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### Lobbying, greenwash and deliberate confusion: how vested interests undermine climate change

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## Lobbying, greenwash and deliberate confusion: how vested interests undermine climate change

### Abstract

Politicians in many nations have not been responsive to community concerns about global warming because of a highly successful corporate campaign of misinformation and persuasion. Corporations that would be affected by measures to reduce greenhouse gas emissions set out to confuse and deceive the public and policy-makers on the issue. They use corporate front groups, public relations firms and conservative think tanks to cast doubt on predictions of global warming and its impacts, to imply that governments do not know enough to act, to argue that the cost of reducing greenhouse gases is prohibitively expensive and to promote doubtful solutions such as 'clean' coal.

Similarly corporations and their lobby groups have sought to delay treaties and legislation and shape those that are finally agreed and passed. In particular they promote voluntary actions by presenting themselves as environmentally responsible and committed to finding solutions.

### Keywords

undermine, change, interests, climate, vested, confusion, deliberate, greenwash, lobbying

### Disciplines

Arts and Humanities | Law

### Publication Details

Beder, S. (2014). Lobbying, greenwash and deliberate confusion: how vested interests undermine climate change. In M. C-T. Huang and R. R-C. Huang (Eds.), *Green Thoughts and Environmental Politics: Green Trends and Environmental Politics* (pp. 297-328). Taipei, Taiwan: Asia-seok Digital Technology.

# **Lobbying, Greenwash and Deliberate Confusion: How Vested Interests Undermine Climate Change Regulation**

Sharon Beder\*

## **Abstract**

Politicians in many nations have not been responsive to community concerns about global warming because of a highly successful corporate campaign of misinformation and persuasion. Corporations that would be affected by measures to reduce greenhouse gas emissions set out to confuse and deceive the public and policy-makers on the issue. They use corporate front groups, public relations firms and conservative think tanks to cast doubt on predictions of global warming and its impacts, to imply that governments do not know enough to act, to argue that the cost of reducing greenhouse gases is prohibitively expensive and to promote doubtful solutions such as 'clean' coal.

Similarly corporations and their lobby groups have sought to delay treaties and legislation and shape those that are finally agreed and passed. In particular they promote voluntary actions by presenting themselves as environmentally responsible and committed to finding solutions.

## **ECHO CHAMBER OF DOUBT**

The high level of consensus amongst the world's climate scientists is not widely known because the corporations that would be affected by measures to reduce greenhouse gas emissions have waged a deceptive campaign to confuse the public and policy-makers on the issue. They have used corporate front groups, public relations firms and conservative think tanks to cast doubt on predictions of global warming and its impacts, to imply that we do not know enough to act and they argue that the cost of reducing greenhouse gases is prohibitively expensive. The "confusion is intentional, expensively gift wrapped by the energy industries."<sup>i</sup>

It is in this way that corporate influence goes far beyond the millions of dollars in campaign donations made by the fossil fuel industry to politicians and political parties. Fostering doubt is a well known public relations tactic. Phil Lesly, author of a handbook on public relations and communications, advises corporations:

People generally do not favor action on a non-alarming situation when arguments seem to be balanced on both sides and there is a clear doubt. The weight of impressions on the public must be balanced so people will have doubts and lack motivation to take action. Accordingly, means are needed to get balancing information into the stream from sources that the public will find credible. There is no need for a clear-cut 'victory.'...Nurturing public doubts by demonstrating that this is not a clear-cut situation in support of the opponents usually is all that is necessary.<sup>ii</sup>

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In 1998 the New York Times reported on internal American Petroleum Institute (API) documents showing that fossil fuel interests intended to raise \$US5 million over two years to establish a Global Climate Science Data Center as a non-profit educational foundation to help meet their goal of ensuring that the media and the public recognise the uncertainties in climate science.<sup>iii</sup> The documents stated:

#### Victory Will Be Achieved When

- Average citizens "understand" (recognize) uncertainties in climate science; recognition of uncertainties becomes part of the "conventional wisdom"
- Media "understands" (recognizes) uncertainties in climate science
- Media coverage reflects balance on climate science and recognition of the validity of viewpoints that challenge the current "conventional wisdom"
- Industry senior leadership understands uncertainties in climate science, making them stronger ambassadors to those who shape climate policy
- Those promoting the Kyoto treaty on the basis of extent science appear to be out of touch with reality.<sup>iv</sup>

The plan earmarked over \$600,000 for advertising, \$5 million for a Global Climate Science Data Center, and \$300,000 for a direct outreach program. It intended to:

Identify, recruit and train a team of five independent scientists to participate in media outreach. These will be individuals who do not have a long history of visibility and/or participation in the climate change debate. Rather, this team will consist of new faces who will add their voices to those recognized scientists who already are vocal.<sup>v</sup>

#### *Exxon Mobil*

ExxonMobil (trading as Esso in some countries) is the largest publicly traded company in the world with revenues of hundreds of billions of dollars, more than the gross national product of most nations. Its greenhouse gas emissions, including those from the use of its products, also exceeded that of most nations of the world. Its profits in 2005 were \$36 billion.<sup>vi</sup>

ExxonMobil publicly disputed human-induced global warming long after other major oil firms had publicly recognised it. In 2006 the Royal Society, a prestigious society of scientists in the UK, criticised ExxonMobil for the following statement:

While assessments such as those of the IPCC have expressed growing confidence that recent warming can be attributed to increases in greenhouse gases, these conclusions rely on expert judgment rather than objective, reproducible statistical methods. Taken together, gaps in the scientific basis for theoretical climate models and the interplay of significant natural variability make it very difficult to determine objectively the extent to which recent climate changes might be the result of human actions.<sup>vii</sup>

The Royal Society pointed out:

The "expert judgment" of the Intergovernmental Panel on Climate Change was actually based on objective and quantitative analyses and methods, including advanced statistical appraisals, which carefully accounted for the interplay of natural variability, and which have been independently reproduced. Furthermore, these statements in your documents are not consistent with the scientific literature that has been published on this issue.<sup>viii</sup>

ExxonMobil responded to The Royal Society by pointing to public documents in which it accepts that global warming is real. It also pointed to its funding of efforts to find technologies to reduce greenhouse gas emissions. ExxonMobil, however, continues to oppose regulatory measures to deal with greenhouse gas emissions.<sup>ix</sup>

The Royal Society noted in its letter that in 2005 ExxonMobil "provided more than \$2.9 million to organisations in the United States which misinformed the public about climate change through their websites.<sup>x</sup> In 2007 the Union of Concerned Scientists (UCS) reported that Exxon Mobil had given around \$16 million to some 43 advocacy organisations between 1998 and 2005 "to deceive the public about the reality of global warming" and cast doubt on the idea.<sup>xi</sup>

Exxon's funding between 1998 and 2005 covered North American think tanks including:<sup>xii</sup>

- the American Enterprise Institute (AEI) - \$1,625,000 (Exxon's former CEO is vice chairman of AEI's board of trustees)
- the Cato Institute - \$105,000
- the Competitive Enterprise Institute (CEI) - \$2,005,000 (more than any other group)
- the Fraser Institute (Canada) - \$120,000
- Frontiers of Freedom Institute - \$1,002,000
- George C. Marshall Institute - \$630,000 (covering 21% of its total expenses in 2004)
- Heartland Institute - \$561,500
- the Heritage Foundation - \$460,000
- Pacific Research Institute for Public Policy - \$355,000
- Science and Environmental Policy Project (SEPP) - \$20,000

US front groups funded by Exxon between 1998 and 2005 included:<sup>xiii</sup>

- American Council on Science and Health (ACSH) - \$125,000
- Annapolis Center for Science-Based Public Policy - \$763,500
- Atlas Economic Research Foundation - \$680,000
- Center for the Defense of Free Enterprise - \$230,000
- Committee for a Constructive Tomorrow - \$472,000
- Consumer Alert - \$70,000

The *Guardian* newspaper reported in July 2009 that Exxon was still funding groups promoting global warming skepticism even though it had said it would stop after exposure by The Royal Society and UCS. It spent hundreds of thousands of dollars on this in 2008. For example, \$75,000 went to the National Center for Policy Analysis (NCPA) in Dallas, Texas, whose "scholars believe that while the causes and consequences of the earth's current warming trend is [sic] still unknown, the cost of actions to substantially reduce CO2 emissions would be quite high and result in

economic decline, accelerated environmental destruction, and do little or nothing to prevent global warming regardless of its cause".<sup>xiv</sup>

The UCS points out that by funding so many groups with shared staff and advisors (see diagram below), Exxon is able to "provide the appearance of a broad platform for a tight-knit group of vocal climate science contrarians. The seeming diversity of organizations creates an "echo chamber" that amplifies and sustains scientific disinformation".<sup>xv</sup>

ExxonMobil ensured its access to government policy makers through political donations and lobbyists. Exxon Mobil's political action committee and individuals associated with ExxonMobil had made over \$4 million in political contributions between 2000 and 2006. "ExxonMobil paid lobbyists more than \$61 million between 1998 and 2005 to help gain access to key decision makers." <sup>xvi</sup>

According to the UCS, Exxon not only gained membership of vice president Dick Cheney's Energy Taskforce but "successfully urged the Bush administration to renege on the commitments to the Kyoto Protocol made by previous administrations", "successfully lobbied the Bush administration to try and oust the chair of the IPCC", and was able to have its recommended candidate appointed as chief climate negotiator for the US.<sup>xvii</sup>

### *Koch Industries and Western Fuels*

In 2010 Greenpeace USA documented donations by Koch foundations of over \$48 million between 1997 and 2008 to advocacy organizations that have disputed global warming.<sup>xviii</sup> Koch Industries is one of the largest privately-owned companies in the world and incorporates over twenty smaller companies covering oil, gas, coal, chemicals, ranching and forestry operations and products. It employs 70,000 people in over 60 countries and has revenues of some \$100 billion.

Koch funding of US think tanks has included: <sup>xix</sup>

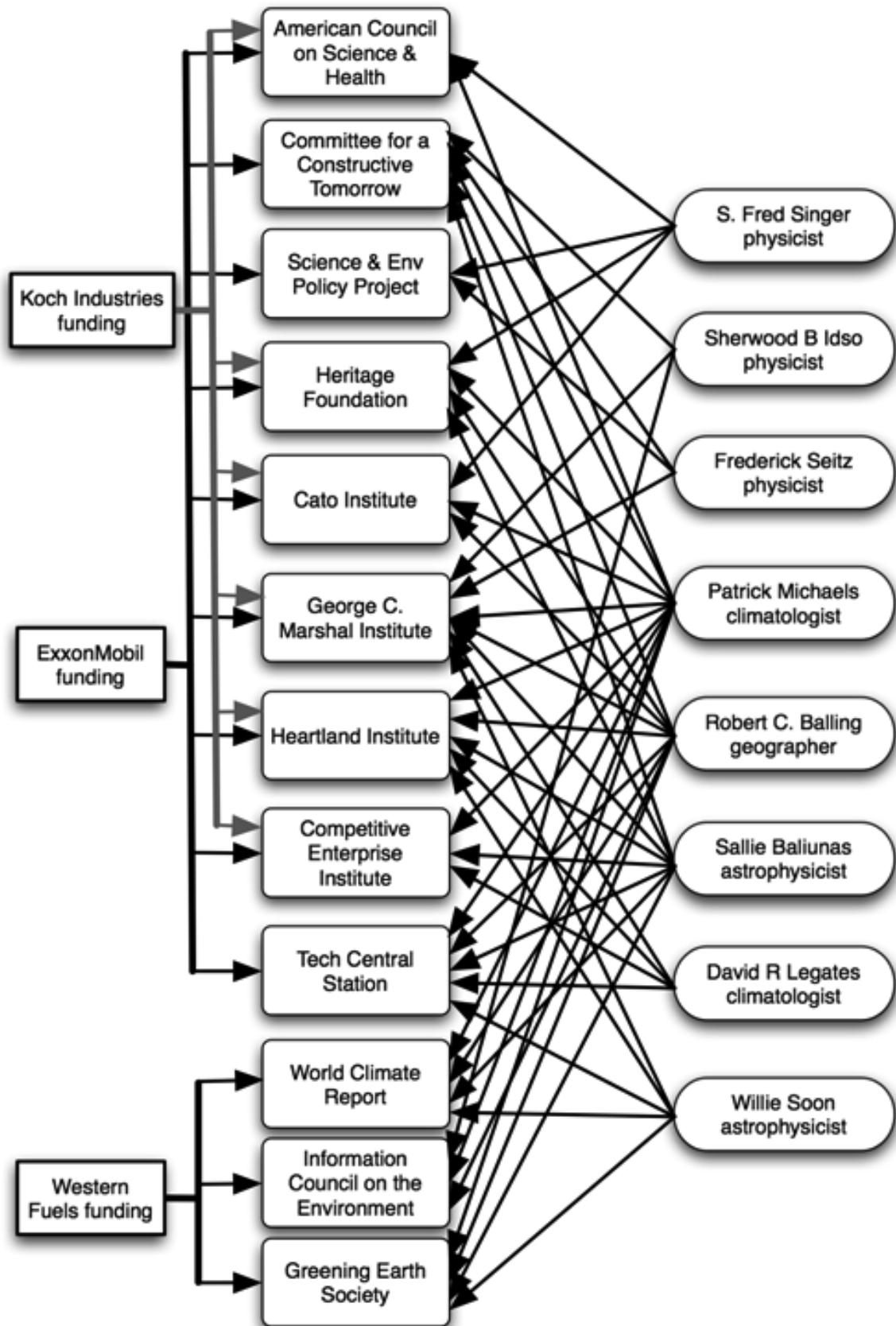
- \* Mercatus Center, George Mason University - over \$9 million 2005-8 (Charles Koch is on the Board of Directors)
- \* Institute for Humane Studies (IHS) - almost \$2 million 2005-8 (Charles Koch is chair of the Board)
- \* Heritage Foundation - \$3.36 million 1997-2008
- \* Cato Institute - \$5.3 million 1997-2008 (Charles Koch was a co-founder)
- \* The Manhattan Institute - \$800,000 2005-8
- \* Pacific Research Institute for Public Policy - \$1.1 million 1997-2008
- \* American Enterprise Institute - \$640,000 1997-2008
- \* Competitive Enterprise Institute - \$471,000 1997-2005

Koch funding of US front groups has included:

- \* Americans for Prosperity Foundation (APF) - over \$5 million 2005-8
- \* Americans Council on Science and Health (ACSH)
- \* Center for the Study of Carbon Dioxide and Global Change
- \* Citizens for a Sound Economy (now FreedomWorks) - over \$6.5 million 1997-2005

The diagram below shows how a group of eight scientists served as scientific advisors, fellows, book and report authors, or featured experts for a number of think tanks and corporate front groups that had been funded by ExxonMobil, Koch foundations or

Western Fuels Association, a consortium of coal interests. The diagram is by no means exhaustive but only indicative. Many more corporate-funded think tanks and front groups have been involved.



## **GREENWASH**

Industries with fossil-fuel intensive products, including automobile, oil and coal companies, use greenwash to make it seem as if they care about global warming and are doing something about it. This can be called climatewash. Forms of climatewash include:

- using green images and rhetoric to indicate commitment to greenhouse gas reductions whilst continuing to pollute the environment and emit high levels of greenhouse gases
- publicly committing to greenhouse gas reducing actions whilst opposing legislation to reduce greenhouse gases behind the scenes
- publicly committing to greenhouse gas reducing actions whilst retaining membership of industry associations or funding front groups that oppose legislation to reduce greenhouse gases.
- publicising greenhouse gas reductions in operations (manufacturing/production) whilst the product (eg oil, coal, automobiles) continues to be a heavy source of greenhouse gas emissions
- inflating the significance of climate friendly investments (eg solar energy) whilst the vast majority of investment goes into polluting products (eg oil and coal)
- selling reduced emission products to a niche market (eg hybrid vehicles) and using them to establish your green credentials whilst continuing to sell far more heavy emitting products (eg SUVs)
- promising greenhouse gas reductions or more climate friendly products and not fulfilling those promises
- promoting solutions that are unlikely but that allow emission to continue in the meantime (eg Clean Coal)
- pretending to support renewable energy by arguing that diversity of energy sources are necessary into the future, including coal and oil

### *Nuclear Climatewash*

Nuclear power has been promoted as the best way to generate electricity without greenhouse gas emissions. Nuclear power is being put forward as a 'green' solution despite the ongoing environmental problems associated with it including waste disposal, weapons proliferation and nuclear accidents and incidents.

Nuclear power climatewash claims that nuclear power does not produce greenhouse gases. However the mining and processing of uranium and the construction of the power plants generate significant greenhouse gas emissions.



Currently nuclear power generates around a third of the greenhouse gases that a gas-fired power plant would generate but that would increase if nuclear power grew significantly because lower grade sources of uranium would need to be mined. It has been estimated that this would make nuclear power roughly equivalent, in terms of greenhouse gas emissions, to a combined cycle gas-fired power station.<sup>xx</sup>

Fast breeder reactors that avoid the need for new uranium have been beset with problems and four out of five large-scale reprocessing plants have been shut down.<sup>xxi</sup>

The Union of Concerned Scientists (UCS) claims:

A major expansion of nuclear power in the United States is not feasible in the near term. Even under an ambitious deployment scenario, new plants could not make a substantial contribution to reducing U.S. global warming emissions for at least two decades.<sup>xxii</sup>

The Nuclear Energy Institute (NEI) has "nearly 350 members in 19 countries" and represents the nuclear industry providing "a unified industry voice before the U.S. Congress, executive branch agencies and federal regulators, as well as international organizations and venues".<sup>xxiii</sup> According to Diane Farsetta from the Center for Media and Democracy:

As recently as 2006, NEI sponsored the House Energy and Commerce Committees softball team, took part in Congressional caucus golf outings, and funded literally hundreds of Congressional fact-finding trips to Las Vegas that included tours of Yucca Mountain.<sup>xxiv</sup>

According to the Nuclear Energy Institute: "Nuclear energy is the only electricity source that can generate electricity 24/7 reliably, efficiently and with no greenhouse-gas emissions." The NEI utilises advertising campaigns to push this message. It launched its latest in February 2010, "targeted at federal and state policymakers throughout 2010" and featuring print, radio and television advertisements.

According to the American University's Investigative Reporting Workshop:

Besides the money spent on lobbying and campaign contributions, the industry, led by the NEI, has created a network of allies who give speeches, quote one another approvingly and showcase one another on their Web sites. The effect is an echo chamber of support for nuclear power.<sup>xxv</sup>

The NEI has formed various front groups to make the case for nuclear power. One such group is the Washington D.C.-based Clean and Safe Energy Coalition (CASEnergy) that calls itself "a large grassroots coalition that unites unlikely allies across the business, environmental, academic, consumer and labor community to support nuclear energy".<sup>xxvi</sup>

CASEnergy was formed in 2006 and is headed by Patrick Moore, who has made a lucrative career in greenwashing out of his early days with Greenpeace in the 1970s, and Christine Todd Whitman, former head of the US Environmental Protection Agency (EPA). Each uses their environmental credentials from their earlier careers to promote nuclear energy, usually without mention of their nuclear industry funding. CaseEnergy is run out of the offices of PR giant Hill and Knowlton and funded by the NEI.<sup>xxvii</sup> CASEnergy classroom materials state:

Nuclear power plants are good for the environment—and good to the environment. Nuclear plants don't pollute the air. They don't produce any

carbon dioxide—the major greenhouse gas—or any sulfur dioxide or nitrogen oxides. The small amount of waste that a nuclear plant produces is carefully contained and safely stored.<sup>xxviii</sup>

Another front group sponsored by NEI is Clean Energy America, "a group of nuclear energy experts who volunteer their time to raise awareness about the benefits of nuclear energy as a clean, reliable and affordable source of energy". Clean Energy America was formed in 2008 and sends speakers to college campuses, civic groups and meetings of various organisations.<sup>xxix</sup>

In Britain, the nuclear industry got an enormous PR boost in 2004 when James Lovelock, famous for his Gaia Hypothesis, came out in favour of nuclear power. He got enormous media coverage as a 'green' advocate of nuclear power. However Lovelock has a history of taking dubious stands. In 1973 Lovelock concluded that CFCs in the atmosphere posed no hazard and in 1974 he testified before a Congressional Hearing in defense of the CFC industry. He also admits to being partly responsible for the removal of hedgerows in Britain, something he later regretted.<sup>xxx</sup>

Lovelock is patron of the front group Supporters of Nuclear Energy (SONE), which claims to be "a group of individuals of many different disciplines, interests and backgrounds". However it was founded with money from British National Fuels Limited (BNFL) and is supported by the Nuclear Industry Association (NIA). SONE's mailing address is at BNFL headquarters. During 2004/5 SONE held many lunches for politicians for the three major parties, journalists, business people, unionists and financiers to promote nuclear power and put pressure on the government to facilitate its expansion.<sup>xxxi</sup> According to SONE:

1. Nuclear energy is a safe, reliable, economic and environmentally acceptable way of providing electricity.
2. Nuclear energy is, on present knowledge, essential to the world's continued development if serious climatic changes are to be avoided.<sup>xxxii</sup>

SONE also campaigns against wind power and individual members wrote anti-wind letters to the editor in national newspapers without mentioning their membership of SONE.<sup>xxxiii</sup>

After the 1986 Chernobyl accident nuclear power lost considerable popular support in Europe. In 2006 it only had 12 percent support amongst European citizens. However until the Fukushima accident in 2011 it was making headway as a result of efforts to promote nuclear power as the main solution to global warming, partly as a result of lobbying, and partly as a result of advertising efforts. By 2008 it had almost 45 percent support amongst Europeans.<sup>xxxiv</sup>

In 2005 a group of 27 Members of the European Parliament (MEPs) signed a "Declaration on Climate Change and Nuclear Energy". The declaration was initiated by the main European lobby group for the nuclear industry, FORATOM, and stated: "we strongly believe that the increased use of nuclear energy, as the largest single contributor to the fight against climate change, is essential".<sup>xxxv</sup>

Subsequently, not only had the European Parliament reaffirmed its support of nuclear power but construction of new power plants were going ahead in many nations including France, Italy, Sweden and various Eastern European nations.<sup>xxxvi</sup> Of course this has changed since the Fukushima disaster.

## *Clean Coal*

The coal industry has been desperately pushing the idea of clean coal as a way of heading off moves to phase out coal burning because of its carbon dioxide emissions. Clean coal is not a present day reality but refers to the hope that one day the carbon from burning coal will be able to be captured and stored underground — carbon capture and storage (CCS).

However even the most optimistic analysts, for example the MIT authors of the report *The Future of Coal*, admit that such technology would not be available on a commercial scale before 2030. In 2007 the association for electric power generators, the Edison Electric Institute, told a House Select Committee that CCS on a commercial scale would take 25 years of research and \$20 billion in funding.<sup>xxxvii</sup>

Even then it is unlikely the technology could be retrofitted to existing coal-fired power plants without enormous expense and so a whole new generation of carbon capturing coal-fired power plants would have to be built. In the meantime, coal would be emitting massive amounts of carbon dioxide for decades.<sup>xxxviii</sup>

Even if carbon could be captured there is no sure way to store it permanently without possibility of leakage, which would defeat the purpose. Moreover it would take a significant amount of energy to achieve CCS (up to 40% of the power generated by the power plant) and the cost of CCS would make coal more expensive than other fuel sources including renewables.<sup>xxxix</sup>

The most detailed published assessment, by Peter Viebahn of the German Aerospace Center in Stuttgart, estimates that at best CCS will reduce greenhouse gas emissions from coal-fired power stations by little more than two-thirds. That compares with life-cycle emissions for most renewable energy technologies that are 1 to 4 per cent of those from burning coal.<sup>xl</sup>

In 2007 the US government gave up on its research and development for a demonstration project of CCS, FutureGen, because it was too costly and lacked industry support.<sup>xli</sup> The Australian Coal Association is spending \$1.5 million on advertisements and \$1 million on a New Generation Coal website to promote the idea of clean coal which it claims will be commercially viable by 2017. It claims a "\$1 billion+ commitment to safe, sustainable energy technologies" through its COAL21 Fund but it only spent \$36.4 million between 2006 and 2009.<sup>xlii</sup>

And it should be remembered that even if the carbon could be captured and stored, coal would remain a polluting form of energy. For example coal ash "contains significant levels of carcinogens", according to a report by the Environmental Protection Agency (EPA), and "the concentration of arsenic in ash, should it contaminate drinking water, could increase cancer risks by several hundred times." Also it puts sulphur dioxide and mercury into the air.<sup>xliii</sup>

However by promoting 'clean coal' as if it is just around the corner, the industry is ensuring that it can continue to thrive and expand.

## *America's Power*

In the US a number of coal industry front groups have been promoting coal as 'clean' and 'green'. Americans for Balanced Energy Choices (ABEC), (now America's Power) was formed in 2000 to increase public support for coal-fired electricity generation—in the face of global warming measures likely to restrict it—on behalf of railroads, coal

producers and users, and electric utilities. It spent over \$8 million on a national television advertising campaign to this end in 2001/2.<sup>xliv</sup>

In 2008 alone ABEC was reported to have spent \$35 million on PR, including grassroots organising. As part of its campaign about 50 people have been employed to walk the streets in Nevada as human billboards handing out leaflets before a Democrat debate. ABEC argues that coal power plants produce cheaper electricity and new power plants are less polluting, producing less nitrogen oxides and sulphur dioxide.<sup>xlv</sup>

In April 2008 ABEC became the American Coalition for Clean Coal Electricity (ACCCE), "which is a partnership of the industries involved in producing electricity from coal" and set up a new front, America's Power.<sup>xlvi</sup> ACCCE now promotes the idea of 'clean coal' through the use of technological innovation. ACCCE president, Steven Miller, noted in a memo to the CEO of Peabody Energy in 2004:

Our belief is that, on climate change like other issues, you must be for something rather than against everything. The combination of carbon sequestration and technology is what we preach and we are looking for more members in the choir.<sup>xlvii</sup>

The ACCCE spent \$38 million in 2008 promoting clean coal and engaged public relations consultants, The Hawthorn Group, to run a grassroots campaign for that purpose.<sup>xlviii</sup> A Hawthorn newsletter stated:

Our challenge was to get the candidates, media, and opinion "influencers" to start talking about the importance of American coal to our energy future and the need to fund clean coal technology. Even in a communication-saturated environment we achieved, even exceeded, our wildest expectations (and we believe those of our client!)<sup>xlix</sup>

The newsletter claimed that the campaign resulted in presidential candidates supporting clean coal technology and increased the percentage of people supporting coal-fired power stations from 46 percent in September 2007 to 72 percent in September 2008 with opposition dropping from 50 percent to 22 percent.<sup>1</sup>

Building on our existing 200,000-strong grassroots citizen army, we leveraged the presidential candidates' own supporters, finding advocates for clean coal among the crowd to carry our message. We got these on-the-spot advocates to show strong public support to the candidates and to the media, and enhanced that visibility by integrating online media that created even more of a buzz. We did this by sending "clean coal" branded teams to hundreds of presidential candidate events, carrying a positive message (we can be part of the solution to climate change) which was reinforced by giving away free t-shirts and hats emblazoned with our branding: Clean Coal.<sup>li</sup>

A YouTube channel under the name Citizens for Clean Coal, as well as a Facebook site, blog and Flickr Photostream under the name America's Power were established as part of the campaign.

As part of its PR efforts, the Hawthorn group hired Bonner & Associates in 2009. Bonner & Associates was paid \$43,000 to identify minority and senior citizen groups who would write to their local representatives opposing the global warming legislation.<sup>lii</sup>

Bonner & Associates were subsequently caught out sending fake letters to members of congress, purporting to be from various citizen groups, including a local Hispanic advocacy organization (Creciendo Juntos), the National Association for the Advancement of Colored People (NAACP), and the American Association of University Women, opposing the American Clean Energy and Security Act (ACES). Tim Freilich, who is on the executive committee of Creciendo Juntos, claimed “They stole our name. They stole our logo. They created a position title and made up the name of someone to fill it. They forged a letter and sent it to our congressman without our authorization”. Bonner blamed the letters on a temporary employee who had no authority to send the letters and was consequently fired.<sup>liii</sup>

In 2009 ACCCE again hired the Hawthorne group to utilise America's Power Army to attend town hall meetings, fairs and other gatherings in a million dollar campaign to influence Democrat Senators not to pass emissions trading legislation.<sup>liv</sup>

### *FACES of Coal*

Federation for American Coal, Energy and Security (FACES of Coal) was established in 2009. It calls itself "an alliance of people from all walks of life who are joining forces to educate lawmakers and the general public about the importance of coal and coal mining to our local and national economies and to our nation's energy security".<sup>lv</sup> Supporters include various chambers of commerce, manufacturers, bankers, truckers and marketers associations.<sup>lvi</sup>

The faces featured on the website are actually photo stock rather than individual supporters. The website was apparently registered by the Adfero Group, a Washington PR company that specialises in mobilising grassroots coalitions as well as alliance building and coalition management).<sup>lvii</sup> Adfero states:

We'll help you assemble the right players to help you accomplish your mission. Sometimes we'll recruit affinity groups who are like minded in purpose or philosophy. Other times, we'll think outside the box to identify and recruit allies from non-traditional networks. In many cases, we'll combine the two... If you don't have a coalition, but need one, we can create an alliance that fulfills your purposes... When you need friends, Adfero will be there to rally support.<sup>lviii</sup>

### **VESTED INTERESTS**

Business lobbyists were present in force at the 2009 UN climate change conference in Copenhagen. As well as trying to prevent specific targets for greenhouse gas reductions being agreed to at the conference, they sought to ensure that a wide range of offsets would be available to polluting companies via carbon trading markets, and that funding would be made available for controversial technologies such as carbon capture and storage (CCS), nuclear power and biofuels.<sup>lix</sup>

Business lobby groups included:<sup>lx</sup>

- The World Business Council for Sustainable Development (WBCSD), which promoted self-regulation rather than mandatory reduction standards
- The International Chamber of Commerce (ICC), which has a Task force on Climate Change

- The World Economic Forum (WEF), which has an Initiative on Climate Change and a Task Force on Low-Carbon Economic Prosperity
- The US Chamber of Commerce
- Business Europe
- The European Chemicals Industry Council (CEFIC)
- Nippon Keidanren, Japan's Business Federation
- The World Steel Association
- The International Air Transport association (IATA)
- The World Nuclear Association
- The Carbon Capture and Storage Association
- The International Emissions Trading Association (IETA)
- The Biotechnology Industry Association

In addition there were a number of specialist lobby groups. The Copenhagen Climate Council was founded by the Scandinavian think tank, Monday Morning. It has 30 councillors who are "global leaders, active in business, science, and public policy". They include the CEOs of Duke Energy ("one of the largest power companies in the United States"), Dong Energy (a Danish energy company), China Electric Power International, PricewaterhouseCoopers International and the Virgin Group, the President of the World Business Council for Sustainable Development, the Vice Chairman, Climate Change Capital "a leading investment banking group", the Global Head of Environmental Markets, Goldman Sachs.<sup>lxi</sup>

The Council lobbied for a goal of 450ppm greenhouse gases by 2050; a global emissions trading market including carbon credits for avoiding deforestation (that is, allowing polluters to offset their own emissions by paying for forests not to be logged); more financial support for research and development of new technologies, energy efficiency, carbon sequestration in soils, and sustainable agriculture.<sup>lxii</sup>

Combat Climate Change (3C) is a coalition of 66 "of the world's largest corporations" including General Electric, Bayer, Unilever, Dow Chemical, Citigroup, BP, Duke Energy, Dong Energy, E.ON, Volvo, and Veolia. It was established in 2007 by Swedish energy giant Vattenfall, which also provides its secretariat.<sup>lxiii</sup> 3C lobbied for a global emissions trading market and government support for emerging technologies such as "carbon capture and storage, offshore wind, solar photovoltaic and second-generation biofuels".<sup>lxiv</sup>

The Climate Group combines governments — including Greater London Authority, the Government of Scotland, various Canadian provincial governments, various Australian state governments — and business members — including Barclay's Bank, BP, Coca-Cola, Climate Change Capital, Duke Energy, IBM, JP Morgan Chase, News Corporation, Nike, PepsiCo, Tesco and Virgin.<sup>lxv</sup> The Group promotes technological solutions to global change rather than regulatory solutions and in particular, energy efficiency and reduced deforestation now and investment in "carbon capture and storage (CCS), large scale solar and new generation nuclear, along with public infrastructure such as smart grids" for the future.<sup>lxvi</sup>

### *Emissions Trading*

Emissions trading is unlikely to be an effective measure to reduce greenhouse gases quickly (see Sharon Beder's *Environmental Principles and Policies*<sup>lxvii</sup>) but is attractive to two groups. One is the financial institutions and energy traders who hope to make profits from the market, either through speculation, hedging or fees. The other are

carbon emitting companies that prefer market mechanisms to legislation so they have the choice of reducing their emissions or paying for carbon allowances or to offset their own emissions by paying for carbon reductions elsewhere where they are cheaper. □□

From 1998 increasing numbers of corporations admitted publicly that global warming was real. Whilst some continued to fund front groups to promote climate change skepticism, others focussed their public efforts on how greenhouse gases should be reduced, particularly on utilising voluntary and market-based methods such as emissions trading. BP and Shell developed internal company emissions trading programs. Others worked on developing forestry carbon sink projects.<sup>lxviii</sup>

The International Emissions Trading Association (IETA) was established in 1999 to promote a global market in greenhouse gas emission allowances and credits. Its membership consists of 170 'international companies' including energy companies such as BP, Shell and E.ON, banks such as Goldman Sachs and Citigroup, accounting firms such as PriceWaterhouse Coopers, automobile companies such as Chevron and Toyota, carbon trading companies and others. It has offices in Geneva, Ottawa, Brussels and Washington D.C.□□

□The IETA sends the largest non-government delegations to UN climate talks including the 2009 Copenhagen talks when 486 IETA delegates attended. The IETA hosted 66 events at the conference.<sup>lxix</sup>

□As well as promoting emissions trading, the group wants to expand the availability of offsets to include credits from changes in land-use and agriculture or avoided deforestation that might maintain or increase the intake of carbon dioxide. However the inclusion of forest credits alone would cause the price of carbon to tumble by 75% according to Greenpeace calculations. An IETA spokesperson said this could be a good thing as it would make emissions trading more politically acceptable in the US.<sup>lxx</sup>

In Australia vested interests had an undue influence on the design of the proposed emissions trading scheme, according to Professor Ross Garnaut who headed a government inquiry into what Australia should do about climate change.<sup>lxxi</sup> For example they managed to get the government to agree that 80 to 90 percent of greenhouse gas permits would initially be allocated for free, when the purpose of the scheme was to put a price on these emissions. They also managed to get the government to only agree to a goal of a 5 percent reduction in emissions by 2020 unless there was an international agreement for more at Copenhagen.

Although emissions trading is the business-preferred measure to deal with global warming, many powerful corporations would prefer no regulatory measures be introduced or that they be delayed as long as possible. In 2009 the Australian scheme was postponed due to opposition in the Senate by the business- aligned Liberal Party which was concerned about its impact on business and the Greens who claimed the scheme would be ineffective.

### *American Petroleum Institute*

Emissions trading is also being opposed in the US. Energy Citizens is a group funded by the American Petroleum Institute to oppose climate change legislation. Its stated aims are to "voice concerns" about the impact that global warming legislation "would have on American jobs, families and businesses". Participating organisations are many, including various state chambers of commerce, farming, mining and chemical associations.<sup>lxxii</sup>

The group claims that the proposed emissions trading scheme would raise the price of petrol to \$4 per gallon. However the Environmental Protection Agency (EPA)

estimates the price rise would be just a few cents (starting at 13c in 2015 and rising to 69c in 2050). This compares to a rise of \$2.59 due to oil market pricing during the Bush administration (2001-2008).<sup>lxxiii</sup>

The group has a YouTube channel where 'citizens' express their concerns about the impacts of the proposed emissions trading legislation as well as a Twitter site, a Facebook site and a Flickr photostream.

In 2009 Greenpeace revealed an internal memo from the American Petroleum Institute to its members which outlines API's astroturf campaign opposing global warming legislation in the US "to put a human face on the impacts of unsound energy policy".<sup>lxxiv</sup> The memo asked that member companies "provide significant attendance" at Energy Citizen rallies and enrol "vendors, suppliers, contractors, retirees" as well as employees in this effort.<sup>lxxv</sup> It stated:

We have identified 11 states with a significant industry presence and 10 other states where we have assets on the ground. We also have attracted allies from a broad range of interests: the Chamber of Commerce and NAM [National Association of Manufacturers], the trucking industry, the agricultural sector, small business, and many others, including a significant number of consumer groups, which have pledged to have their membership join in the events in states where they have a strong presence. We also are collaborating closely with the allied oil and natural gas industry associations on these events.<sup>lxxvi</sup>

In Houston Chevron was amongst those companies sending their employees to the Energy Citizens rally. It provided buses for 250-350 employees. Chevron similarly encouraged its employees to attend rallies in other states where it is based.<sup>lxxvii</sup>

## CONCLUSION

The efforts of the fossil-fuel dependent corporations to cast doubt on the phenomenon of global warming and play down its consequences have been supplemented by public relations orchestrated campaigns that include mass advertising, publicity, front groups and astroturf campaigns to oppose international treaties, to play up the token and inadequate voluntary actions of guilty corporations, and to falsely suggest that technological solutions such as clean coal were imminent. Some forward looking corporations have also worked to ensure that measures introduced to deal with global warming are market-based so that there is plenty of opportunity and flexibility for businesses and minimal governmental restrictions, even if this is at the expense of the environment.

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