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## **23 Organizations Issue Joint Report Critiquing Wal-Mart's Sustainability Initiatives**

*Human rights, labor and environmental groups find Wal-Mart's "green" initiatives lack real impact on global warming, employee health and welfare*

*Report asserts: "When you look at the total amount of greenhouse gas emissions produced by Wal-Mart, it becomes impossible to take the company's claims to reduce global warming as anything more than hot air."*

**Washington, DC**—As Wal-Mart prepares to release its long-anticipated sustainability progress report, 23 environmental, farm, labor, and human rights groups have released their own report, "Wal-Mart's Sustainability Initiative: A Civil Society Critique."

The report, prepared by some of the country's most respected public interest groups, includes sections on Wal-Mart's specific commitments in seven product areas -- organics, seafood, shrimp, forest products, cypress mulch, product packaging, and toxic chemicals -- as well as sections on global warming and Wal-Mart's international business practices. It argues that even if Wal-Mart achieved all of its stated goals, the company's business model is inherently unsustainable.

This damning critique comes nearly two years after Wal-Mart CEO H. Lee Scott announced a bold initiative to turn the world's largest company green. However, as the report explains, "Wal-Mart's claim that it will cut 20 million tons of greenhouse gases annually would be admirable if it weren't for the fact that the company publicly acknowledged in 2006 that its global operations created 220 million tons of greenhouse gases every year.<sup>i</sup> That's more than 40 times the emissions the company says it would like to eliminate."

In fact, Wal-Mart has used its massive political clout to support an anti-sustainability agenda in the U.S. Congress, the report reveals. According to report contributor Corporate Ethics International, two-thirds of Wal-Mart's PAC campaign contributions in the last election went to candidates who earned failing grades from the League of Conservation Voters. "Wal-Mart claims to be a leader in the battle against global warming, yet it's one of the largest contributors to politicians with the worst records on global warming," says Michael Marx, Corporate Ethics International's Executive Director.

Ultimately, the report contends that the mega-retailer's "sustainability" agenda ignores the health and welfare of employees, customers, the environment and local economies both in the US and across the globe. "Wal-Mart can change to more efficient light bulbs, but that doesn't change its carbon footprint or the enormous social consequences of its globally unsustainable business model. If we look at its practices internationally, Wal-Mart has used its market power to cut costs at the expense of workers and the environment across the developing world," says report contributor Ruben Garcia of Global Exchange.

Wal-Mart is not only using an astronomically unsustainable amount of fuel in importing cheap goods from China into the US and Mexico, where it is a leading retailer, but it is also undermining local economies by refusing to source from local producers who are being cut out of the market.

"Wal-Mart officials claim to be concerned about sustainable livelihoods, but in reality, the company continues to squeeze workers and suppliers in a global 'race to the bottom' in wages, benefits and working conditions," says Trina Tocco, coordinator of the Big Box Collaborative, which produced the report.

Ultimately, the report asks: "Can a company claim to be "sustainable" when it drives down wages, refuses wages to some 20,000 minors working in its Mexican stores, pays unsustainably low prices to its suppliers (leading to sweatshop conditions), drives local stores and markets out of business, and disregards the wishes of the communities where it establishes its stores?"

This report was coordinated by the Big Box Collaborative, and includes contributions from ActionAid International USA, Agribusiness Accountability Initiative, American Independent Business Alliance, American Rights at Work, Center for Health, Environment and Justice, Centro de Investigación Laboral y Asesoría Sindical (CILAS), The Cornucopia Institute, Corporate Ethics International, Dogwood Alliance, Environmental Investigation Agency, Food and Water Watch, Friends of the Earth, Good Jobs First, Global Exchange, Gulf Restoration Network, Institute for Policy Studies, International Labor Rights Forum, Mangrove Action Project, STITCH, WakeUpWalMart.com, Wal-Mart Alliance for Reform Now (WARN), and Washington State Jobs with Justice.

*Copies of the report are available at <http://www.bbc.wikispaces.net/space/showimage/CounterSustainability>, from Nell Greenberg, [nell@globalexchange.org](mailto:nell@globalexchange.org) or Ruben Garcia, [ruben@globalexchange.org](mailto:ruben@globalexchange.org).*

Additional supporting statements:

"As the nation's largest grocer, Wal-Mart's impact on the Earth's environment is profound," said Mark Kastel of The Cornucopia Institute, one of the reports contributors. "There is no action we take, as consumers, that has a more profound impact on the

environment than our choice of food, and Wal-Mart's dependence on imports and unsustainable factory farming is highly destructive."

"Over the past month, hundreds of thousands of toys made in China and sold by Wal-Mart were recalled, because they contained elevated levels of lead. The report contends that Wal-Mart continues to sell toxic toys made out of vinyl containing phthalates, dangerous reproductive toxicants that have already been banned in Europe but are still sold in the United States. It's time for Wal-Mart to stop toying around with our tots' health and get the lead, phthalates, and other unnecessary toxic chemicals out," said Lois Gibbs, Executive Director of the Center for Health, Environment and Justice, another report contributor.

"Wal-Mart's cut-prices-at-all-costs business model is the very essence of the problem," says co-author David Groves of the Environmental Investigation Agency. "The effects are exemplified in their wood products sourcing, where their demand for the cheapest timber available and refusal to ask where it came from, is contributing to illegal logging in many developing countries."

"Women are not only the largest group of consumers at Wal-Mart," says Beth Myers of STITCH, "they are also the largest group of employees – both in the stores and in the global factories that produce goods for Wal-Mart. Wal-Mart should have a special commitment to bettering the lives of women but instead chooses to use its unprecedented world-wide power to drive down women's wages, support workplaces that ignore families, and create environmental conditions that negatively impact women's health."

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<sup>i</sup> Congressional testimony by Wal-Mart official Andy Ruben, cited in Amanda Griscom Little, "The Writing on the Wal-Mart," *Grist*, July 19, 2006.