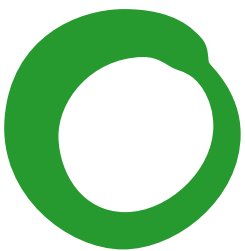


A large, thick green circular ring with a white center, positioned on the right side of the page. The text is centered within the white area.

**Big business  
in the Midlands**



**Friends of  
the Earth**

## Introduction

### **Corporate globalisation: right here, right now – in the Midlands.**

We hear a lot these days about “globalisation”, “corporate globalisation” and “big business”. A lot of people aren’t exactly sure what it is, or precisely how it affects them or the community in which they live. And yet many people share a common sense that “it” (whatever “it” is) is not acting in their interest. Many people would also like to do something about “it”, but they often feel powerless when faced with forces that seem to operate at a level far greater than them.

*Big business in the Midlands* provides clear evidence for two simple conclusions that people across the region might want to reflect on:

1. **Corporate-globalisation is with us here and now.** Quite simply, big business is putting its profits before people and the environment right across the Midlands. And it’s happening because national politicians, local councillors and others are letting it happen.
2. **Despite this, communities are not powerless.** When they organise themselves, they have an astonishing ability to fight effective campaigns against outrageous, outdated schemes that threaten to ruin their local environment. Sometimes they win – sometimes they lose. But they always make a difference. Slowly but surely local people are learning that they can do something about corporate globalisation, and it starts by forcing politicians to act on their behalf rather than for the benefit of big business.

### **But, what is “globalisation” or “corporate globalisation”?**

Quite simply “globalisation” represents the organisation of our lives at an international level. Sometimes, that’s good. It’s right, for example, that we have developed international treaties to control pollution (such as the Kyoto Protocol on Climate Change) because it would be impossible for any one country to solve this most serious of environmental threats by themselves. It’s good also that the community fighting the Brightstar incinerator in Derby has linked up with communities fighting similar plans by the same company in Australia, North America, Europe and Asia.

The reality is, however, that most international political and economic organisation is now happening not for the benefit of people or the environment, but for the benefit of big business and their profits. The financial decisions behind the Birmingham Northern Relief Road weren’t made in the Midlands – they were made in London and the United States, far away from the communities along the route that will see their environment suffer.

### **In short, “corporate globalisation” represents a shift in power away from local communities and towards big business. But, how did it come about?**

It’s happened because politicians have caved in to business lobbying and taken conscious decisions to surrender that power.

Clare Short MP, the Midlands’ most prominent politician, for example, loves to talk about the need for yet more world trade unfettered by regulations because, she argues, this will help the world’s poor. Never mind if the regulations are there to protect vulnerable communities and their environments. And never mind if it is the multinationals and their directors that really benefit.

A recent Confederation of British Industry (CBI) report (*Achievements for Business*) boasted how the organisation “pushed the Government into announcing [planning] reforms that are badly needed and are widely seen as pro-business”. So, thanks to the cave-in by politicians, it might become even harder for local people in the Midlands to oppose future roads, incinerators, airports and out-of-town supermarkets that threaten to ruin their communities.

### **What can we do about it?**

It's often depressing reading about the way in which big business routinely puts its profits before people and the environment. And it is depressing reading about how politicians let it happen. But reading about how communities are fighting to protect their neighbourhood, their health and their environment is also deeply inspiring. In this report, you will read stories that show how communities in the Midlands have mobilised and organised and are making a difference. When people come together, sometimes the impossible can be achieved and the corporate cowboys can be sent packing.

But people need to come together at the local, regional, national, European and international levels if we are really going to make globalisation work for people and the planet and not just for profits.

At the national level, Friends of the Earth has joined together with Amnesty, CAFOD, Christian Aid, New Economics Foundation, Traidcraft, Unison and other organisations to push for new laws to make corporations behave. The Corporate Responsibility Bill (CORE Bill) has been tabled in the House of Commons by Linda Perham MP and has already gained the support of over 220 cross-party MPs.

The CORE Bill embodies the following principles:

- **Mandatory Reporting:** Companies with a turnover greater than £5m shall produce and publish reports on their economic, environmental and social impacts.
- **Stakeholder Consultation:** Before embarking on major projects companies shall take reasonable steps to consult with and respond to affected stakeholders.
- **Clearly Defined Duties:** Directors shall be required to consider the wider impacts of their business.
- **Enforcement:** The creation of a Standards Board to set standards, monitor and ensure the effective implementation of the above.

If it becomes law, this legislation will make a difference and improve people's lives. **But it will only become law if people campaign for it.**

**If you want change - take action!** Contact your Midlands MP and ask them to sign Early Day Motion (EDM113) in support of the Corporate Responsibility Bill. If they've already signed it ask them to write to Secretary of State for Trade and Industry, Patricia Hewitt, and demand that the Government brings in its own company law based on these four principles.

People don't just want promises from big business about how it's going to behave – they want guarantees. And it's time the politicians began to deliver them.

Craig Bennett  
Corporate Accountability Campaigner  
Friends of the Earth, January 2003.

*Big Business in the Midlands* was written by Lisa Rimmer

It is dedicated to the Friends of the Earth Local Groups and other community groups who are fighting battles against corporations, across the Midlands.

For more information on Friends of the Earth's work on corporations, go to:  
[www.corporates.org.uk](http://www.corporates.org.uk)



## **Bayer CropScience/Aventis CropScience**

Bayer/Aventis is putting its own corporate interests ahead of the potentially huge impact of genetically modified (GM) crops on the countryside and people's health by aggressively promoting its GM seeds. Instead it could adopt practices that safeguard the future of what we eat — and those who provide it.

In 2002 pharmaceutical giant Bayer took over Aventis CropScience. With representatives in 122 countries the company is pushing GM crops throughout the world.

In the UK Bayer/Aventis is the only company that is seeking to license GM oilseed rape and fodder maize seeds and it is pressurising the UK Government to allow commercial planting of GM despite its unpopularity and people's concerns about the risks.

Bayer/Aventis has been involved in numerous legal controversies. From accusations of crop contamination during oilseed rape farm trials in the UK, to the discovery of potentially unsafe GM material in maize-based food in the US, Bayer/Aventis is often in the news and the courts. It is behind over 75 per cent of GM field trials around the UK, including trials in the East and West Midlands.

### **Bayer/Aventis in the Midlands**

In the Midlands Bayer/Aventis is ignoring public concern and a body of evidence that GM pollen will spread and contaminate other crops. The company has been involved in about 40 GM farm trials in Shropshire, Warwickshire, Herefordshire, Worcestershire, Nottinghamshire, Telford & Wrekin and Leicestershire, where its genetic pollution is threatening the environment and neighbouring farmers' livelihoods. Bayer/Aventis is also part of a group of companies known as the Supply Chain Initiative on Modified Agricultural Crops (SCIMAC) which was responsible for finding farmers in the Midlands willing to run these environmentally risky, scientifically suspect and politically stupid GM trials.

### **Midlands Bayer/Aventis action**

In Wolston, Warwickshire, in 2001 a planned Bayer/Aventis GM maize trial threatened the organic status of a world-renowned centre conducting Government research. It was only the united opposition of local people and residents from nearby Coventry and Rugby and the wider membership of the Henry Doubleday Research Association that put a stop to the trial that would have been just two miles from the research centre.

Mark Hammond, Rugby resident and campaigner:

"Bayer/Aventis have a belligerent attitude and ignore local opinion. Instead of using a battering ram they should start listening to local people who are worried they are risking our countryside and health with their GM products."



## **Brightstar Environmental**

Brightstar Environmental's operations risk health, squander resources and pollute the environment by burning rubbish in incinerators. Instead it could develop safer, longer-term solutions to our waste problems.

An Australian-owned waste disposal company, Brightstar is part of a gigantic multinational called Energy Developments Ltd (EDL), with incineration schemes in Australia, North America, Europe and Asia.

Its business is incineration, which means burning rubbish at high temperatures. Brightstar's speciality is a high-tech incinerator it misleadingly calls SWERF (Solid Waste and Energy Recycling Facility). This turns 80 per cent of rubbish into a synthetic gas which can contain ash and dioxins that put people's health at risk. Brightstar has proposed incinerators in Kent as well as in the East Midlands.

### **Brightstar in the Midlands**

Across the Midlands people want to recycle their waste, not burn it. Despite this, Brightstar is set to build a deeply unpopular incinerator in Osmaston, Derby's most polluted suburb. This would release pollutants such as sulphur dioxide, carbon monoxide, arsenic and dioxins as well as bring up to 200 extra lorries a day into the UK's ninth most deprived urban area. Osmaston already has among the worst health statistics in the country and suffers from low birth weights, high lung and heart disease-related deaths and high child accident rates.

### **Midlands Brightstar action**

Derby Friends of the Earth is a key member of Swerve the SWERF — it's no good for the Earth, a coalition of community groups that oppose Brightstar's plans. It is twinned with Swerve the SWERF in Australia and new anti-toxic campaign groups in New Delhi and Chennai fighting similar proposals.

Derby resident Dorothy Skrytek:

"It upsets me that Brightstar Environmental is forcing incineration on the people of Derby. The company's recycling claims are just greenwash. The people of Derby want door-to-door recycling, not polluting incinerators."



## **Cadbury**

Cadbury has a responsibility to ensure its suppliers don't use dangerous pesticides, that its working conditions are safe and that cocoa growers get a fair price for their labour. But in early spring 2002 a dangerous pesticide called lindane was found in a Cadbury's Dream chocolate bar. Lindane is linked to serious health problems including breast cancer.

Cadbury Limited is the UK-based confectionery division of the massive conglomerate Cadbury Schweppes PLC, which markets its products in 200 countries across the world. The world's third largest soft drinks company and fourth largest confectionery company, Cadbury Schweppes makes great claims about its social and environmental policies. In Cadbury's *Corporate and Social Responsibility Report 2002*, its Chief Executive Officer John Sunderland says Cadbury has "a clear commitment to the communities we live and work in and to the environment we all share". Despite this, people are concerned about chemicals in its products and about worker exploitation.

### **Cadbury in the Midlands**

As one of Birmingham's biggest and best-known multinational operators Cadbury has a duty to people in the Midlands and across the UK to make sure lindane and other pesticides are not contained in its confectionery.

According to a Human Rights Watch report cocoa production in West Africa employs 284,000 children, of whom 153,000 apply pesticides to crops. The way chocolate is bought and sold means Cadbury doesn't know exactly where the cocoa it buys and sells comes from. This means it is impossible for it to be sure of high standards.

Cadbury must be sure growers are paid a decent price for their beans and that working conditions are good. At the very least the company should help farmers find alternative ways of producing cocoa that are less dependent on dangerous pesticides.

### **Midlands Cadbury action**

When lindane was found in Cadbury's Dream chocolate bars, West Midland school-children were especially worried because the lindane pesticide builds up in children's bodies. A group of children from the environmental youth campaigning group Generation Earth visited Cadbury's Bournville headquarters to call for lindane-free chocolate. They urged Cadbury to make all its products GM and pesticide free and delivered a petition signed by more than 3,000 children from across the UK. Cadbury says that it has now ceased to buy or sell chocolate containing lindane.

Youth campaigner Fran Higginson from Generation Earth:

"Everyone likes eating chocolate but we want to choose chocolate that won't harm the environment, the people who grow it, or us. Chocolate should be pesticide free, GM free and fairly traded."



### **Carrillion, Alfred McAlpine, Balfour Beatty, AMEC Abbey National and Bank of America**

These construction companies and banking groups are all involved in the unpopular and environmentally damaging Birmingham Northern Relief Road (BNRR) now referred to as M6 Toll & Trade. The majority of the companies have a history of controversy over other environmentally and socially destructive projects. They all have a duty to behave more responsibly towards the environment and people.

#### **Carrillion, Alfred McAlpine, Balfour Beatty and AMEC (CAMBBA)**

These are the consortium of UK construction companies building the toll road. Three of these companies have been involved in other environmentally and socially irresponsible schemes.

**AMEC** — British construction company AMEC's interests include civil, railway, road, airport and power engineering, building, asset management, feasibility studies and environmental consulting.

As well as the BNRR, AMEC has been linked to other environmentally damaging projects worldwide including the proposed Yusufeli Dam in Turkey, the Chalillo Dam in Belize, an Indonesian Pulp and Paper Mill and the A650 Bingley 'Relief' Road. Together, these ventures indicate serious corporate irresponsibility implying AMEC isn't taking its environmental and social responsibilities seriously.

**Balfour Beatty** — UK construction giant Balfour Beatty, with a turnover in the region of £3 billion, has been linked to numerous environmentally and socially controversial projects around the world. Some of Balfour Beatty's more inadvisable ventures and adventures are as follows:

Balfour Beatty was set to be the lead contractor building the environmentally, politically and socially disastrous Ilisu Dam in the Kurdish region of Turkey. The company was finally forced to pull out in 2001 after public pressure and campaigning by Friends of the Earth, the Ilisu Dam Campaign and others. It was also the maintenance company responsible for the section of track near Hatfield where a broken rail derailed a train in October 2000, killing four people. Worryingly, despite Balfour Beatty's health and safety record it is now part of the Metronet consortium chosen by the Government to upgrade and maintain large parts of the London underground network. In 1999 as part of a consortium involved in a Lesotho Highlands water project, it was prosecuted for alleged bribery.

**Carillion** - Formerly known as Tarmac, this is the company that constructed the damaging and unpopular M3 extension through Twyford Down, a wildlife-rich chalk downland Site of Special Scientific interest (SSSI).

## **Bank of America and Abbey National**

These two huge financial institutions are funding the BNRR. They are also the financial backers of the Isle of Skye bridge, another controversial UK toll road and Private Finance Initiative (PFI) scheme. Both claim good environmental and social policies. Their funding of these damaging and locally unpopular schemes indicates otherwise. To live up to their aims to be good corporate citizens, they should take notice of the views of local communities and stop funding environmentally destructive projects.

Bank of America is America's third-largest bank by assets, with profits of US\$2.06 billion in 2002. Abbey National is the UK's sixth largest bank by assets and the 30th largest in the world. As well as personal and financial services like mortgages, savings etc, it also makes money from commercial banking such as commercial lending operations and risk management activities.

On the Bank of America's website, its Chief Executive Officer, Kenneth D. Lewis, boasts that "the very reason the Bank of America exists in the first place is to help make communities stronger". Abbey National's website promotes its commitment to being a good corporate citizen with talk of ethical responsibilities, environmental plans and performance.

Despite these grand claims the banks are jointly funding two schemes in the UK that are hurting local people's livelihoods. On Skye islanders now pay the highest road tolls per mile anywhere in the world (unless they bulk buy). The local community has been fighting the toll bridge for six years. In the Midlands work has now started on the toll motorway.

## **CAMBBA, Abbey National and Bank of America in the Midlands**

These construction companies and banks are now involved in massive environmental destruction in the Midlands as they press ahead with building the BNRR which is set to be Britain's first toll motorway. This is one of 12 West Midlands private finance initiative (PFI) deals. The schemes mean every year over £320 million of taxpayers' money goes to private companies in the Midlands region. Over the next 50 years CAMBBA expects to receive more than £2 billion from people using the BNRR toll motorway.

The motorway is destroying 27 miles of the West Midlands green belt and damaging two important SSSIs at Chasewater Heath and Blythe Valley. It will cut a huge swathe through the green belt and bring even more development pressure on to the green belt from warehousing companies, property developers and house builders looking for green sites to build on. Carrillion, Alfred McAlpine, Balfour Beatty, Amec, Abbey National and the Bank of America's involvement in this motorway fiasco is a classic example of big business putting profits before people and the environment in the Midlands region.

## **Midlands CAMBBA action**

Local residents and other concerned people across the UK did not want this destructive road. Together they formed the Alliance against the BNRR to prevent it from getting off the ground. The campaign lasted for over 10 years with many ups and downs. But despite attending public inquiries, organising rallies and winning high court actions, the road is now under construction.

Karen Leach, Birmingham Friends of the Earth:

"CAMBBA, Abbey National and Bank of America have ignored the voice of local people and pushed ahead with this destructive road that we neither want nor need. These companies claim to be environmentally and socially responsible, but in the Midlands we've seen what these claims actually mean in practice - business as usual."



## **Esso**

Esso is jeopardising the future of the planet by sabotaging international action on climate change. Instead, the multinational should help combat the threat. An essential first step would be to invest in renewable energy sources such as wind, solar and wave power and to support international agreements combating climate change.

ExxonMobil is a global brand operating in over 200 countries. In the US Exxon and Mobil trade separately but are in fact the same corporation. In the UK we know the company as Esso.

Esso has repeatedly denied the reality of climate change and refused to invest in alternatives to oil. It has also done more than any other company to undermine the Kyoto Protocol which is the only international treaty tackling global warming. While in the Midlands, the UK and across the world people are facing up to the huge climate change threat, Esso continues to concentrate on oil profits and bury its head in the sand.

### **Esso in the Midlands**

The Midlands are likely to suffer even wetter winters as a result of climate change brought about by human activity. In recent years there has been regular flooding along the River Severn, notably in Bewdley, Worcester and Upton; recent investment has seen a temporary flood barrier on trial in Bewdley. The rivers Avon and Leam in Warwickshire have also been prone to flooding. Research indicates that floods like these are likely to become more frequent and intense due to climate change. Meanwhile Esso uses its wealth and power to stop any international action on climate change and refuses to invest one dollar of its US\$15 billion-a-year profits in clean, renewable energy.

### **Midlands Esso action**

Worry about climate change and a potential increase in natural disasters such as flooding have led people across the Midlands to join the StopEsso boycott. Local people have joined forces with environmental groups Friends of the Earth, Greenpeace and People and Planet to take part in StopEsso actions outside Esso petrol stations all over the Midlands. In 2001 Birmingham Friends of the Earth blockaded an Esso terminal in Erdington with a truck of environmentally friendly biodiesel fuel. More recent actions have included decorating the well-known *Forward* statue in Birmingham city centre with StopEsso banners.

### **Jenny Thatcher, Birmingham resident:**

“Recent winter floods in the Midlands are exactly the sort of natural disaster that will probably become more common due to climate change. People in the Midlands, like people all over the world, want Esso to face up to its responsibilities, stop polluting the environment and start investing in renewable energy.”



## **Macquarie**

Australian multinational Macquarie Infrastructure Group (MIG) is one of the largest listed infrastructure investors in the world. Macquarie Airports Group (MAG) has interests in large gateway and regional airports. Few people have heard of these companies, yet this massive consortium is involved in toll roads, airports and other projects across the world. It has assets in Australia, North America and all over Europe. In the Midlands it is heavily involved in at least two environmentally and socially damaging projects. Macquarie should take on board its duty to the people and countryside in all the areas it operates.

### **Macquarie in the Midlands**

Most people in the Midlands haven't heard of this company but Macquarie is involved in some very well known and controversial projects such as the Birmingham Northern Relief Road (BNRR) and Birmingham International Airport.

Macquarie owns 75 per cent of another company called Midland Expressway Limited (MEL). This company has the rights to oversee the building and operation of the disastrous BNRR for the next 53 years. (For more information on the construction of this motorway see the case study on CAMBBA, Abbey National and Bank of America above).

Macquarie also has over a 24 per cent share of Birmingham International Airport. This is the fifth largest UK airport and the largest airport in the Midlands. Air travel damages the climate and our health through pollution, fossil fuel emissions, unhealthy noise levels and building development on green land.

Birmingham International Airport traffic already adds to congestion on the M42, M40 and M6 motorways. Yet the Midlands are central to unpopular and environmentally disastrous airport expansion plans in the UK and despite local opposition, airport expansion is being pushed ahead.

Companies like Macquarie would inevitably benefit from airport expansion in the Midlands and sell themselves to investors as having access to aviation sector growth. On Macquarie's website it claims: "Through MAG, investors gain exposure to growth in the international aviation sector." If Birmingham is lumbered with an extra runway or if a new mega-airport is built in Warwickshire there is no doubt Macquarie will want to get involved. Macquarie and others already profit from heavily subsidised airports and air travel. It is time Macquarie started taking notice of people in the Midlands instead of reaping the profits while remaining anonymous.

### **Midlands Macquarie action**

People from Birmingham, Solihull and nearby villages have joined forces to protest about the noise and disturbance from Birmingham International Airport. Groups like Solihull Opposing Runways (SOAR), Birmingham Anti Noise Group (BANG) and Birmingham Friends of the Earth are worried that companies like Macquarie stand to profit from the extra noise, pollution and environmental destruction of airport expansion.

Concerned about the proposed expansions, Birmingham Friends of the Earth decided to give the managing director of Birmingham International Airport a taste of his own medicine. They played a recording of airport noise at full volume outside his tranquil rural residence in the village of Sambourne, Warwickshire. Local people want companies like Macquarie and others with a vested interest in air travel to listen to the opinions of Midlands residents and think about the environment rather than pressing ahead with airport expansion in the Midlands.

### **James Botham, Birmingham Airport Anti Noise Group (BANG):**

"I don't suppose it enters Macquarie's calculations that people's human rights to a good night's sleep are being violated by aircraft noise. Do they realise that two historic villages, Catherine-de-Barnes and Bickenhill stand to be devastated if a new runway goes ahead?"



## **Tesco and ASDA**

Tesco and Asda are two of the six most powerful UK supermarket chains. The big six control 70 per cent of the grocery market and have considerable influence over the food chain. The power they hold over UK and global markets and the UK political system means financial and market gains at huge cost to people and the environment. Takeovers are in the news. Morrisons or Wal-Mart might take-over Safeway, which would put the food chain even more firmly in the hands of a few big corporations.

### **Tesco**

Tesco is Britain's biggest supermarket chain with 22.7 per cent of the grocery trade expenditure. It claims to be a market leader in six countries and is expanding rapidly in Europe and Asia.

### **ASDA**

ASDA is 100 per cent owned by the US superstore chain Wal-Mart. It claims that in 2000 it was Britain's second biggest grocer with a 14 per cent share in the grocery market, over 2,800 suppliers, 247 stores and 19 depots.

Tesco, ASDA and the other supermarkets are causing problems in the UK and worldwide. Local communities suffer as small independent shops are forced to close down when supermarkets move in. Farmers are forced to sell goods below the cost of production as supermarkets use market power to achieve the lowest possible supply costs. The environment loses out as 75 per cent of supermarket customers shop by car while produce is brought in from around the world by planes and lorries. Customers worry about food safety and pesticides. The Midlands is typical of much of the UK where supermarkets like Tesco and ASDA are ruthlessly expanding at the expense of others.

### **Tesco and ASDA in the Midlands**

Tesco has about 30 per cent of the market share in the Midlands while ASDA Wal-Mart has about 12 per cent. Both chains want to expand despite local opposition and social and environmental concern.

Nottingham's Hyson Green is just one area where residents wanted a small store but got a huge ASDA. People were told the supermarket would alleviate local deprivation and housing associations were granted some land adjacent to the store. But housing remains a problem and the supermarket has forced many local food retailers and businesses to close. The high street is now like a ghost town, full of empty properties, while traffic has increased dramatically. At night the hum of the air-conditioning system and deliveries keep people awake. ASDA is also moving into Rugby in Warwickshire and wants to build a huge new store in Hereford.

Tesco is converting the old livestock markets in both Ludlow and Shrewsbury into supermarkets and are trying to move a school out of the St Johns area of Worcester onto a countryside Greenfield site and build a superstore in the town. Tesco has also been fighting a long battle to build an edge of town store in Rugeley, Staffordshire.

### **Midlands Tesco and ASDA action**

In Chesterfield local residents are fighting a planning application for an ASDA complex. People are concerned that the supermarket will destroy their town centre.

In Walsall local people recently won a campaign to stop an excessively large out-of-town Tesco which would have taken trade away from the town centre and been inaccessible to people without cars. This was only defeated by local opposition forcing the Secretary of State to intervene and hold a public inquiry which rules against the proposed development.

### **Mike Wilkes, Warwickshire Farmers Market's chairman:**

"People tell me local farmers' market produce is fresher, keeps better and tastes better than the fruit and vegetables they can get in supermarkets such as Tesco and ASDA. Midlands farmers say they sell their produce at farmers' markets because they don't have to get involved with supermarkets and can deal directly with their customers."

## **Friends of the Earth inspires solutions to environmental problems which make life better for people**

Friends of the Earth is:

- **the UK's most influential national environmental campaigning organisation**
- **the most extensive environmental network in the world, with almost one million supporters across five continents and 68 national organisations worldwide**
- **a unique network of campaigning local groups, working in over 200 communities throughout England, Wales and Northern Ireland**
- **dependent on individuals for over 90 per cent of its income.**

Friends of the Earth Ltd  
26-28 Underwood Street  
London N1 7JQ  
Tel: 020 7490 1555  
Fax: 020 7490 0881  
Email: [info@foe.co.uk](mailto:info@foe.co.uk)  
**Website at [www.foe.co.uk](http://www.foe.co.uk)**

Friends of the Earth Trust company no. 1533942. Registered charity no. 281681.  
Friends of the Earth Limited company no. 1012357.

 Printed on paper made from 100 per cent post-consumer waste.