomes. The first relates to the inability of the ACA organizers to mobilize supporters, especially at an institutional level. Most devastating was the lack of excitement from the churches that had formed the base of the initial boycott. One factor inhibiting church endorsements was the ambivalent attitude of the Interfaith Center on Corporate Responsibility, the organization that first took on the breast milk substitutes issue in the United States. Tim Smith, the director of ICCR, worried about the risks associated with a second boycott, wanting ICCR to “learn to work

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110 Action for Corporate Accountability, “For Immediate Release,” October 4, 1988, Box 22, ACA.
112 TA to Action Staff, Strategy Committee, “Field Survey progress,” May 11, 1989, Box 19, ACA.
114 “Action for Corporate Accountability Boycott Endorser List,” January 14, 1994, Box 20, ACA.
in partnership with business.”

While reassuring that “ICCR and Action have different methods of reaching the same goal,” ICCR personnel also met with Nestlé regularly, trying to bridge the gap.

Smith’s desire to dampen conflict was echoed by many church leaders. While the staff of Action for Corporate Accountability wanted the churches to take sides, many churches urged more “meetings between the infant formula companies and INBC and the National Council of Churches” to resolve the issue. The timidity of the churches reflected the larger crisis occurring within the liberal mainline Protestant community. By 1990, the eight leading mainline Protestant churches had lost 6.4 million members since 1965; some denominations shrank by a third. Focused on self-preservation, many churches felt nervous about embracing controversial stances. Specifically, they feared that connecting the churches to liberal politics dissuaded many people from becoming active. Even churches sympathetic to the cause felt unable to expend resources on the boycott, such that by 1992, Action’s board concluded that the “state of churches economically is so bad that they do not have the capacity to carry something out now.”

A second reason the renewed boycott flagged was that Nestlé and the other companies were much better prepared to combat activists than they were a decade prior. Leading Nestlé’s public relations response was Dr. Thad Jackson. During the first round of the boycott, Jackson had served as vice-president of the Nestlé Coordination Center for Nutrition, which he now headed. As IBFAN’s Annelies Allain commented, “unlike other Nestle people [who] want to be

115 Timothy H. Smith, “Church Activists in the 1980s: The Conscience of Corporate America,” Business and Society Review, no. 54 (Summer 1985): 20; Patti Rundall to All INBC Groups, December 21, 1990, Box 104, Folder 2048, EPP.
116 Idrian Resnick to Action Board of Directors, “June Report,” June 24, 1991, Box 19, ACA.
117 Paul F. Wilson to Nancy Gaschott, May 19, 1989, Box 21, ACA.
119 Hout, Greeley, and Wilde, “The Demographic Imperative in Religious Change in the United States,” 495.
120 Action for Corporate Responsibility Board Meeting Minutes, February 6, 1993, Box 19, ACA.
hardline or [who] make mistakes, Jackson has a talent to communicate well and he was (is) a feared opponent in any kind of debate.”  

Rhetorically, Nestlé again framed itself as the reasonable party, insisting that it “compl[ied] fully with the guidelines set forth by the Code of the World Health Organization,” and boasting that the company “has taken the leadership role over other infant formula manufacturers.”  

The company also relied on the Nestlé Infant Formula Audit Commission to deflect activist attacks and prove its commitment to upholding the code of conduct. Meanwhile, company public relations staff derided the Action boycotters as fanatics who could not take “yes” for an answer, with one Nestlé document accusing ACA of “completely igno[ing] the need for infant formula in pediatric services.”

Yet, despite its skillful responses, in 1989 Nestlé’s counteroffensive almost collapsed. In the late spring of that year, a memorandum titled “Proactive Neutralization” leaked to the press. Commissioned by Nestlé and produced by the public relations firm Ogilvy & Mather, the document presented a plan for confronting the boycott. While largely echoing the “‘careful and deliberate’” strategy favored by the company, Ogilvy & Mather also recommended aggressive tactics, including the establishment of a monitoring operation to track local activist groups and the placement of Nestlé PR materials in high school curricula.

For a moment, it appeared the document would give activists a weapon to attack the company – much in the way the 1980 disclosure of a Nestlé strategy memorandum had during the first boycott. However, unlike that earlier case, the Ogilvy & Mather study faded quickly as a campaign issue. Nestlé officials immediately distanced themselves from the report’s findings; as

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121 Annelies Allain to Esther Peterson, September 20, 1989, Box 104, Folder 2047, EPP.
122 James M. Biggar to Fellow Employee, April 24, 1989, Box 24, ACA.
123 “Fact Sheet/ Questions and Answers,” undated Box 22, ACA.
Thad Jackson noted, while the company “‘did consider some of those things . . . we didn’t take any of them up.’”¹²⁵ The company also benefitted from the fact that the strategy memorandum was not produced by Nestlé – allowing them to more easily dismiss it as not reflecting company policy. Nestlé also redoubled its efforts to appear reasonable, putting out a Ten Point plan that included the goal of a “‘phased withdrawal of supplies in excess of absolutely essential quantities’” of sample formula and other substitutes.¹²⁶

Faced with a weaker coalition of supporters than during the first boycott and more skilled opponents, the “small and very poor force” at Action soldiered on, taking some solace from the relative vitality of overseas boycott campaigns.¹²⁷ Within a year of its relaunch, boycott campaigns existed in Ireland, Finland, Mauritius, Mexico, Norway, and Sweden. The largest of these could be found in the United Kingdom, where the Baby Milk Action Campaign grew rapidly. The English activists’ greatest success arrived in 1991, when they received the endorsement from the General Synod of the Church of England, the official state church and home of global Anglicanism.¹²⁸ In 1992, Nestlé announced a policy of negotiating with individual nations over ending the company’s provision of free and subsidized samples – a partial victory that UNICEF Executive Director James Grant attributed to the boycott.¹²⁹ In 1994 the U.S. campaign won a major symbolic victory when the Clinton administration reversed Reagan’s no vote, by putting the U.S. government on record in support of the code.¹³⁰

Yet, for all these accomplishments, the issue remains unresolved. In the United States an inability to fundraise forced Action for Corporate Accountability to shutter its doors in the mid-

¹²⁶ “Nestle Meeting June 5/89 – Statement by Timothy Smith, Executive Director ICCR,” undated, Box 25, ACA.
¹³⁰ Karlyn Sturmer, “WE DID IT!” June 1994, Box 22, ACA.
1990s, leaving no group to coordinate the boycott.\textsuperscript{131} The International Baby Food Action Network continues to operate, doing much the same work it has since 1981. Every year it diligently issues reports detailing “consistent, repeated, systematic violations” of the code.\textsuperscript{132} In 2011, IBFAN catalogued 130 violations of the code by Nestlé alone, with other companies committing as many or more violations.\textsuperscript{133} As of 2013, only thirty-seven countries have turned the WHO-UNICEF code into domestic law. While the Nestlé boycott mostly disappeared from the public consciousness in the U.S., it retains prominence in Western Europe. For instance, the \textit{Guardian} newspaper reported in 2005 that Nestlé was the U.K.’s “most boycotted brand,” commenting that the boycott “keeps on going like the Energizer Bunny” as the “company remains inextricably linked to the promotion of infant formula in poor countries.”\textsuperscript{134}

\textbf{Conclusion}

While the Nestlé boycott continues, the original intent of campaign – to be an experiment in bringing about new structures of global governance for multinational corporate power – has all but disappeared. As early as 1991, Janet Mullins, Assistant Secretary of State for Legislative Affairs, dismissed the idea of U.N. codes of conduct regulating global commerce as an arcane notion from “an earlier era of North-South confrontation.”\textsuperscript{135} Two decades later, IBFAN’s Annelies Allain affirmed that perspective in an article on the Network’s history. While Allain

\textsuperscript{131} Johnson interview, May 5, 2011.
\textsuperscript{135} Janet Mullins to Claiborne Pell, July 18, 1991, Box 105, Folder 2078, EPP.
praised the International Code of Marketing of Breast-Milk Substitutes as an “amazing achievement,” she also lamented it “probably could never happen again.”

The reasons for these dashed hopes were many. Conservatives’ undermining of the United Nations during the 1980s largely shattered the possibilities that the “parliament of man” might also become a global regulatory body. Meanwhile, whatever concerted pressure international bodies representing the Third World (like the G-77 and the Non-Aligned Movement) could offer all but vanished. Lacking allies, public interest groups were therefore left to fend for themselves against rejuvenated corporate and conservative forces.

However, as the first round of the Nestlé boycott showed, even when the alignment of political forces favored activists, the politics of accountability was still inhibited by substantial structural problems. For the campaigns to better regulate the breast milk substitutes, pesticides, and pharmaceutical industries, they would have to address the vast imbalances in resources between the companies and activists. While NGOs scrounged together annually a few hundred thousand dollars at most, the global pesticide industry recorded global sales of $17 billion in 1988, while total pharmaceutical sales that same year topped $130 billion. Another difficulty arose from what could be called the geography of regulation. Whereas activists taking on the construction of a dam or even the operations of a sweatshop could concentrate on a discrete physical location, violations of the codes of conduct and laws regulating these three products could happen virtually anywhere – making enforcement extremely time-consuming. Given such inequalities, the fact that public interest groups failed to upend the global economy is unsurprising. The question would be: within those limits, what more could they do?

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137 Uram, “International Regulation of the Sale and Use of Pesticides,” 461; Chetley, A Healthy Business, 38
Chapter 7: “The Bank Has Only Changed Cosmetically”: The Accomplishments and Frustrations of the Multilateral Development Banks’ Campaign

In January 1986, Doug Clement, INFACT’s first full-time staff member, wrote a memorandum assessing the future of the breast milk substitutes campaign. Reviewing the campaign’s past, Clement reached rather pessimistic conclusions. While he praised the first round of the boycott (the one that ended in 1984) as a “victory for infant health and for the progressive community world-wide,” he lamented that “nine years of struggle were required to achieve a limited victory.” Gazing into the future, Clement feared that Nestlé would renege on its past pledges, warning that activists “will lose the Nestle boycott and the entire infant formula campaign,” unless they prepared for further confrontation with the company.1

Throughout the memorandum, Clement expressed his fear that structural forces existed which presented potentially insurmountable limits to public interest groups’ effectiveness. His fears would be echoed a few years later by environmental advocate Bruce Rich. In 1990, Rich penned an article evaluating the campaign to reform the lending practices of the World Bank and other multilateral development banks. Rich, who almost a decade prior had spearheaded the launch of this campaign, struck a pessimistic note regarding its future. Looking over the previous eight years, Rich acknowledged that the World Bank was at the “forefront of the most important international development institutions . . . in initiating environmental reform.” Rich proudly attributed this fact to the “pressures from a coordinated campaign launched by . . . NGOs in the United States, Europe, and several developing nations” which had forced the Bank “to undertake environmental reform in the first place.”2

1 Doug Clement to Eleanor, Lisa, and Ule, “INFACT’s Future Direction,” January 14, 1986, Box 17, ACA.
Yet, overall, Rich assessed the reforms won thus far as “isolated successes.” Rich worried that, as the campaign continued, it would increasingly be pressing against the “limits of the World Bank’s reforms.” Reviewing the changes seen at the Bank, Rich identified most of them as deeply flawed and inadequate, concluding that “the emperor’s new clothes bear only faint traces of green.” This conclusion was especially worrisome given the many political advantages possessed by critics of the Bank. Over the course of the 1980s, public interest advocates had successfully united a large array of actors, from right-wing congressmen in the United States to leftist social movements in Brazil and India to challenge the MDBs. Advocates even enjoyed the backing of powerful Northern governments, including the U.S., leaving the multilateral development banks relatively isolated.

Given this impressive power base, the campaign’s inability to dramatically alter World Bank policies left Rich searching for answers. In identifying potential explanations for the campaign’s limits, he looked, in part, to the rise of the Washington Consensus. While the rising tide of conservatism proved surprisingly beneficial to the campaign in the mid-1980s, as the decade closed, environmentalists became increasingly aware of the troubling ecological implications of Washington Consensus policies. During the 1980s, the Bank became a champion for policies that injected *laissez-faire* policies into global policymaking. The mechanism for delivering these policies was the structural adjustment program, which typically consisted of policies such as privatizing state-owned industries, deregulating key economic sectors, and pursuing an export-driven model for growth. During the 1980s, structural adjustment became the standard cure recommended by the IMF and World Bank for nations experiencing significant economic challenges.

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fiscal problems, with many nations throughout Latin America, Asia, and Africa implementing them. Criticized for their harmful impacts on the world’s poor, as Rich pointed out, structural adjustment also contributed to ecological damage by “prompt[ing] governments to reduce domestic conservation investments and . . . heighten[ing] pressure to exploit resources in an unsustainable fashion.”

In understanding the limits of NGOs’ effectiveness however, Rich assigned only minor importance to the advent of the Washington Consensus. Rather, he argued the heart of the problem lay in “deep institutional and political contradictions” that stood in the way of the World Bank “implementing reform in any meaningful way.” The contradictions derived from the complex pressures and incentives created by global capitalism. While Rich did not doubt the genuine dedication of Bank employees to eliminating poverty, he also emphasized that the institution they worked for was, at heart, not a charity but a financial institution. As with private banks, the World Bank needed to maintain credibility based on its ability to dispense loans and ensure repayment. These necessities often outweighed social and environmental concerns, even when those running the Bank actually cared about such issues. More than a challenge to the World Bank, Rich’s conclusions posed serious questions for public interest advocates entering the 1990s. Long committed to a belief that “the good parts of the system” could beat the “bad,” some public interest leaders involved in the campaign concluded that even piecemeal reforms at the World Bank would not happen without an escalation I advocates’ tactics. Questions over tactics and strategies in the early 1990s erupted into debates among advocates, as public interest liberals attempted to deal with a political landscape quite altered from the one they had entered a mere three decades before.

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“Banging at the Doors”

The resignation expressed by Bruce Rich in 1990 would have seemed quite out of place four years before. In 1986, the environmentalist coalition was utilizing new tactics and building new connections to capitalize on the momentum of the previous two years. By constructing tactical alliances with the Treasury Department and influential members of Congress, U.S. advocates had forced the World Bank to move the environment from the periphery to the core of its concerns. Yet, these changes did not lead to an easing of the pressure being applied by advocates on the Bank. As Rich cautioned, activists needed to keep agitating, given that “Merely informing or working with staffers within the bank . . . will not achieve policy transformations. Even bureaucrats with the best intentions often have their hands tied.”

Assessments such as Rich’s led the campaigners to seek additional ways to exert influence. In the second half of the 1980s, some of the public interest groups became open to embracing more militant actions, including street protests and civil disobedience. An important moment in this evolution happened in the spring of 1985, as Rich traveled to “a farm on top of a pine forested mountain in West Virginia” for a meeting focused on tropical forest protection.

Among the attendees was documentarian and activist Randy Hayes. Hayes introduced those present to the group he had just co-founded, the Rainforest Action Network (RAN), which he described as a “human rights group” that doubled as a “‘save the rainforest’ group.”

During the 1970s, Hayes had spent substantial time on a Hopi Indian reservation. His exposure to the Hopi imbued Hayes with an awareness of the plight of indigenous societies, as

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9 Cowell, Decade of Destruction, 134.
well as influencing his approach to activism. At one point, Hayes asked a Hopi friend how he could best assist the tribe. After being thanked for his work on the reservation, Hayes was told that “‘what we need you to do is get your foot off our throat. Go back into your own culture and make changes there.’”¹¹ He heeded this admonition and moved to the Bay Area to work on various environmental causes. Troubled by the destruction of tropical forests, in the early 1980s Hayes pondered how to work on this issue, as deforestation was “linked to consumer uses of forest products and financing of development by the United States.”¹²

Then, in 1984, a single event provided a model and inspiration: the conclusion of the Nestlé boycott. Hayes viewed the boycott as proof that “one could take on a multinational corporation and win.”¹³ Working with fellow radical environmentalist Mike Roselle and media consultant Herb Gunther (who advised INFACT on public relations during the boycott), the three men developed plans for the Rainforest Action Network.¹⁴ Hayes, Roselle, and Gunther modeled RAN partly on INFACT – while having a small professional staff, its power would come from organizing affiliated grassroots groups engaged in boycotts, rallies, and civil disobedience.¹⁵

Originally identifying multinational corporations as their primary foe, Hayes decided to bring RAN into the World Bank campaign. The alliance forged between RAN and the U.S. public interest groups bolstered the campaign and provides a window into examining how public interest liberals learned from the New Left. Instead of recoiling at a militant group arising to their left, advocates such as Barbara Bramble and Bruce Rich from mainstream environmental groups welcomed it. For his part, Randy Hayes, while skeptical of the established public interest

¹¹ Hayes interview, April 12, 2011.
¹² Rainforest Action Network, “A Grassroots Response to the Tropical Rainforest Crisis,” undated, Container 2, Folder 13, SCIP.
¹³ Hayes interview, April 12, 2011.
¹⁴ Hayes interview, April 12, 2011; Mike Roselle with Josh Mahan, Tree Spiker: From Earth First! To Lowbagging: My Struggles in Radical Environmental Action (New York: St. Martin's Press, 2009), 76-77.
groups, did not see them as enemies but as complements. Radicals to the left allowed the liberals to seem eminently moderate, which, according to Barbara Bramble, “strengthened our hands as lobbyists on the inside.” Radicals meanwhile got access to policymakers without having to entangle themselves in technocratic dialogues that sapped energy from their protests.

The Rainforest Action Network began its participation in the campaign on the morning of September 29, 1986. Around 10:30 A.M., as hundreds of people walked into the World Bank headquarters for the opening of the annual World Bank-IMF meetings, two activists repelled down an office building across the street. They unfurled a 40 foot by 20 foot canvass banner featuring the slogan “World Bank Destroys Tropical Rainforests” accompanied by the image of a snarling black panther. The action drew significant press attention and such stunts became standard at future IMF-World Bank meetings. In part, this was because RAN activists escalated their protests in following years; in 1987 Hayes and Roselle joined eleven others in being arrested for blockading an entrance to the Bank’s headquarters. Fearful of bad press coverage, the Bank became more amenable to listen to the demands of moderate campaigners.

Direct action tactics were not the only activist innovation seen during the September 1986 IMF-World Bank meetings. Simultaneously, mere blocks away from the Bank’s headquarters, a group of organizers and policy experts from around the globe assembled for the Citizens’ Conference on Tropical Forests, Indigenous People, and the World Bank. Modeled on the parallel NGO meetings that environmentalists had pioneered at the 1972 Stockholm Conference, the 1986 gathering facilitated meetings between activists from many countries. This

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16 Barbara Bramble and Jim Barnes to Bruce Rich, Larry Williams, David Wirth, Topsy Jewell, Koy Thompson and Chad Dobson, “Annual Meeting of the World Bank and IMF (Berlin, September 24-October 1, 1988), Container 17, Folder 15, SCIP.
19 Bramble interview, December 28, 2011.
allowed them to receive “first-hand reports from each continent” about the impacts of World Bank projects, as well as to “learn about how the World Bank works” and most importantly, “how it can be influenced.”20 While in Washington, Global South activists also met with Bank staff to plead their cases.21 Such meetings had an impact, with a 1989 study commissioned by the Bank finding that “NGOs have brought much useful information to the Bank . . . Especially the indigenous advocacy groups have shown themselves to be fairly reliable sources.”22

**Conable’s Commitments**

The September 1986 World Bank-IMF meetings also featured the first major appearance by Barber Conable, the new president of the World Bank. Conable appeared a promising figure to advocates. Prior to becoming president of the World Bank, Barber Conable had enjoyed a long career in the House of Representatives, followed by several years of retirement. During his time in Congress, Conable, a moderate Republican from upstate New York, served on the House Ways and Means Committee, earning a reputation from both sides of the aisle for being an astute and attentive legislator. Conable was not the first name on the list, however at a time when the World Bank was under fire, Conable’s congeniality and dedication to public service appealed especially to James Baker, who successfully recruited him for the post.23

In his speech opening the September 1986 meetings, Conable pledged to “take account of . . . the need to protect the environment as we promote economic advance.”24 Acutely aware of the environmental groups’ political influence and the tenuousness of World Bank funding,

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23 For more on Conable, see Kraske with Becker, Diamon, and Galambos, *Bankers With A Mission*, 247-279.
Conable sought to engage with the Bank’s critics from the outset. Meeting with environmentalists a month after taking office, he admitted the Bank had made “‘serious environmental mistakes’” and “asked how he could continue to have access to [environmentalists’] ‘skills.’” In August he formed a “special study team . . . to review and make recommendations . . . for dealing with environmental issues.” In the following months, environmentalists and World Bank officials wrote to each other about proposed reforms, as advocates waited with a mix of hope and skepticism for the Bank’s final proposals.

Months of anticipation climaxed on May 5, 1987. That evening, representatives from environmental and development NGOs gathered at the Sheraton Carlton hotel in downtown Washington, D.C. to hear an address by Conable. While much of his speech repeated boilerplate language about balancing environmental and development needs, Conable also moved beyond such platitudes. He acknowledged the World Bank’s culpability for past harms, calling the Polonoroeste project in Brazil a “sobering example” which demonstrated that “the Bank has . . . stumbled.” Conable proposed solutions, including the creation of a new Environment Department and the hiring of a substantial number of new environmental staff members. Conable also made sure to praise environmentalists, declaring that the “World Bank needs the help of environmental activists in every nation . . . We need your advice, your expertise, your influence, and your imagination.”

In the months following Conable’s speech, major changes indeed occurred. A centralized Environment Department came into existence at the Bank, with Regional Environmental

25 Anita to International Committee, “Meeting with Barber Conable, July 30, 1986,” undated, Carton 1, Folder 21, SCIP.
Divisions operating as internal sentinels, keeping watch for potentially troubling project proposals. While the Bank initially announced it would hire a hundred new environmental staffers, even the fifty brought on by the end of 1987 constituted a vast improvement – previously, the professional environmental staff had numbered just five.  

During the second half of 1987 and through 1988 the environmentalist coalition continued to meet with World Bank staff to discuss the reform efforts. Environmentalists praised the “concrete steps . . . announced” as offering a roadmap to “making [Conable’s] commitment to the environment . . . into a reality.”

Most importantly for the World Bank, these reforms upended the politics surrounding its U.S. funding. In the fall of 1986, environmentalists had openly flirted with using their influence in Congress to interfere with the Bank’s next appropriations request. Environmentalists knew that in 1987 the World Bank would be asking for two separate appropriations. The first would be for the International Development Agency, the division of the Bank that offers low-interest loans to the poorest countries. The second request would be for a general capital increase for its overall operations. Given Conable’s actions however, environmentalists decided not to attack the Bank’s funding; as Bramble explained “since the trends among most of the multilateral banks . . . are slow but positive, we generally support the administration’s request for them.” Yet, even while environmentalists holstered their most powerful weapon, they did not halt the campaign, concerned that an end to confrontation “would send all the wrong signals.”

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28 Wade, “Greening the Bank,” 674-675.
29 Jay D. Hair on behalf of Bruce Rich, Larry Williams, David Wirth, and Brent Blackwelder to Barber Conable, May 19, 1987, Liaison Files – Environmental Groups – Correspondence 01, 1104062, WB IBRD/IDA 03 EXC-11, WBA.
30 Testimony of Barbara Bramble, Senate Committee on Appropriations, Foreign Assistance and Related Programs Appropriations for Fiscal Year 1988, 100th Cong., 1st Sess., 1987, 207.
31 Larry Williams to Dan Stiles, October 13, 1987, Carton 1, Folder 4, SCIP.
flood in from environmental groups to the World Bank reporting troubling news about various projects, particularly in Brazil, India, and Indonesia.  

Environmentalists in 1987 felt quite bullish in large part because they had maneuvered into a situation where even the Reagan administration, normally a foe to green advocates, also backed World Bank reforms. The administration’s favorability to World Bank environmental reforms resulted from its belief that it needed to compromise in order to secure Congressional support for future U.S. appropriations. This was a reversal of its earlier position earlier, when the administration tried to reduce U.S. financial support to the Bank. 

The reason for the change was the Third World debt crisis. In the first years of the 1980s, the administration and many Northern policymakers believed that “the strength of recovery in the United States” would “enable” Third World states “to deal with their debt difficulties.” By 1985 however, this optimism disappeared as Mexico failed to comply with its IMF stabilization program and Peru’s president Alan Garcia terminated relations with the IMF in protest over the Fund’s policy demands. 

Fearful that Third World states might try to unilaterally alter or cancel their debts, top officials in the Reagan administration plotted a more engaged U.S. policy. At the head of the response to the debt crisis was Secretary of the Treasury James A. Baker III. Observing mounting Third World frustration, multinational banks’ retreating from offering new lines of credit to the South, and a strained IMF, Baker and the Treasury concocted a plan. Introducing the “Baker Plan” at the September 1985 annual IMF-World Bank meetings, Baker proposed that

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32 Barber Conable to Bruce Rich, June 18, 1987, Liaison Files – Environmental Groups – Correspondence 01, 1104062, WB IBRD/IDA 03 EXC-11, WBA. 
33 “Minutes of Executive Board Meeting 84/137,” September 7, 1984, Executive Board Documents, Executive Board Minutes, International Monetary Fund Archives. 
the U.S. mobilize private banks and the International Monetary Fund to intensify their lending, while also calling for the World Bank and Inter-American Development Bank to “increase their disbursements . . . by roughly 50 percent from the current annual level.” Key to this lending would be a renewed emphasis on polices based on “increased reliance on the private sector,” which the Reagan administration argued would accelerate Southern economic growth.

To put the Baker Plan into effect required asking Congress for greater appropriations to the multilateral development banks. With many Congressional conservatives set against giving more money to the banks, Treasury looked to the Democrats for votes. As Sierra Club Chairman Mike McCloskey noted, the result was a “special set of political circumstances” in which:

“The Treasury Department seems genuinely interested in helping to make this [environmental reform at the MDBs] happen because . . . It desperately wants to keep Congress appropriating money for the MDB’s to keep the economies of . . . debtor nations afloat . . . With considerable opposition to these loans from the far right in Congress, the Treasury is fearful that environmental criticisms can peel away votes from liberals in Congress.”

McCloskey’s belief that the administration would support environmental reform was born out in practice. Throughout the second half of the 1990s, the Treasury Department pressured the World Bank and the multilateral development banks to halt ecologically destructive ventures. Testifying in February 1986, Treasury Secretary official James Conrow bluntly stated that “we have an opportunity . . . to raise this [environmental issues] directly with the donors . . . I will be doing that continuously so that the World Bank management will see . . . that there is a

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38 Michael McCloskey, “Report to the Board of Directors of the Sierra Club,” September 13, 1986, Container 17, Folder 13, SCIP.
commitment here in the administration as well as in the Congress for this effort.”39 One demonstration of this commitment occurred in the summer of 1986, when Treasury ordered the U.S. representatives at the World Bank to vote against a $500 million loan to Brazil that environmentalists opposed. The U.S. representative at the Bank denounced the project as “‘pure folly,’” citing reports by the Environmental Defense Fund to back up his decision.40 Baker also intervened on several other occasions with World Bank leaders to nudge them away from problematic projects, while in public prodding them to take “far more tangible actions” to ensure that Global South countries’ “natural resource base” was “carefully managed.”41

**Struggles in the South**

While U.S. environmentalists reached out to the Treasury Department for pragmatic reasons, their connections with Global South activists stemmed from ideological commitments. For Rich, Bramble, Blackwelder, and many others, the “participation of Third World NGOs” was “essential,” as they believed that one of the “most important results of the campaign may be that Third World organizations sharing common goals with the U.S. groups are empowered to reach their own environmental and social goals.”42 Over the second half of the 1980s, Northern and Southern NGOs found three ways to facilitate collaboration. The first approach involved holding conferences in tandem with the IMF-World Bank annual meetings. The second consisted of visits by NGO staff members to each other’s countries. For Southern advocates, voyages to

40 Hugh W. Foster, U.S. alternate executive director, statement to the Board of Executive Directors regarding the Brazil Electric Power Sector Loan, June 1986 quoted in Rich 137; Wade, “Greening the Bank,” 670.
41 U.S. Department of the Treasury, “Remarks by the Secretary of the Treasury James A. Baker III at the afternoon sessions of the Development Committee of the International Monetary Fund and World Bank, Washington, D.C.,” April 10, 1987, Container 17, Folder 8, SCIP.
the U.S. and Western Europe allowed them to fundraise and meet with leaders at the multilateral development banks. For Northern advocates, trips to the Global South let them see first-hand the damages caused by unregulated development. The third mechanism assumed a more institutional form. In 1987, U.S. environmentalists started a new organization, the Bank Information Center (BIC). The creation of BIC “was sparked by the request from Southern NGOs that a Washington office be established to facilitate U.S. and foreign NGO communications.” BIC’s “primary responsibility” involved “securing and distributing information” obtained from the World Bank and U.S. Treasury Department in order to empower Southern activists in their confrontations with the Bank.43

Valuable as ties with often professionalized, urban-based Southern NGOs were, U.S. environmentalists also wanted to engage with the people most affected by misguided development schemes. This desire is what made the rubber tappers of Brazil such an exciting ally. U.S. environmentalists first contacted the *seringueiros* in 1985 through Brazilian anthropologist and activist Mary Allegretti. In November of that year, Environmental Defense Fund staffer Steve Schwartzman flew to Brazil to participate in the founding meeting of the National Council of Rubber Tappers, a gathering organized by *seringueiro* labor leaders such as Chico Mendes. In the subsequent years the rubber tappers’ relationship to the campaign intensified, owing to the changing fortunes of Polonoroeste, the World Bank-financed project that became a focal point for environmentalists in the early 1980s. By 1987 the World Bank had made marked improvements in its handling of Polonoroeste, succumbing to advocates’ demands for it to push the Brazilian government to better implement the social and environmental protections originally promised as part of the loan. However, the Bank’s involvement in

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43 “The Bank Information Center: A Clearinghouse for Environmental Information on MDB Funded Projects,” April 5, 1988, Container 16, Folder 14, SCIP.
Polonoroece was also decreasing by this point, as it dispensed the last portions of the original
loan.44

Simultaneously, the Inter-American Development Bank (IADB) increased its role in
Polonoroece, much to the chagrin of environmental advocates. Founded in 1959, the IADB
differed in some ways from the World Bank; however, its main mission – offering loans for
development projects – was quite similar.45 For the Brazilian government, looking to bring
“modernity” to Amazonia, the IADB therefore offered a promising alternative source of funds.
Wishing to improve parts of the BR-364 highway that connected the states of Rondônia and
Acre, in 1985 the Brazil government began drawing loans from the IADB.46

In Acre, Chico Mendes and the seringueiros looked upon the renewed highway
construction with trepidation. As Mendes wrote, “environmental destruction in Amazonia
follows the roads. As soon as all-weather roads are completed, an influx of poor, landless
farmers and wealthy cattle ranchers begins to hack down the forest to set up farms on soil which
often proves barren once the forest cover is removed.”47 Meeting with filmmaker Adrian Cowell
and Mary Allegretti in the fall of 1986, Mendes was urged to take his fight to the upcoming
annual meeting of the IADB.48 Mendes concurred, and in late March 1987 he made his first trip
outside of Brazil, flying to Miami, Florida. As recalled by Cowell, Mendes at first “looked what
he was – a man from the jungle lost at a banker’s meeting.” However, Mendes adjusted to this
jungle of bureaucrats quickly, darting from official to official with the Environmental Defense
Fund’s Steve Schwartzman making initial introductions. Mendes again and again argued that

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45 For more on the IADB see Diane Tussie, The Inter-American Development Bank (Boulder, CO: Lynne Rienner
46 Marianne Schmink and Charles H. Wood, Contested Frontiers in Amazonia (New York: Columbia University
47 Mendes, Fight for the Forest, 49-50.
“the road into Acre should not be paved until there were adequate measures to protect the environment, the *seringueiros* and the Indians,” finding a number of officials surprisingly receptive to his critiques.49

The next stop for Mendes led to perhaps the most unlikely meeting of the entire campaign. On March 27, 1987, accompanied by Schwartzman and Adrian Cowell, Mendes, the Marxist labor leader from western Brazil, went to Capitol Hill to meet with Robert Kasten, the conservative Republican from Wisconsin. Whatever their differences, the two men found common ground in wanting to rein in the IADB. Kasten told Mendes “‘that our subcommittee is going to continue to put pressure on the [IADB] to withhold funds – to cut off all funds, possibly – if they are not more cooperative.’”50 Kasten kept this promise. In early August, exacerbated by the IADB’s lack of responsiveness, he teamed up with Democratic Senator Daniel Inouye to oppose the bank. In early August, the Wisconsin Republican prepared a speech declaring his intention to call “for the Appropriations Committee to take the strongest action it can . . . to cut the funding for the IADB” entirely.51 Kasten never delivered this speech however; upon hearing of Kasten’s plans, the IADB’s directors announced a temporary halt to funds for the BR-364 highway.52 They also gave Brazil sixty days to comply with the environmental protections guaranteed under the loan.53 Around the same time, the World Bank and IADB endorsed Mendes’ proposal to create extractive reserves (legally recognized communal lands for rubber tappers), and in Brazil, a legal mechanism was created to permit the government to recognize

51 “Statement of Senator Robert W. Kasten, Jr. – Termination of Funding for the Interamerican Development Bank, August 5, 1987, Box 40, Folder 10, RWK.
52 “IDB To Seek Suspension of Brazilian Project; Kasten Calls Decision ‘Major Environmental Victory,’” *Kasten News*, August 5, 1987, Box 40, Folder 10, RWK.
extractive reserves. Thus, the path seemed to be opening not only to halt destructive development, but to prop up an alternative model for social progress.\textsuperscript{54}

Negotiations continued, and, in September 1987, U.S. environmentalists brought Mendes back to the U.S. for further meetings with officials from the IADB and the World Bank. Interviewed by the \textit{New York Times} while in D.C., Mendes reiterated that that the \textit{seringueiros} did not oppose all infrastructure, but rather wanted a “‘road that benefits the rubber workers and other people who live in the forest’”\textsuperscript{55}

Meanwhile, negotiations continued between the IADB and Brazil. The IADB’s leadership conducted these talks always aware that powerful members of the U.S. Congress watched over them, ready to slash funding to the bank if it did not make substantial progress on cleaning up its environmental record. In December 1987, frustrated with the Brazilian government’s reticence to follow through on the environmental conditions of the loan, the IADB, for the first time in its history, suspended a loan on ecological grounds.\textsuperscript{56}

In Brazil, this victory evoked a variety of responses. Many rubber tappers rejoiced, yet Mendes also had to endure an intense barrage of negative coverage. Regional and national newspapers, many which sided with the large cattle ranchers wanting to exploit Amazonia, denounced him as a “false leader . . . and an obstructionist.”\textsuperscript{57} For one ranching family, political anger became homicidal rage. On December 22, 1988, Chico Mendes became the nineteenth


\textsuperscript{57} “An Interview with Chico Mendes,” in Rodrigues, \textit{Walking the Forest with Chico Mendes}, 147.
rural activist to be murdered in Brazil that year.\textsuperscript{58} Unlike the others, Mendes’ international fame, acquired through his association with the well-publicized international campaign targeting the development banks, ensured that his death became international news.\textsuperscript{59}

For U.S. environmentalists, utter shock prevailed at the news, even though they knew the dangers Mendes faced. Wishing to show solidarity from afar, environmentalists helped to coordinate a service in Washington, D.C. for Mendes in January 1989. Over three hundred people amassed in a Catholic Church in Washington, D.C., where a diversity of speakers paid homage to Mendes. Kasten eulogized him as an example of “l’homme engage -- a man of deeply held beliefs who was equally a man of action.”\textsuperscript{60} Barbara Bramble remembered Mendes as a true environmentalist, reading from one of his last speeches, in which he had remarked that “‘I don’t want flowers at my funeral, because I know they would be taken from the forest.’”\textsuperscript{61} It was left to Mendes’ friend Gomercindo Rodrigues to remind those assembled that, pragmatic-minded as he was, Mendes considered himself to be, first and foremost, a labor leader and political radical.\textsuperscript{62}

By the time of Mendes’ murder Brazil had actually faded as the central focus of the campaign, increasingly replaced by the Narmada dams controversy in India. As with Polonoroeste, Narmada involved a World Bank loan intended to support a massive infrastructure project that threatened thousands of people. Since independence in 1947, Indian leaders such as Jawaharlal Nehru dreamt of constructing a series of dams along the Narmada, the nation’s third longest river, to bring irrigation and electricity to the states of Madhya Pradesh, Maharashtra,

\textsuperscript{60} Robert W. Kasten, Jr., “Tribute to Chico Mendes,” January 25, 1989, Box 40, Folder 7, RWK.
\textsuperscript{62} Rodrigues, \textit{Walking the Forest with Chico Mendes}, 157.
Finally in the late 1970s, decades of conflict among these states’ governments over apportioning resources concluded and the project moved forward. While many of the dams would be minor in size, thirty of them would be “mega-dams,” such as the 455 foot tall Sardar Sarovar dam.64

With the political arrangements settled, the Indian government next sought financing, including from the World Bank. As the Bank and the Indian government negotiated, a number of social and ecological worries arose; the most pressing being the need to resettle communities whose lands would be flooded. Estimates of the number of people to be displaced varied. One World Bank study found that, by itself, the Sardar Sarovar dam would displace around 67,000 people (the eventual number would be actually be 200,000).65 However, while negotiations between the Bank and Indian state governments started in 1978, it was not until 1983 that serious discussion occurred about resettling those to be displaced. Although a few individuals raised concerns, as a World Bank report later noted, during the process of formulating the project, “the Bank did not follow its own R&R [resettlement and rehabilitation] guidelines designed to ensure appropriate treatment of landed and landless” displaced peoples.66

This lack of concern left hundreds of thousands of people without good options to make new lives after their removal. Nor did people in the affected areas receive opportunity to offer input into the project design, as the Indian federal and state governments and the World Bank

planned the Narmada dams without public consultation. Nature received even less consideration, even as Sardar Sarovar alone threatened to inundate 875,000 acres of forest and the resettlement plans written for it foresaw moving some displaced communities into state-protected conservation lands.\(^6^7\) However, such issues seemed minor to the Indian government and World Bank when compared to the Narmada dams’ promise to “catalyze the modernization of large parts of the Indian irrigation sector.”\(^6^8\) Thus, by 1987, initial negotiations concluded and a $450 million loan and credit package from the World Bank began flowing and construction of the dams commenced.\(^6^9\)

The person who brought U.S. public interest groups’ attention to the Narmada projects was Medha Patkar, a thirty-one year old social work student. Patkar initially visited the communities slated for displacement by the Narmada dams in 1985 as part of her academic research on India’s tribal peoples.\(^7^0\) Going from village to village, Patkar found mixed opinions about the project. Some people supported the dams, hoping they would bring prosperity, while others expressed outrage that “no one asked us as to whether we want to move.”\(^7^1\) Appalled by the indifference shown by the Bank and Indian government to the people living along the Narmada, Patkar decided to stay in the area to assist in organizing by communities and local NGOs to challenge the project.

Patkar’s emergence as an important figure in the campaign arose both from her indefatigable energy and her connection to U.S. environmental groups. That she could boast of


\(^6^8\) The World Bank, *Report and Recommendation of the President…*, 14.


\(^7^0\) Cheryl Tingley, “‘The Dammed’: A Comparative Study of Movements in Resistance to Hydro-electric Projects,” (master’s thesis, Saint Mary’s University, 1996), 75.

transnational links derived, in part, from a lucky coincidence. In 1986 Patkar had, by accident, bumped into Bruce Rich while he was visiting India. Although interested in her stories about the World Bank and Narmada, Rich held back on working with Patkar, in fear of overextending himself and the campaign. Ever determined, Patkar sent a steady barrage of letters to Rich, which he passed along to Lori Udall, a new staff member at the Environmental Defense Fund (whose international program Rich now ran). Udall jumped at the chance to take the lead on Narmada and became ever more convinced of its importance with each of Patkar’s letters. In September 1987, Udall brought Patkar to Washington, D.C. to speak at the parallel NGO meeting, where Patkar greatly impressed those in attendance.72

Returning to India, Patkar embroiled herself in a contentious political split among the groups confronting the Sardar Sarovar project. Thus far, activists had focused not on stopping the dam, but on fighting “for an improved resettlement and rehabilitation policy.”73 Infuriated by the lack of consultation done by either local governments or the World Bank and the repression of protest by local authorities, by 1988 a growing number of people in the Narmada Valley demanded that activists come out in opposition to the entire project. In May 1988, these groups issued an ultimatum to the government: answer essential questions posed by affected communities about the resettlement program or their organizations would fight not to improve the project, but to stop it entirely. Three months passed with only the most perfunctory responses from the government, leading activists in August 1988 to issue a platform declaring that “We will Stop Sardar Sarovar! We will die, but will not move out; we will not leave Narmada

Soon afterwards, the various groups of rejectionists united into one organization, the Narmada Bachao Andolan (NBA). Patkar assumed an important leadership role in the NBA and it would become the U.S. environmentalists’ main ally in this fight.

**A String of Successes**

The spirit of defiance shown by Narmada Bachao Andolan did not stay confined to India. For U.S. environmental advocates, the period between 1989 and 1993 found them returning to a confrontational footing, after the more amiable relations seen in the first years of Barber Conable’s presidency. The Narmada projects partly prompted this shift, yet larger issues also contributed. For environmentalists’ frustrations also reflected a classic story of raised expectations dashed by cold realities. In the fall of 1986 and throughout 1987, U.S. environmentalists perceived a new day dawning, as the World Bank undertook serious reforms. However, this era of good feelings did not last, and by early 1988 environmentalists expressed mounting frustration about the Bank’s lack of progress, while Bank staffers felt advocates expected more change than was reasonable. Illustrating the shift, Sierra Club staffer Larry Williams recalled a meeting in 1988 at which Conable dismissed public interest advocates, stating “‘the only reason you are targeting the World Bank is that you think it will get you more members.’” Increasing tensions prompted tactical escalation, including finally acting on long-standing threat to demand that Congress scale back U.S. funding of the Bank.

This new assertiveness by advocates and the controversies surrounding the Narmada project led to a rather remarkable set of victories for environmentalists between 1989 and 1993.

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The campaigners’ first significant accomplishment came in pushing for improved environmental impact assessments by the World Bank. Although the Bank first instituted environmental review procedures in the early 1970s, as Brent Blackwelder stated in April 1988, as “good as these provisions are, there is no doubt that a regular eis [environmental impact statement] process for MDB projects could be of enormous benefit.” In conducting this campaign, environmentalists seemed to have an obvious reference point in the 1970s effort by groups like NRDC and the Sierra Club to press the U.S. Agency for International Development into such assessments. In the case of USAID however, a clear legal foundation existed, the National Environmental Policy Act. Unfortunately for public interest liberals, NEPA only applied to actions undertaken by the U.S. government.

However, NEPA’s non-applicability to the World Bank did not dissuade one U.S. Senator keen to confront the Bank. The Senator in question, Idaho Republican Steve Symms, was a staunch right-winger elected in the 1980 Republican wave. More so than Kasten, Symms was a surprising ally for environmentalists; after all, he regularly boasted of being “an unabashed enemy of the Sierra Club.” Yet, Symms also detested multilateral institutions like the World Bank. In 1986 and 1987, he pressed for legislation to essentially eliminate U.S. funding to the Bank. Symms hoped this pressure would cause the Bank to scale back its assistance to Third World nations aimed at bolstering their agricultural exports. Hailing from a state dependent on commercial agriculture, Symms saw the Banks’ support for Global South agricultural exports as a principal cause of low global commodity prices that hurt Idaho farmers.

76 Brent Blackwelder to International Environmental Leaders, “Amendment to NEPA Requiring Impact Statements on MDB Projects,” April 11, 1988, Container 16, Folder 17, SCIP.
By 1988, having twice failed to pass legislation related to the World Bank and agriculture, Symms looked for other ways to strike at the Bank. Seeing the success of the environmentalist campaign, he decided to join it. That year, Symms proposed an amendment calling on the Treasury Department to use NEPA to assess whether the U.S. Executive Director (the U.S. representative on the World Bank’s Board of Directors) should vote for or against proposed projects. Symms’ proposal inspired an intense counter reaction. Treasury Secretary Baker decried it as “unworkable,” stating it would force his department to conduct assessments itself, warning that the “practical result of the amendment would be to prevent the U.S. Government from voting positively on the great majority of . . . bank loans.”

The Symms initiative inspired dissension in the U.S. environmentalists’ ranks. While the Natural Resources Defense Council, Environmental Policy Institute, and the Sierra Club backed the bill, the Environmental Defense Fund and National Wildlife Federation opposed it. Those in favor, while possessing “reservations,” believed that Symms’ idea was workable and felt it important to back his initiative. Meanwhile, those opposed to the Symms amendment found themselves “in an extremely surprising position.” In part, EDF and NWF believed NEPA to be “not the right vehicle” for holding the World Bank accountable. However, other reasons appear to have been at play as well. According to an early 1989 memo from the Sierra Club’s Larry Williams, “much of the opposition from NWF and EDF was due to the fact that it was a Symms amendment.” Given widespread “reservations about Symms’ record and reputation” in Congress, EDF and NWF staffers wanted to avoid the reform campaign becoming chained to his

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78 James A. Baker III to Senator Robert T. Stafford, April 12, 1988, Container 16, Folder 17, SCIP.
79 Tom Stoel, Larry Williams, and Brent Blackwelder to Max Baucus, July 13, 1988, Container 16, Folder 16, SCIP.
In the end, Symms’ amendment failed to pass, however, it seemed all but certain that he would try again the following year.82

Thus, as 1989 opened, environmentalists rushed to craft a strategy on the environmental assessment issue. Larry Williams pushed environmentalists to introduce their own legislation, hoping that such an amendment could be “sponsored in the House and Senate by a more moderate group of members” given that “Symms’ sponsorship causes many members a lot of problems.”83 Williams’ proposal called for the U.S. Executive Director to refuse to vote on any project proposed by the World Bank for which the Bank did not provide a detailed environmental impact assessment to the U.S. government at least 120 days prior to the vote.84

The other groups agreed, letting Williams take the lead both in drafting the bill and coordinating the lobbying efforts. This made sense, as the Sierra Club possessed a large and politically engaged membership when compared to the smaller and less active memberships of the public interest groups like EDF or NRDC or to the National Wildlife Federation’s large, but less politicized membership.85

In the House of Representatives, the Sierra Club found a legislative champion in the person of second term Democratic Congresswoman Nancy Pelosi. Through the second half of 1989, U.S. environmentalists worked closely with Pelosi to maneuver their legislation through Congress. That summer the Club began mobilizing its grassroots, conducting an “International Lobby Week” that brought its members to Washington, D.C. to meet with the staffs of their

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81 Larry Williams to Carolyn and Michele, “NEPA Legislation,” January 26, 1989, Container 17, Folder 1, SCIP.
83 Larry Williams to Tom Stoel, Barbara Bramble, Brent Blackwelder, Lori Udall, “Response To Tom’s Draft Language For An Amendment Promoting Environmental Impact Assessments By The MDBs,” January 25, 1989, Container 17, Folder 1, SCIP.
84 Larry Williams to Nick Yost, Nick Robinson, Ken Weiner, Michael Kane, “Draft Language for an Amendment Promoting Environmental Impact Assessments by the MDBs,” January 26, 1989, Container 17, Folder 1, SCIP.
members of Congress to urge them to co-sponsor Pelosi’s bill.\textsuperscript{86} However, a variety of roadblocks slowed the process, as the bill’s introduction was delayed by the need to first pass it out of the House Banking Committee, which did not occur until late September.

As if to goad Congress to action, three days after the vote in the Banking Committee, a demonstration of between thirty and sixty thousand people against the Sardar Sarovar dam occurred in Harsud, India. The march poignantly illustrated the very real consequences of technocratic debates in Washington, D.C.\textsuperscript{87} One person who took note of the protest was New York Democratic Representative James Scheuer, who had chaired one of the first congressional hearings on the World Bank and the environment in September 1984. On October 24, 1989, Scheuer’s subcommittee held a hearing specifically on the Sardar Sarovar dam which included testimony from Medha Patkar. Tearing into the World Bank, Patkar declared Sardar Sarovar part of a “modernization spree . . . [that] makes the poor carry the cross unquestioned.” She closed, to a round of applause, by insisting that if the “people of the United States” knew how their tax dollars were being spent, they would “spare no time in acting – with force [and] authority.”\textsuperscript{88}

The hearing on Sardar Sarovar, as well as hearings at the end of September on the World Bank’s environmental record more generally, helped Pelosi and the environmentalists keep attention on their legislation.\textsuperscript{89} However, to get the bill through Congress required both personal negotiations and political force. The Club continued to activate its membership, and Senator Steve Symms stepped in as a reliable ally in the Senate. Symms even teamed up with the Sierra Club for a showdown with the Treasury Department. While supportive of some environmental

\textsuperscript{86} Keren to International Lobby Week Volunteers, “Results of International Lobby Week,” May 26, 1989, Container 17, Folder 1, SCIP.
\textsuperscript{88} Testimony of Medha Patkar, House Committee on Science, Space, and Technology, \textit{Sardar Sarovar Dam Project}, 101\textsuperscript{st} Cong., 1\textsuperscript{st} Sess., 1989, 94-95.
\textsuperscript{89} House Committee on Foreign Affairs, \textit{Environmental Impact of World Bank Lending (Vol. I)}, 101\textsuperscript{st} Cong., 1\textsuperscript{st} Sess., 1989.

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endeavors at the World Bank, the Treasury Department’s commitment was primarily instrumental. Above all, it wanted to minimize controversies surrounding the multilateral development banks to ensure continuing Congressional support for appropriations to them. Fearing that environmental assessments might inhibit the Bank’s operations, Treasury urged members of Congress to support amendments to weaken the legislation by restricting public access to the texts of the environmental assessments. Treasury eventually won this fight, but environmentalists still found much to celebrate when the legislation passed in November 1989.90

Yet, the limits of victory soon became apparent. As the Bank crafted and instituted a more detailed environmental assessment procedure, public interest groups became aware that “the price paid . . . was to remove the requirement mandating [environmental assessments] of non-project lending, such as structural and sectoral adjustment operations.”91 This compromise meant that a growing portion of the World Bank’s lending would be exempted from assessment. Structural adjustment programs had become a growing portion of the World Bank’s loan portfolio in the 1980s. While between 1983 and 1986 structural adjustment accounted for 18 percent of all Bank loans, by the period between 1987 and 1990 that number leapt to 26 percent, remaining around that level from the early 1990s onward.92

The Bank justified the exclusion of structural adjustment on two grounds. First, it argued that assessing structural adjustment would be hard – unlike a dam or a road, structural adjustment’s impacts were more diffuse and thus harder to calculate. While this argument possessed a certain logic, the Bank also asserted the structural adjustment programs carried “little

90 Larry Williams to Nancy Pelosi, June 14, 1990, Container 17, Folder 2, SCIP.
or no social or environmental impacts.” As environmentalists rushed to point out, this claim was, at best, dubious. Throughout the 1990s, environmental groups conducted studies which concluded that structural adjustment wrought negative impacts, as “higher production levels increased aggregate environmental impacts and the economic reforms did not internalize environmental . . . costs.”

Even before the inadequacies of the Bank’s new environmental assessment policies became apparent, advocates continued to press the World Bank to institute other changes. In March 1990, a group of U.S. development and religiously-based NGOs joined with environmentalists to demand that the Bank adopt a new mechanism giving “affected groups and local NGOs” the ability to approve or reject environmental assessments of proposed projects. To back up this call, the NGOs stated that they would “press forward with an agenda for change so that taxpayers’ money can be utilized constructively” – a not so subtle hint about challenging future U.S. appropriations. The campaign’s Congressional backers also maintained the pressure, with one of Kasten’s aides urging the Senator to tell the Bank’s leaders that “to avoid a blood bath in the press, these reforms are essential.” U.S. advocates were not alone, in Europe and Japan, activists demanded their governments also press the Bank to amend its policies.

Within the World Bank, this non-stop uproar led the management to ponder launching a new initiative that could demonstrate the Bank’s commitment to sustainability. Bank officials looked to ideas already floating around development intellectual circles that called for the Bank to create a special mechanism to fund sustainable development projects. Over the fall and winter

94 David Reed, Structural Adjustment, the Environment, and Sustainable Development (Sterling, VA: Earthscan, 1996), xx.
96 Alex to Bob, “Second Polonoroeste Project,” January 30, 1990, Box 40, Folder 10, RWK.
97 Friends of the Earth Japan, “Report on the Narmada Campaign in Japan,” Container 7, Folder 13, MDP.
of 1989, a small group of World Bank staff led by Senior Vice President for Finance Ernest Stern put together a proposal for the Global Environment Facility (GEF). A new division of the Bank that began operations in 1990, the GEF financed projects intended to promote sustainable development in four areas: protecting biodiversity, combatting climate change, protecting water resources, and fighting ozone layer depletion.98

Environmental advocates cheered the basic concept of the Global Environment Facility. However, as details emerged, their initial excitement seeped away.99 Once again, they discovered that the World Bank had launched a promising initiative while also putting in place mechanisms preventing NGOs from participating directly or even having access to information about the Bank’s operations.100 Advocates also attacked the fact that money given through the GEF would be incorporated into larger World Bank loans, which Rich argued meant that “good money [will be] thrown after bad if the World Bank does not make . . . progress in reforming its main lending operations.”101 Ultimately, perhaps the most disappointing aspect of the GEF over the years was its parsimony. Between 1991 and 2010, the Facility distributed around $9.5 billion in funds, a not insubstantial amount. Yet, when compared to the fact that, between 2009 and 2010 alone, the World Bank loaned $9.6 billion for fossil fuel and resource extraction projects, the GEF’s relative importance in the Bank’s portfolio appears less impressive.102

While U.S. public interest liberals pointed to procedural problems with environmental assessment and the GEF, many Global South activists saw more fundamental issues. In their

eyes, these two Bank initiatives seemed “designed to ameliorate some of the harmful effects of adjustment programs and environmentally damaging investments” while allowing the Bank to escape “examining or even acknowledging the causes” of these problems. Looking to attack these root causes, a group of 200 people from sixty nations gathered in September 1990 for the “International NGO Forum on World Bank and IMF Lending.” At this meeting, Southern activists identified Washington Consensus policies as the cause of their miseries. They challenged the notion that these “that the poor should benefit in the long run from these [structural] adjustments,” asserting that “when it is the very life of the poorest being sacrificed for the sake of adjustment, there is no long run.”

However, activists recognized that transforming an entire economic paradigm presented an immense challenge. Thus, they also discussed shorter-term and more concrete actions that could be taken. Such conversations quickly led to activists focusing on the “emblematic” World Bank project: Sardar Sarovar. The assembled activists made ending that project an essential demand, declaring that “it will be difficult to believe in any possibility of introducing changes to the Bank if that project cannot be stopped.”

Activists’ attentions turned to the fight in India at a crucial moment. On December 25, 1990, several thousand people organized by Narmada Bachao Andolan embarked on the “People’s Struggle for Development Procession,” a 155-mile march from the state of Madhya Pradesh to the Sardar Sarovar site. Among those heading the march included Medha Patkar; however the most famous person involved was Baba Amte, one of the most respected moral voices in India. An associate of Mahatma Gandhi, Baba Amte became famous throughout India for his work with lepers. In early 1990, Baba Amte moved into a hut located in an area to be

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flooded by the Sardar Sarovar dam. He insisted he would stay in this spot until the government renegotiated the project or the waters drowned him, stating that there “‘should be development with a human face, things should not be forced on the people.’”104

After days of walking, the marchers approached the border with Gujarat to discover a roadblock made up of a phalanx of Gujarati state police, along with thousands of pro-dam demonstrators. Making camp right on the border, Narmada Bachao Andolan activists considered their options. On January 5, 1991, Medha Patkar and several others launched a hunger strike, with Patkar proclaiming that “‘We have to assert the right to life when the government is trying to crush people and nature.’” Among those fasting included Baba Amte, an act that guaranteed major media coverage, especially as the hunger strike stretched on for over two weeks. This protest greatly angered officials of the Gujarat government. Fervently in favor of the dams (which they believed would usher in a new era of prosperity), Gujarati officials lashed out at the demonstrators, with Gujarat’s chief minister declaring the hunger strike to be equivalent to “‘intellectual terrorism.’”105

As the days passed and the hunger strikers became physically weaker, the leadership of the World Bank came under mounting pressure from civil society groups and governments to do something. Lori Udall from the Environmental Defense Fund and John Clark from Oxfam Great Britain served as interlocutors between the Bank and the protestors. They insisted that the World Bank accede to Patkar’s demand for an independent review of the Narmada project. The talks climaxed one evening with Clark supervising a multi-hour call between World Bank leaders and

activists in India. In the end, activists succeeded in eliciting a Bank pledge to form an independent inquiry, leading the hunger strikers to conclude their action after twenty two days.106

Far from soothing NGO advocates, the World Bank’s capitulation only encouraged them. Testifying before the House Appropriations Committee in April 1991, Bruce Rich threw down the gauntlet, declaring that the “time has come for more forceful action, namely withholding a significant portion of the Bank’s 1992 appropriations until it produces significant commitments.”107 As outside pressure built, within the Bank the bureaucracy scrambled to shape an independent entity to investigate the Narmada project. One of the leading proponents of an independent inquiry was the Netherlands’ Executive Director, Evelyn Herfkins, who relied extensively on advice from John Clark and Lori Udall.108 In response to Herfkins’ persistence, Bank leadership searched for a chairperson, growing desperate as candidate after candidate declined. This became one of the final major tasks for Barber Conable, who had decided not to seek a second term, the desire to resolve this matter eventually led him to ask an old acquaintance, former Massachusetts Republican Congressman (and former United Nations Development Program head), Bradford Morse, who accepted the invitation.109

For public interest liberals, the World Bank’s Independent Review Panel (known as the Morse Commission) had great promise for their quest to realize a global politics of accountability. Public interest NGOs mobilized rapidly to ensure that their input shaped the Commission’s work. Lori Udall organized a successful letter writing campaign calling for respected Canadian jurist Thomas Berger (known for his defenses of the rights of First Nations

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106 Wade, “Muddy Waters,” 54.
in Canada) to be selected as the Morse Commission’s chief investigator.\footnote{Maartje van Putten, \textit{Policing the Banks: Accountability Mechanisms for the Financial Sector} (Montreal: McGill-Queen’s University Press, 2008), 72.} Having studied the Bank extensively, and possessing close ties with groups in the affected areas, individuals like Lori Udall had much to offer the commissioners, who came to rely extensively on NGOs’ expertise. Udall and John Clark ably worked with the commissioners in shaping their requests for the World Bank. The requests made by the commissioners included “complete access to all project files” from the Indian government and the Bank, as well as the right to “independent publication of the results without the Bank’s editorial control.”\footnote{Wade, “Greening the Bank,” 701.}

The Morse Commission represented a clear win for advocates, especially when compared with the similar fight for an independent accountability mechanism in the Nestlé fight. In the latter case, the inability of the United Nations to adequately oversee the WHO-UNICEF code left space for Nestlé to introduce its own accountability body, the Nestlé Infant Formula Audit Commission. Not so with the Morse Commission, whose funds did not come from the Bank, even as its members gained extensive access into internal Bank files. Over a ten month period, the Morse Commission’s members visited sixty-five villages along the Narmada River, with many trips guided by Indian groups such as Narmada Bachao Andolan.\footnote{Lori Udall, “The International Narmada Campaign: A Case Study of Sustained Advocacy,” in \textit{Toward Sustainable Development}, 214-216.}

On June 18, 1992 the Commission submitted a 383-page report slamming an already shaken World Bank. With the word “failure” a constant refrain, the Morse Commission concluded that the Bank had not “incorporated Bank policies into the 1985 credit and loan agreements” and that over the years it had failed “to require adherence to enforceable provisions of these agreements.” The most scathing portions were the Commission’s explanation for these failings, which it pinned on “an eagerness on the part of the Bank and India to get on with the
job” of building the dams such that both the Bank and the Indian government “were prepared to ease, or even disregard . . . regulations and procedures dealing with resettlement and environmental protection.”

The substance of the Morse Commission’s findings did not surprise advocates, but the forcefulness of its critiques certainly buoyed their spirits, with Narmada Bachao Andolan hailing it as a “very significant document.” For U.S. NGOs, the Morse Commission proved quite energizing, since it affirmed critiques they had been making for years. In particular, the Morse Commission’s findings inspired some of the more radical U.S. individuals and groups to ask “with Narmada if you don’t take a hard line when can you?” Meeting in September 1992, several U.S. environmental advocates recommended the launch of a “No Funding” campaign aimed at blocking the World Bank’s upcoming request for money to support the International Development Association.

However, the radicals did not stop there. Several of them, including Brent Blackwelder (now working at Friends of the Earth) and Rainforest Action Network head Randy Hayes also proposed the founding of a “no bank’ or abolitionist camp.” This marked a vital turning point in the campaign. Where, for almost a decade, advocates had run a quite traditional public interest effort aspiring to reform the Bank, a significant bloc of groups now endorsed a more radical stance. Of course, some activists like Randy Hayes had always been radicals, believing the Bank to be “fundamentally un-reformable.” But for liberals like Blackwelder, years of mounting frustration with the World Bank’s failure to change encouraged a more militant stance. In

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115 Hayes interview, April 12, 2011.
particular, Blackwelder felt that reforms at the World Bank thus far had been cosmetic, noting that while Bank staff and the Executive Directors from Northern nations made a good public show on some issues, “behind closed doors the only ethic is to move a batch of money.”¹¹⁶

The abolitionist camp did not win over all of the U.S. advocates. More moderate groups such as the National Wildlife Federation and Natural Resources Defense Council believed abolishing the Bank was an impossible goal. In the meantime, they feared that maximalist stances would only cause the Bank to ignore critics completely. Conscious of these facts and not wishing to splinter the environmentalist coalition, the abolitionists tried to ease the moderates’ concerns. Hayes reminded moderates in November 1992 that they “could easily take a stand completely against” a particular appropriation “and choose to support other funding to the Bank” at a later date.¹¹⁷ Radicals also noted that their position was the same taken by Narmada Bachao Andolan, which had recently “pledged to oppose funds for IDA” and also “resolved not to leave their homes or villages, no matter what.”¹¹⁸

In October 1992, the moderates’ hesitancy to endorse substantial funding cuts became an even less tenable position. That month, as if daring the environmentalists to attack their finances, the World Bank executive board authorized a continuation of funding for Narmada. Outrage over this decision was instant and scathing. A number of countries’ Executive Directors had opposed this move; the U.S. Executive Director proclaimed that it “‘signal[ed] that no matter how egregious the situation; no matter how flawed the project, no matter how many policies have been violated, and no matter how clear the remedies prescribed, the Bank will go forward on its

¹¹⁷ Randy Hayes to Lori Udall, Jim Barnes, Brent Blackwelder, Barbara Bramble, Cameron Duncan, Larry Williams/Cathy Fogel, David Hunter/Chris Worl, Juliette Majot, Chad Dobson, Doug Hellenger, Pat Adams, and Carol Sherman, “IDA 10 Position,” November 23, 1992. This document comes from a collection of e-mails provided to me by Randy Hayes, (hereafter “RHE.”)
¹¹⁸ Shripad Dharmadhikary to Executive Directors, September 21, 1992, Container 7, Folder 14, MDP.
own terms.”

Hayes and other radical activists seized this moment, arguing that “to take a much weaker stand now is to miss an important opportunity.” While some environmental groups continued to waver, Hayes made a strategic argument, appealing to the moderates not to create a “false dichotomy between reform and abolition,” reminding them again that “Complete opposition to IDA . . . is not the same as complete opposition to all World Bank funding for all time.”

By the end of 1993, the arguments made by Hayes and Blackwelder had won the day. In 1993, U.S. advocates united to call on Congress to refuse the World Bank’s request for a U.S. appropriation to the International Development Agency. Building on the success of the Morse Commission, advocates also planned to demand that the Bank form a permanent “Independent Appeals Commission, which would hear and act on complaints of environmental and social abuses in specific projects.”

The new offensive opened on March 1, 1993. Almost a decade after they first walked into the halls of Congress to speak about the World Bank, Brent Blackwelder, Barbara Bramble, and Bruce Rich once again appeared together. Blackwelder spoke first, vigorously arguing the case that Congress should “not agree to fund IDA-10.” Bramble backed up Blackwelder, stating that the National Wildlife Fund also insisted that the “U.S. suspend funding for the IDA, making no contribution to the tenth replenishment pending major World Bank reform.”

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120 Randy Hayes to Lori Udall, et. all, November 23, 1992, RHE.
pleaded with members of Congress to “understand . . . how long it took us [to reach this
decision] and the difficulty of the debates among our groups.”\textsuperscript{124} Rich described funding cuts as
the only effective lever for forcing the World Bank to make meaningful reforms, telling
members of Congress “that simply appropriating more money . . . is . . . irresponsible given the
record of the past 10 years.”\textsuperscript{125}

The responses from committee chairman David Obey and Representative Nancy Pelosi,
two of the activists’ most dedicated Congressional allies, were devastating. Obey seemed
genuinely angry at the environmental advocates, dismissing their demand for cuts to World Bank
funds as “reckless,” “mindlessly destructive,” and “blackmail.” He further decried the
environmentalists for demanding a “pluperfect definition of perfection” and defended IDA as an
important mechanism for delivering economic aid to the poor.\textsuperscript{126} Pelosi meanwhile asked that
environmentalists give the recently elected Clinton administration “a chance” to investigate the
problems before escalating their campaign.\textsuperscript{127}

Over the next few months, the environmentalists debated their strategy while preparing
for their next Congressional appearance, scheduled for May. While Friends of the Earth insisted
that “the only hope for reform lies with a cut off of funds,” NRDC, EDF, and the World Wildlife
Fund took a less aggressive position.\textsuperscript{128} They would support IDA funding “but divided into three
portions which would become available upon the certification by the Departments of Treasury

\textsuperscript{124} Testimony of Barbara Bramble, \textit{Foreign Operations, Export Financing, and Related Programs Appropriations
for 1994}, 528-529.
\textsuperscript{125} Statement of Bruce Rich, \textit{Foreign Operations, Export Financing, and Related Programs Appropriations for
\textsuperscript{126} Statement of Rep. David Obey, \textit{Foreign Operations, Export Financing, and Related Programs Appropriations
for 1994}, 530-531.
\textsuperscript{128} Brent Blackwelder to Barney Frank, May 6, 1993 as quoted in House Committee on Banking, Finance, and
Urban Affairs, \textit{Authorizing Contributions to IDA, GEF, and ADF}, 103\textsuperscript{rd} Cong., 1\textsuperscript{st} Sess., May 5, 1993, 336.
and State that the [reform] conditions . . . have been met.” Bramble explained that the adoption of these more modest demands was based on two factors. First, she cited the split among Southern NGOs; while many Asian NGOs wanted to cut funds, a number of African NGOs opposed this stance. With their countries submerged in debt, African NGOs asked that U.S. groups help them obtain the financial “breathing space” provided by IDA loans. Second, Bramble echoed Pelosi’s critique, noting that the Clinton administration appeared committed to Bank reform.

A third factor allowing U.S. environmental groups to temper their demands occurred in the wake of a news story appearing on March 30, 1992. On that day, the Indian national government, certain it would not meet Bank requirements on social and environmental aspects of the Narmada loan, announced that it would forego additional World Bank funds. The government’s action was taken reluctantly and under pressure both from the Gujarati state government and the World Bank. Gujarati government officials wanted to be free of what they saw as the shackles imposed by outsiders, with one Bank official describing their attitude as “‘damn the NGOs . . . we will continue to build the dam.’” Meanwhile, for leaders at the World Bank, concerns over the Bank’s overall financial health prevailed, particularly concerning the International Development Association. Many public and private financiers felt IDA to be in real danger, asking “‘when are you guys going to close that project [Sardar Sarovar] down? It is killing IDA.’” Advocates rejoiced at the news, which the New York Times deemed “a major victory for international environmental groups.”

129 Statement of Barbara J. Bramble, Authorizing Contributions to IDA, GEF, and ADF, 120.
130 Testimony of Lisebo Khoali-McCarthy, Authorizing Contributions to IDA, GEF, and ADF, 33.
131 Wade, “Muddy Waters,” 58.
The good news continued in May, as U.S. environmentalists’ experience with their next set of hearings proved a far cry from their March shellacking. Chairing the House Banking committee’s subcommittee on international issues was Massachusetts Democratic Congressman Barney Frank. Known for his sometimes abrasive style and quick wit, Frank championed the demands of the more moderate environmentalists. While acknowledging past Bank reforms, Frank declared that his task was to ensure that the Bank would not “think that no matter what they do or don’t do, the money will be coming. Because if they feel that the money is assured, if they feel . . . that they are virtually immune, they will be making a big mistake.”\footnote{133}

Inside the offices of the World Bank, Frank’s threat inspired discussions about creating an accountability mechanism. As senior World Bank official Ibrahim Shihata recalled, even as of late 1992 “none of the recommendations and action proposals . . . mentioned the creation of a permanent inspection body.”\footnote{134} Now however, with environmentalists set on making the formation of an independent inspection body a prerequisite for backing U.S. funds, the Bank had to pay attention. At first, Bank officials approached Barney Frank to see if he was bluffing. Meeting with Frank, World Bank senior advisor (and former Democratic Congressman) Matthew McHugh defensively reminded him that “‘you can’t order us to do anything.’” Frank retorted that, it was equally true that the World Bank could not “‘order me to pass the bill with the money.’”\footnote{135}

This encounter convinced the World Bank that Frank would not bend, making the formation of an inspection panel all but certain. During the fall as Congress debated how much money to appropriate for the International Development Association, the heads of the World Bank rolled back their opposition to an independent accountability body. In June, a month after

\footnote{133}{Statement of Rep. Barney Frank, Authorizing Contributions to IDA, GEF, and ADF, 2.}
\footnote{134}{Shihata, The World Bank Inspection Panel, 13.}
\footnote{135}{“Background Interview: Congressman Barney Frank,” as quoted in van Putten, Policing the Banks, 343-344.}
Frank’s hearings, a World Bank internal report stated that “‘neither the [World Bank’s] President nor the Board want more surprises about problems with ongoing projects’” and urged that some kind of inspection body “‘should be established immediately.’”  

By September, time was running short for the World Bank as the date approached for the Congress to vote on IDA appropriations. On September 22, the Bank’s Board of Executive Directors authorized the creation of the World Bank Inspection Panel, which appeared to fulfill activists’ demands. Yet, with Frank in the lead, the House, while recognizing progress, also cautioned that the Bank still had “not adequately address[ed] the conferee’s concerns.” Frank then pulled the defunding trigger, offering an amendment authorizing “the equivalent of only two-thirds of the United States’ three year contribution.” Explaining his decision, Frank stated that the Bank needed to “progress further . . . and that additional funding in support of IDA-ten will depend on the manner in which these new procedures are implemented.” Frank’s amendment, which passed on a voice vote, marked the first time Congress had cut an appropriation to the World Bank for explicitly social and environmental reasons.

In August 1994 the Inspection Panel began operations. Yet, as with past reforms, problems soon arose. By 1995, the coalition of global NGOs working to hold the World Bank socially accountable already detected serious problems, including “interference by Bank management in the Inspection Panel’s work and information disclosure constraints” that threatened “the Panel’s independence and credibility.” Conflicts between NGOs and the World Bank would continue, many of which were rooted in what scholars Jonathan Fox and Kay Treakle describe as NGOs having a “‘foot in the door’” rather than a “‘seat at the table.’” As they explain, NGO advocates have relatively limited access to the Inspection Panel, which

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136 Wade, “Muddy Waters,” 44.
138 Lori Udall, et al., to James D. Wolfensohn, July 6, 1995, Container 6, Folder 22, MDP.
furthermore “is limited to the investigation . . . of [violations] of the bank’s already-defined policies and projects.” In subsequent years, advocates continued to press the Bank on any number of environmental problems in a campaign that increasingly resembled a game of whack-a-mole. Yet again, public interest groups had encountered the limits of reform.

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Conclusion: “The Limits of Reform”

On April 9, 2000, six years after the World Bank Inspection Panel commenced operations, a group of U.S. environmentalists gathered three blocks from the World Bank’s Washington, D.C. headquarters. The activists started the day’s demonstration with a press conference demanding a halt to World Bank support for fossil fuel extraction projects. Upon finishing the press conference, the activists proceeded to blockade the street. Arrested shortly thereafter, one of the demonstrators explained the action as a protest against the “‘trail of environmental damage, increased poverty and severe social disruption in poor countries’” left in the wake of World Bank backed projects.¹

It was a familiar litany of charges. After all, the man who made them, Brent Blackwelder, had been issuing such critiques for almost twenty years. That Blackwelder could repeat criticisms he had made in the early 1980s speaks to the frustrations and defeats experienced by public interest liberals engaged with the international politics of development at the dawn of the twenty-first century. For advocates like Blackwelder, the nadir of their efforts occurred in the mid-1990s as they lost battles to prevent the creations of the North America Free Trade Agreement and the World Trade Organization – two agreements that further cemented the Washington Consensus.²

In the wake of these twin defeats, U.S. public interest liberals cast about for new ways to combat what Friends of the Earth called the 1990s “era of profit-driven development.” As Friends of the Earth concluded, any hope for effectively resisting (much less reversing) the Washington Consensus required finding “new strategies to affect change in an increasingly

“globalized society,” as well as constructing “new coalitions transcending the boundary between NGOs” and other segments of civil society. Fortunately, in this endeavor, public interest liberals could look to two recent initiatives, spearheaded by U.S. groups, which demonstrated the flexibility of their model of advocacy: the Nestlé boycott and environmentalists’ campaigns against USAID and the multilateral development banks.

Activists’ interest in these campaigns focused on how both efforts evolved over time. At first, NGOs like the Interfaith Center on Corporate Responsibility and the Natural Resources Defense Council approached the controversies surrounding the marketing of breast milk substitutes or aid agencies’ lending practices by employing the standard instruments of public interest agitation. Individuals like Leah Margulies or Bruce Rich spent a great deal of time at the opening of these campaigns becoming knowledgeable about policy minutiae. Such expertise, they believed, allowed advocates to be taken seriously by their opponents and by potentially sympathetic actors within powerful institutions (such as the Senate).

Once recognized by critical civil society and political elites as worthy of attention, advocates then used a variety of tactics to advance their agendas. In the case of breast milk substitutes, they deployed shareholder resolutions, while for USAID and the World Bank they met with relevant officials or spoke at Congressional hearings. When these tactics achieved minimal results, NGOs increased the pressure. In the mid-1970s, NGOs in both campaigns utilized lawsuits to force a response from multinationals and USAID. This tactic worked well against USAID, but did little to alter the practices of a major multinational corporation like

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4 The pesticide and especially pharmaceutical campaigns, while inspired by the Nestlé fight, were primarily waged by non-U.S. based NGOs. Thus, while able to offer insights on transnational activism, these campaigns had less to say to how to build an internationalist politics within the United States specifically.
Bristol-Myers. Moreover, lawsuits were not universally applicable, one could not really sue Nestlé or especially the World Bank, for example.

Frustrated by power centers like Nestlé and the World Bank, advocates further intensified their efforts, following the admonition of the great abolitionist Frederick Douglass that “Those who profess to favor freedom and yet deprecate agitation are men who want crops without plowing up the ground.”⁵ Rather than seeking dialogue based on technocratic details with their targets, individuals like Doug Johnson and Barbara Bramble turned to confrontation. In so doing, they embraced two main tactical approaches: they attacked the financial security of targeted institutions and they built diverse coalitions to give such threats political weight.

Advocates escalated their campaigns against Nestlé in the late 1970s and the World Bank in the mid-1980s by finding ways to threaten the financial health of these institutions. For the breast milk substitutes fight, this meant launching a nationwide and then international boycott against Nestlé. For environmentalists confronting the multilateral development banks, it entailed allying with key members of Congress to plausibly threaten to diminish or even terminate U.S. government appropriations to the banks. In both examples, confrontation produced results. Both the initial attention given to advocates by Nestlé and the MDBs and the policy concessions won from these institutions depended on their feeling sustained financial uncertainty and identifying public interest groups as the cause.

The activists’ ability to challenge Nestlé’s profits or the World Bank’s appropriations would have likely failed if groups such as INFACT or the Environmental Defense Fund did not have broad coalitions behind them. In the Nestlé boycott, the support of Protestant churches imbued their effort with a moral power beyond that which secular groups could not match. In

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fighting the multilateral development banks, connecting with certain right-wing members of Congress gave public interest advocates a surprising degree of influence not only in the legislative branch, but also within the Reagan administration. Internationally, both campaigns helped to establish North-South relationships which, albeit not without conflict, have grown wider and deeper over the years.

Critical to the relative successes of these alliances was that the core organizers in each effort did not fetishize coalition size over coalition effectiveness. In the Nestlé boycott, activists’ inability to win the endorsement of the United Methodist Church prompted INFACT to rethink its tactics. Following this failure, INFACT began its Taster’s Choice campaign, which relied on the group’s grassroots base and not its broader coalition of supporters. The decision to focus on action over coalition maintenance paid off, as the Taster’s Choice campaign became one of the boycott’s most successful endeavors. Meanwhile, advocates targeting the multilateral development banks advocates were wise to ignore colleagues from other public interest groups who warned against threatening bank funding. It is hard to imagine public interest groups making the gains they did without the support of conservatives such as Senator Robert Kasten.

Yet, for all their creativity and concrete achievements (like the WHO-UNICEF code or environmental reforms at the World Bank), both of these campaigns fell far short of their objectives. The Nestlé boycott continues to this day, with activist groups (primarily Baby Milk Action in the U.K.) demanding that the company affirm in writing that it will follow the code and subsequent U.N. resolutions passed about the code. Likewise, environmentalists still find much to fault in the World Bank’s lending activities. In May 2014, the Sierra Club blasted the World Bank for making loans in Honduras that violated the Bank’s own human rights and

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environmental standards. And, despite a heroic struggle by Indian activists, the Sardar Sarovar dam is currently operational and slated for expansion, despite protests from many of the same people (such as Medha Patkar) and groups who fought the dam in the 1980s.

This is not to say that the problems of the present are no different from those of the late twentieth century. In the 1970s and 1980s, institutions like Nestlé or the World Bank rarely admitted that problems existed and did little to ameliorate the damages of their actions. This is no longer the case. Companies that sell breast milk substitutes are subject to the WHO-UNICEF code, while multilateral development banks lending is subject to many internal social and environmental safeguards. The problems of today revolve instead around ensuring that institutions actually implement good policies. Thus, the essential dilemmas facing public interest groups are not questions of policy, but rather of power.

The approach public interest liberals took to questions of political power must be understood in the historical context in which the movement emerged. From the late 1960s through much of the 1970s, the institutional pillars favoring liberal reforms at domestic and international levels appeared strong. Public interest advocates did not need to concentrate on exerting political power, whether through financial sway or grassroots strength. Instead, they could act as catalysts; it was not their role to make policy, but rather to persuade powerful institutions to implement them. Of course, even at the apex of liberal power, public interest groups’ still experienced setbacks and defeats. But advocates’ disappointments in this era usually occurred because they failed in offensive fights to expand the scope of the regulatory state.

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Beginning in the 1980s, this dynamic changed. Since the 1980s public interest groups have fought mainly to preserve past gains, as they attempted to slow down the ascent of conservatism not only in the United States, but around the world.

However, public interest liberalism was still able to try and adapt to changing circumstances. During the mid and late 1990s, public interest advocates (especially more left-leaning ones such as Friends of the Earth or Public Citizen) made substantial progress in challenging the Washington Consensus. They embraced grassroots organizing, used militant tactics, and expanded their global alliances. Within the United States, advocates committed to “tedious, painstaking, district by district, small town by small town” grassroots organizing, building organizations such as the Citizens Trade Campaign, which united labor, environmental, consumer, and other groups. Internationally, they formed new networks such as Our World Is Not For Sale, that used the Internet to coordinate activism around the world. Among the leaders in these initiatives were a number of veterans of the Nestlé and World Bank campaigns, such as Brent Blackwelder, INFACT co-creator Mark Ritchie, and Malaysian activist Martin Khor, a protégé of Anwar Fazal.

By the late 1990s, this transnational collection of activists forged a global social movement, derided by some as the “anti-globalization” movement and praised by others as the “global justice movement.” For a time, their agitation produced encouraging results. In 1998, U.S. advocates blocked an attempt to renew “Fast Track,” a legislative procedure allowing trade agreements to be put before a Congressional vote without the possibility of amendment. The

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10 For a good overview of these networks, see Ruth Reitan, *Global Activism* (New York: Routledge, 2007), 108-148. On figures such as Blackwelder and Ritchie, see Aaronson, *Taking Trade to the Streets*, 147-149; 156.
following year, an international coalition of NGOs defeated an attempt by Global North nations to finalize the Multilateral Agreement on Investments, a set of rules that would have greatly empowered multinational corporations to challenge national regulations.12

The peak of the global justice movement’s new strategy came with the 1999 Seattle protests, which shut down a major World Trade Organization round of negotiations. In the wake of Seattle, various types of activism flowered – from campaigns against sweatshop-produced apparel to global lobbying for the reduction or cancellation of Third World debts.13 As of September 10, 2001, the movement appeared vibrant. On that date, thousands of activists were preparing to put over 100,000 people onto the streets of Washington, D.C. to protest the annual IMF and World Bank meetings – the same ones that Brent Blackwelder, Barbara Bramble, and Randy Hayes had organized around since the late 1980s.14

The terror attacks of September 11 upended the politics of the global justice movement. The political climate in the early years of the “War on Terror” proved inhospitable to the kind of direct action tactics used in Seattle. The Bush administration’s anti-regulation, pro-war agenda led liberals and leftists to move away from activism explicitly focused on global economic inequality and environmental sustainability. The global justice movement’s fading therefore seemed all but inevitable, making both optimistic and pessimistic interpretations of its legacy and possibilities equally incomplete and speculative.


13 On anti-sweatshop activism, see Liza Featherstone and United Students Against Sweatshops, *Students Against Sweatshops* (London: Verso, 2002); on debt cancellation, see Daphné Josselin, “From Transnational Protest to Domestic Political Opportunities: Insights from the Debt Cancellation Campaign,” *Social Movement Studies*, vol. 6, no. 1 (May 2007): 21-38.

In recent years, the challenges for the public interest movement have in some ways intensified. Climate change has increasingly become the glue wedding together development and environmental activists. The ecological challenges resulting from the worldwide rise in temperatures are obvious. Since climate change will disproportionately batter the nations of the Global South, ameliorating its effects has become a priority for development-focused advocates. As with the Nestlé and MDB campaigns, climate change represents a challenge that is more political than technical; as one NGO staff member summarized in 2013, “‘we have a scientific reality where we need to deal with this problem urgently, and then we have a political reality where we can’t. And we need to shift that political reality.’”\(^{15}\)

Yet, it is hard to see how this shift will happen. Public interest groups face a paradoxical existence. As experts, mediators, and catalysts, they continue to demonstrate vitality. Furthermore, the ability of small, professionalized nonprofits to weather dramatic political changes over decades makes them a valuable source of dissent. However, while their advocacy has sometimes softened the negative effects of global capitalism, it has been unable to substantively alter the system.

Yet, while the public interest campaigns of the past offer few concrete lessons for today (given the different historical circumstances of the 1970s and 1980s), in this uncertainty also lie seeds of hope. In the stories of the Nestlé boycotters and the World Bank campaigners, one sees advocates adapting to an unpredictable and rapidly changing global political environment. Whatever the future history of the world’s ecological and economic problems may be, it seems certain that tomorrow’s planetary citizens will be among those at the forefront of creating a more decent world.

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