

Committee on Resources

Witness Testimony

Testimony on
the Effects of International Forestry Agreements
on Forest Service Decision Making
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Thank you, Madame Chairman, for this opportunity to present my views. I represent the Competitive Enterprise Institute, which in the past has testified numerous times before congressional committees regarding environmental and natural resource issues. CEI is a free market research and advocacy organization dedicated to the principles of free enterprise and limited government. My employer does not accept government funding of any kind.

It is my pleasure to review today the workings of international agreements as they relate to U.S. lawmaking and executive decision making. I hope my comments will shed some light on the process by which United Nations agencies, conferences, and panels operate, with a view towards improving this subcommittee's understanding of U.S. participation in international negotiations. These observations are general in nature, relating to the broad areas in which international agreements influence domestic policies. Hopefully, my testimony will help the subcommittee to evaluate an international forestry agreement and other treaties affecting U.S. forest policies.

I. General Observations

In general, the effect of international conferences and conventions sponsored by the United Nations is to expand governmental control of energy and natural resources. Treaties and conventions usually involve the combined efforts of domestic and foreign nongovernmental organizations (NGOs), government officials, and UN bureaucrats. Each has a vested interest in expanding political control of resources and diminishing the role of private landowners and local communities. All seem to believe that international agencies are uniquely qualified to address environmental concerns.

The collaboration of domestic interest groups and certain like-minded federal officials can lead to international pressure for the enactment of specific policy measures in this country. Over the last two years a controversy has been raging over the New World Mine in Yellowstone Park. Members of this committee are no doubt familiar with the controversy already, so I do not have to describe it in depth. Quite simply, American environmental organizations, with help from Interior Department officials, invited UNESCO's World Heritage Committee into the U.S. to condemn a proposed gold mining development located adjacent to Yellowstone National Park, which had been designated as both a World Heritage Site and a UN Biosphere Reserve.

In this case, international participation in the management of U.S. public and private lands was used to create the impression that this country is somehow obligated to consider international opinion in its own domestic policies. The Yellowstone affair demonstrated the uneasiness many Americans feel toward a perceived infringement on their autonomy. If American legislators and policy makers are not inclined to take certain actions on their own, then it makes little sense to have foreign officials pressure them from the outside. The public simply cannot be confident that foreign observers have America's best interests in mind when such people have no legal responsibilities and a poor understanding of our country's situation.

Unfortunately, the proponents of globalist ideologies see this as one of the chief advantages of a treaty - its tendency to transfer decision-making authority away from local communities to distant locales in foreign countries. Though various international treaty proposals pay lip service to decentralization, they in fact greatly politicize the management of local resources. The diplomats who attend UN conferences, held at posh hotels and convention centers in foreign capitals, have little connection to the problems faced by people in the real world. It is the local communities and individuals who know what is best for their region, not bureaucrats in some far away office. Decision-making authority should be vested at this level, and not in centralized bureaucracies at the UN (or for that matter, the United States).

The argument for national sovereignty in environment and resource matters is fundamentally one about political accountability, of which the United Nations has virtually none. If the American people do not approve of government policies here at home, they can use the ballot box to vote out their representatives and vote in new ones. This dynamic is absent from the United Nations, where the chief negotiators are nameless, faceless bureaucrats completely unknown to the people. Only legitimate government officials should be allowed to represent the American people in this country's dealings with foreign governments. Without sufficient political legitimacy, it is hard to expect much public support for international agreements and instruments.

II. The Role of Non-governmental Organizations (NGOS)

The UN relies heavily on the participation of unelected, self-appointed guardians of the environment and the public good - nongovernmental organizations. The nongovernmental organization - or "NGO" in UN parlance - has taken on increased importance in the international field. From the negotiating of treaties to the convening of United Nations conferences, NGOs have begun to exert profound influence on international environmental policies. It is useful to consider what role they play in the crafting and enforcement of international norms and standards.

In the context of the UN, an NGO is generally considered a private, non-profit enterprise. The UN defines NGO as "any non-profit, voluntary citizens' group which is organized on a local, national or international level." NGOs are not necessarily independent however; in many cases they can be reliant on government, financially or otherwise. Governments often assist NGOs by offering them visibility, prestige, and logistical support - in addition to financial resources.

The work of governments is of particular concern to an NGO; it is usually established to lobby governments, educate and advise bureaucrats, or advocate public policies from a particular point of view. Sometimes, NGOs are used to implement government policies which these activist entities helped craft in the first place. NGOs have engaged in a wide range of activities, from designing and proposing texts for international conventions, monitoring compliance with international rules, filing lawsuits against governments, and sponsoring consumer boycotts and media campaigns.

Over 4,000 NGOs have been identified worldwide. Examples include environmental advocacy groups, women's associations, consumer groups, farmers cooperatives, human rights organizations, labor unions, private relief organizations, policy analysis centers/think tanks, and political action groups. Despite the diversity of interests which can be addressed, environmental advocacy is a common theme. Many kinds of NGOs have sworn allegiance to the principle of "sustainable development," which combines several traditional left-wing causes with environmentalism.

The major NGOs are international groups with a presence in several different countries. Friends of the Earth International, for example, is a decentralized confederation of over fifty affiliates. Greenpeace International, based in Amsterdam, has members from 20 different countries. The World Wildlife Fund boasts twenty-eight national affiliates. The World Conservation Union-IUCN, an umbrella group encompassing a mixture of private organizations and government agencies, lists approximately 450 member groups.

All of the largest U.S.-based environmental groups are engaged in some form of international activity. The oldest U.S. conservation organizations -- such as the Sierra Club, National Audubon Society, and National Wildlife Federation -- have developed international departments with expanded agendas. The Environmental Defense Fund and the Natural Resources Defense Council are active on the international front, covering such issues as global warming and ozone depletion. Even Defenders of Wildlife and the Humane Society of the United States, formed to advocate animal welfare and related causes, have gone international. Each has attempted to influence U.S. policies as they are enforced abroad, such as dolphin-safe tuna standards and other restrictions on international trade.

As a result of participating in international negotiations and conferences, NGOs acquire specialized knowledge and technical expertise which they can apply in lobbying activities. In addition, NGOs can then participate as observers in periodic follow-up meetings to the environmental conventions known as conferences of the parties (COPs).

The COPs are extended negotiations used to build upon the basic framework set up by the original convention. NGOs help to set the agenda of these conferences by calling for specific actions or by making detailed proposals. In many cases, NGOs can help shape the way treaty obligations are revised or amended.

It is typical for certain NGOs to gain specialized expertise in a particular set of negotiations, and to follow them for extended periods of time. Greenpeace, for instance has carved out a niche in the area of international regulation of hazardous waste. From the beginning of negotiations over the Basel Convention on trade in hazardous waste, Greenpeace set the agenda with its unique brand of conference participation, reportwriting, and behind-the-scenes lobbying. The focus of its efforts has been an international ban on trade in waste and recyclable materials between developed and undeveloped countries. An amendment to the Basel Convention to enact this policy was adopted last year and awaits acceptance by treaty signatories (the U.S. Senate has not yet ratified this convention).

Nearly 1,500 nongovernmental organizations are registered with the LTN Department of Public Information, which according to the UN "helps those NGOs gain access to and disseminate information concerning the spectrum of United Nations priority issues, to enable the public better to understand the aims and objectives of the world organization." Most of these groups have consultative status with the LTN Economic and Social Council. As such, they may send observers to public meetings of the Council and its many subsidiary bodies, and are encouraged to submit written comments and proposals pertaining to the Council's work.

According to UN guidelines, one of the responsibilities of NGOs which receive accreditation is to

disseminate information and to mobilize public opinion in support of the UN and its specialized agencies. The UN sees NGOs as a means to boost political participation, to publicize its many activities, and to produce favorable propaganda for the world organization. NGOs are expected to use their information programs to promote public awareness of UN principles and activities. In order to be eligible for formal association, NGOs must:

- Share the ideals of the UN Charter
- Operate solely on a not-for-profit basis
- Have a demonstrated interest in United Nations issues and proven ability to reach large or specialized audiences, such as educators, media representatives, policy makers and the business community
- Have the commitment and means to conduct effective information programs about United Nations activities through publication of newsletters, bulletins, backgrounders and pamphlets; organization of conferences, seminars and round tables; and enlisting the cooperation of print and broadcast media.

NGOs present themselves as representatives of the public at large. However, ordinary working people and families do not have the time or the inclination to attend international meetings and negotiations. They usually take place in distant locales and involve great commitments of time and money. Only professional organizations with the institutional capacity ability to fund-raise and to learn about the complicated conference process are likely to attend such meetings.

Such professional activists and lobbyists have valid opinions and values, yet they too are not accountable to the American electorate. They should not be allowed to represent the views of the public in an international process completely hidden from view. NGOdominated forums are largely invisible to the average American citizen. The Greenpeaces and the Environmental Defense Funds of the world will do very well under a system of global governance, but the American people shut out of the process will not.

Most NGOs are interested in unusual ideologies and principles such as "sustainable development" and "global governance." These philosophies are incompatible with the notion of local autonomy. At a recent summit of the World Trade Organization in Singapore, I represented the Competitive Enterprise Institute as a nongovernmental observer. CEI and the London, England-based Institute of Economic Affairs were probably the only two groups present which explicitly opposed greater regulation over world trade. The NGO "public participation" forums at international conferences are almost totally dominated by groups that favor increased governmental control of economic activity. It is amazing that at a time when market reforms are being pursued on every continent, the NGO community seems to be totally oblivious to these trends.

The majority of NGOs favor government action to intervene into the private economy. For this reason, officials in environment ministries can be quite sympathetic to NGO viewpoints, and go out of their way to facilitate NGO objectives. The NGO community is a vast resource which provides the appearance of public support, a reservoir of technical expertise, and a lobbying force in favor of enhanced government power over economic activity. The many UN-sponsored meetings and conferences create an opportunity for NGOs to rail against international agencies for failure to have more clout, power and money. The international agencies, in turn, are more than happy to have a seemingly "public" constituency lobbying on their behalf.

It is infrequently noted that environmental activist groups receive prodigious amounts of government funding, both here and abroad. It is the taxpayers of America, and their counterparts in other industrialized countries, who are financing the aggrandizement of international power known as global governance. Congress would be wise to scrutinize federal funding of professional lobbying outfits and activist environmental organizations. While these groups purport to represent the public interest, in reality they

represent their own narrow interests.

III. International Law

International treaties and agreements can have serious implications for the U. S economy and business community. In extending the reach of international law, no treaty has been as path-breaking as the 1987 Montreal Protocol governing the protection of the ozone layer. This treaty produced an unprecedented system of international regulation, mandating the global phase-out of all chemical compounds thought to pose a threat to the stratospheric ozone layer. All production of chloroflourocarbons (CFCs) was brought to an end in 1996.

This treaty did not come about overnight. Initially, the world community adopted the non-binding 1985 Vienna Convention, pledging to protect the stratospheric ozone layer but promising to do little more than to study the issue. Despite its lack of binding commitments, the Vienna Convention set in motion a momentum-building process which would not end until it produced a binding agreement in 1987.

Proponents of global environmental regulation were delighted by the Montreal Protocol, not just for its provisions but for its institutional impact. It was the product of a lengthy process of incrementalism by which a completely non-binding convention evolved into formally binding international law. In international circles, the initial convention which set the motion in process is referred to as "soft law" because of its largely symbolic importance. Through customary use, soft law instruments and practices tend to accrue greater legal status. Non-binding conventions are meant to harden into firm treaty commitments.

Proponents of collectivized natural resource management like international treaties because they are potentially very invasive of national sovereignty, forcing governments to change domestic policies to bring them into line with uniform global standards. Due to the success of the Montreal Protocol, subsequent environmental treaties have incorporated special rules to facilitate rapid amendment. The treaties stipulate that the signatories meet periodically to assess the convention according to a regular schedule; scientific and technical expert panels are established which issue periodic reports calling for additional action by the parties; and non-govenunental activists use these events to drum up media attention to their cause.

A treaty which thus far has not garnered the status of the Montreal Protocol is the Law of the Sea convention, which tried to establish a global environmental protection regime for the oceans and to place marine resources under international jurisdiction. Under this instrument, the oceans are considered the "common heritage of mankind" and its resources must be shared collectively through a "just and equitable economic order." The treaty established an International Seabed Authority to manage deep-sea mining activities and to distribute financial aid and technology to undeveloped countries. Through this convention, the UN would have the authority to collect taxes on international mining operations. After fifteen years of seemingly interminable negotiations, the Reagan administration in 1982 rejected this scheme on the grounds that it jeopardized U. S. national interests.

The Law of the Sea suffered because of steadfast opposition by the U.S., but received a new lease on life when it was signed by President Clinton in 1994. It still remains unratified by the U.S. Senate. One reason for the slow progress of the Law of the Sea is that it sought to establish a huge regime of international laws all at once. The incremental model represented by the Montreal Protocol appears to be much more likely to succeed. If an international forestry convention is in our future, it is likely to begin with modest, seemingly inconsequential commitments.

III. Forestry Convention Proposals

Currently, talks on a forest convention are being conducted under the auspices of the Intergovernmental Panel of Forests (IPF). Ironically, most NGOs are opposed to the forestry convention as presently conceived, arguing that instead the Biodiversity Convention should be used to regulate forest use and harvesting on an International basis. The U.S., Brazil, India, and Australia have taken this position as well.

Logging countries such as the European Union, Canada, and Malaysia favor an international forestry agreement. Environmentalists accuse these countries of trying to stack such a convention with language favorable to commercial timber harvesting. NGOs are not content with a treaty which they see as more lenient towards timber harvesting than the Biodiversity Convention. In addition, the global climate treaty being finalized in Kyoto Japan this December, may incorporate regulation of forests as "carbon sinks" with the potential of absorbing greenhouse gases.

Other alternatives to an international forest convention involve using eco-labels to regulate forest products. If mandated by governments, eco-labels would surely be abused as unfair trade barriers. Already, forest products eco-labels have been devised by environmental groups, with the result that label criteria tend to reflect the biased priorities of such organizations. The standards one environmental group would use are not necessarily appropriate for other countries. In fact, they are most likely to be inappropriate. Tremendous incentives exist for domestic producers to favor eco-label standards which help their competitive position in the industry. Eco-labels would surely be used by foreign countries to protect their markets against competition from American companies.

A stalemate in negotiations has led to an official deferral of an international convention of forests until at least the year 2000. Because of this, NGO attention will be focused on the Biodiversity Convention, the implementation of which would have even more serious adverse consequences for U.S. forest management. Should the Senate choose to ratify that convention, signed by President Clinton, international issues would become vitally important to this subcommittee. Lawmakers in this country would find that they are obligated by the treaty to consider the "ecosystem management" philosophy by which U.S. public and private lands would have to be regulated. This would have profound implications for management of national forests as well as constitutionally-guaranteed private property rights.

IV. Forests Today

The health of forests is a valid environmental concern. Unfortunately, numerous myths have poisoned the debate about forests, leading some to believe that commercial forestry is somehow a threat to the environment and to biological diversity. Roger Sedjo, senior fellow at Resources for the Future, sets the record straight in a chapter he authored for *The True State of the Planet*, a book edited by the Competitive Enterprise Institute (1). The following facts highlighted by Sedjo should be kept in perspective by those who follow the international forestry debate:

- Commercial forestry is not a major cause of deforestation because it does not permanently convert land to another use. Northern temperate forests provide three fourths of world commercial timber production, but these forests are expanding both in terms of area and forest volume.
- The clearing of land for agriculture is the primary reason for deforestation in the world today. Most deforestation occurs in poorer undeveloped countries, where tropical forest lands are needed to grow crops. This is also a region of the world, the tropics, where only a small fraction of commercial harvesting is done.

- Temperate forests in developed countries are characterized by a net reforestation due to improved tree-growing technology, tree plantations, wildfire controls, and the reversion of agricultural lands to forests. The American South and East were once cleared for agriculture; as America grew economically, these lands were converted back to forestland. Today, New England states are between 60 and 90 percent forested. As undeveloped countries grow economically, tropical reforestation can be expected.
- An important reason industrialized countries tend to have regenerating forest lands is the presence of well-developed institutions of land tenure, secure private property rights, and relatively free markets. Undeveloped countries lack these clear property rights to the land, creating additional incentives for deforestation. Unclear land ownership encourages slash-and-burn style agricultural systems with short term harvesting objectives. Government subsidies for land clearing often exacerbate the situation.

V. Conclusion

The public policy solutions favored by extreme environmental activist groups would take us down the failed path of regulatory command and control. As the checkered history of the Endangered Species Act demonstrates, environmental values are not served well when bureaucracies simply issue mandates to private individuals. There is little incentive for conservation when the presence of endangered species is a threat to property values. We are starting to learn this lesson about economic incentives in the U.S.; the secretariats of international environmental conventions are even less sensitive to American experiences in this regard.

The goals of biological diversity and forest health are best protected by a broad array of diverse management philosophies that are attuned to local conditions, not a single global standard arrived at through a centralized process. There are very different types of forests in the United States; plantation forests in the south, managed-hardwood forests in the northeast, old growth forests in the Pacific northwest, aging pine growth forests in the Rockies. Globally, forests are even more diverse. Each has differing priorities and needs. The landowners as well as the peoples living in these areas are much better equipped to say how forests should be governed. Diverse forests deserve creative, diverse management policies, something no UN bureaucracy could ever facilitate.

The agricultural system in America has benefited greatly from the lack of an international agriculture convention developing standardized policies for the world. If such a treaty existed, our system would be replete with subsidies, quotas, marketing orders, output restrictions and other distortions of the marketplace. A forestry convention or its surrogate would encourage on the same sort of destructive policies that plague socialist, centrally planned economies of the world. Our nation's forests are already under excessive political controls without being subjected to the management philosophy of countries like Nepal, where post-colonial nationalization of forests led to a vast openaccess commons and a deterioration of that nation's forest resources.

I hope these observations are helpful and I thank the subcommittee for its time.

Notes: 1. The True State of the Planet, Ronald Bailey, ed., Competitive Enterprise Institute (New York: Free Press, 1995).

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