

How and why
European companies are funding
climate change deniers
and anti-climate legislation voices
in the 2010 US Senate race

An investigation by Climate Action Network Europe - October 2010

A. Introduction: "Top European polluters funding climate deniers, opponents of action in U.S. Senate"

A group of Europe's top industrial emitters of carbon dioxide are funding the political campaigns of some of the leading opponents of action on climate change in the United States Senate, according to an analysis of publicly available campaign finance records.

These European companies are simultaneously lobbying against aggressive emissions reductions in Europe – and are arguing that such reductions should not be pursued until the United States takes action.

Using information which this month became available in the Open Secrets database (http://www.opensecrets.org/pacs/index.php), Climate Action Network Europe uncovered what appears to be a coordinated effort by European polluters to influence United States climate and energy policies through targeted donations to candidates who oppose action on climate change.

The European companies are funding almost exclusively Senate candidates who have been outspoken in their opposition to comprehensive climate policy in the U.S., and candidates who actively deny the scientific consensus that climate change is happening and is caused by people.

Climate Action Network Europe unites 130 European environmental and development NGOs to work towards fighting dangerous climate change.

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B. Key findings

Using information which just became available in a publicly accessible database (http://www.opensecrets.org/pacs/index.php) Climate Action Network Europe uncovered a systemic financial support of European companies toward climate change deniers and blockers of climate change legislation in the US Senate.

Big European emitters¹ Lafarge², GDF-SUEZ³, EON, BP⁴, BASF⁵, BAYER⁶, Solvay⁷ and Arcelor-Mittal⁸ supported climate change deniers in the US senate in 2010 for \$107,200. Their total support for senators blocking climate change legislation in the US amounts to \$240,200, which is almost 80% of their total spendings in 2010 senate race. This is why those funds are seen as systemic⁹. This amount is higher than the same type of spending of the most notorious US climate denier and Tea Party funder: Koch Industries¹⁰¹¹ (\$217,000).

TOTAL 2010 SENATE FINANCING	TOTAL FOR CLIMATE CHANGE DENIERS	TOTAL FOR DENIERS + CLIMATE LEGISLATION BLOCKERS	% DENIERS	% DENIERS AND BLOCKERS
\$306,100	\$107,200	\$240,200	35%	78%

It is also evident that those same companies supported key democrats (e.g. Blanche Lincoln, Dem, Arkansas) in the Senate responsible for breaking a majority supporting binding targets reduction targets and a national cap and trade system. We conclude that the support of European companies is not only targeted at deniers and blockers but that the financial streams are also very strategic. Another example is the support for Lisa Murkowski (Rep.), the brain behind a resolution which would take away the possibility of the Environmental Protection Agency to regulate greenhouse gas emissions. This resolution, which was defeated in the Senate, would have removed an important stick from the US administration to push for cap and trade legislation.

¹ In total the CO₂ emissions of the companies mentioned represent between 5 to 10% of the emissions covered by the EU emissions trading system.

² In 2009 Lafarge's CO₂ emissions in the EU equaled 15 million tonnes (source www.sandbag.org.uk)

³ In 2008 GDF-Suez CO₂ emissions in the EU equaled 43 million tonnes (source www.sandbag.org.uk)

⁴ In 2008 BP CO₂ emissions in the EU equaled 15 million tonnes (source www.sandbag.org.uk)

⁵ In 2008 BASF CO₂ emissions in the EU equaled 8 million tonnes (source <u>www.sandbag.org.uk</u>)

⁶ In 2008 BAYER CO₂ emissions in the EU equaled 2 million tonnes (source <u>www.sandbag.org.uk</u>)

⁷ In 2008 Solvay's CO₂ emissions in the EU equaled 4.5 million tonnes (source <u>www.sandbag.org.uk</u>)

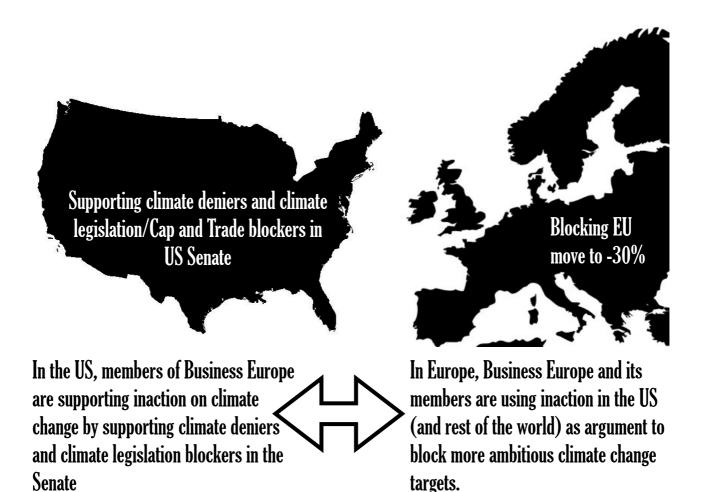
⁸ In 2009 Arcelor Mittal's CO₂ emissions in the EU equaled 42,5 million tonnes (source www.sandbag.org.uk)

⁹ the figures used by <u>www.opensecrets.org</u> are based on data released by the FEC (Federal Election Commission) on October 20, 2010 except for independent expenditure and communication cost, contributions to federal candidates, and contributions from individual donor data, which were released by the FEC on October 03, 2010.

¹⁰ http://www.opensecrets.org/pacs/pacgot.php?cmte=C00236489&cycle=2010

¹¹ http://www.greenpeace.org/usa/campaigns/global-warming-and-energy/polluterwatch/koch-industries/

This behind the scenes behaviour exposes a major hypocrisy in those European headquarter based companies. In Europe they are amongst the most influential and vocal within their sector federations, the confederation of European business (Business Europe) and the Alliance for a competitive European Industry) to avoid more climate action in the EU. The main reason of argument of those companies is that, for instance, the move to a 30% reduction target in the EU by 2020 cannot happen because of inaction in the rest of the world especially in the USA. What is clear now is that those same companies are financing key players in the US political arena responsible for this inaction. This is essentially climate sabotage on a global scale, because the inaction in the USA is one of the main reasons of the failure to agree an ambitious deal in Copenhagen.



C. Relevant quotes of EU business associations

Business Europe http://www.businesseurope.be

Business Europe wrote to the president of the EU Environment Council, ahead of the Environment Council meeting on 14 October, enclosing a position paper setting out their recommendations on EU policies for climate and energy. They say that there should be no increase in the 20% emission reduction target until the international conditions are fulfilled:

"BUSINESSEUROPE is convinced that at this point in time, i.e. in the absence of an international deal securing equally strong action from other economies, any further increase of the EU's unilateral 20% emission reduction target would be premature and even counterproductive."

ACEI¹² (Alliance for a Competitive European Industry) http://www.businesseurope.be/content/default.asp?PageID=605

"EU industries' exposure to competing economies without carbon constraints has by no means decreased and must not be further increased by additional, unilateral policies that have proven to be unsuccessful in international negotiations earlier on,"

http://www.euractiv.com/en/climate-environment/hedegaard-presents-30-assessment-news-494533

CEFIC (the European Chemical industry council includes BASF, BAYER and Solvay as important members)

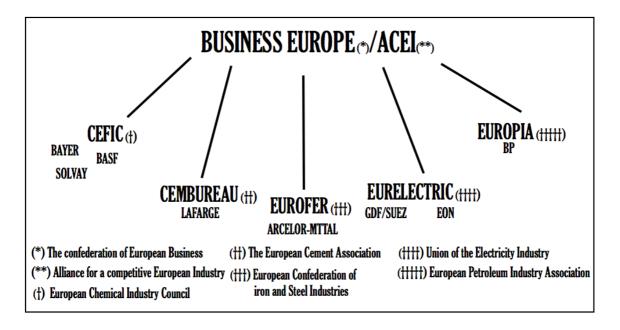
"Acting in isolation is doomed to fail, as the Copenhagen conference has shown." http://www.cefic.org/Templates/shwNewsFull.asp?HID=1&NSID=757

EUROFER (the European Confederation of Iron and Steel industries of which Arcelor Mittal is a key member)

Industry urges EU to wait for climate deal

[...] European Alliance of Energy Intensive Industries today said that such a target cannot be met without either cutting production levels or losing jobs abroad. "The announcement is against the EU's own commitment to move to -30% only in case that other regions agree to comparable cuts in emissions," said Gordon Moffat, director general of Eurofer, the European Confederation of Iron and Steel Industries. [...] www.pointcarbon.com, 6 May 2010

¹² ACEI counts among its members: Business Europe, EUROFER, CEMBUREAU, EUROPIA, EURELECTRIC and CEFIC



D. Supporting climate change deniers and greenwashing at the same time: relevant climate protection quotes from the involved companies

"Lafarge confirms its commitment against climate change [...]." LAFARGE www.lafarge.com

"By helping to prevent climate warming, preserving fossil fuels and natural resources and promoting environmentally friendly energy, GDF SUEZ is working to control the impact of its own activities and those of its customers on the environment." GDF-SUEZ www.gdfsuez.com

"Climate change is one of the main challenges faced by society. Industries, science, politics and society need to curb further increases in greenhouse gas emissions and make efficient use of available resources. Innovative solutions developed by BASF contribute to protecting our climate." BASF http://www.basf.com/group/corporate/en/sustainability/environment/climate-protection/index

[&]quot;Affordable, Secure, Climate-friendly" EON http://www.eon.com/en/39878.jsp

[&]quot;ArcelorMittal recognises that it has a significant responsibility to tackle the global climate change challenge." ARCELOR-MITTAL http://www.arcelormittal.com/index.php? lang=en&page=49&tb0=408&tblng=1

E. Some examples of quotes of Climate Change deniers funded by European Companies

James Inhofe (funded by Lafarge and Bayer)

"Global warming is 'the greatest hoax ever perpetrated on the American people.'" http://www.capitalismmagazine.com/index.php?news=3400

James DeMint (funded by Lafarge, BAYER, BASF and BP)

"It's going to keep snowing in DC until Al Gore cries 'uncle.'" [Twitter, 2/9/10]

David Vitter (funded by GDF-Suez and BASF)

"The real truth is getting out there, and I think citizens are really starting to push back. I think there is beginning to be a serious reconsideration of the science of this." [The Hill, 8/14/09]

Orrin G. Hatch (funded by BAYER)

"One of the Lead Authors of the IPCC reports is renown MIT climate scientist Dr. Richard Lindzen. He recently completed a study that explains why temperatures have remained steady or cooled over the last decade, while CO₂ has steadily risen. His peer-reviewed study disproves the positive feedback hypothesis and, thereby, the accuracy of the UN's models and the AGW hypothesis."

http://hatch.senate.gov/public/index.cfm?

<u>FuseAction=IssuePositions.View&IssuePosition_id=5b967b59-072d-41f9-bbbc-b7de581967d8</u>

Roy Blunt (funded by BASF)

"There isn't any real science to say we are altering the climate path of the earth." [Human Events, 4/29/09, http://www.humanevents.com/article.php?id=31656]

More examples can be found at http://wonkroom.thinkprogress.org/gop-senate-deniers/

F. The figures

BAYER (country of origin: Germany)

Total financial support: 108,100\$

Support to climate deniers in US Senate: 43,200\$ Support to Senators blocking cap and trade: 78,200\$

BASF (country of origin: Germany)

Total financial support: 61,500\$

Support to climate deniers in US Senate: 25,000\$ Support to Senators blocking cap and trade: 50,500\$

LAFARGE (country of origin: France)

Total financial support: 34,500\$

Support to climate deniers in US Senate: 15,000\$ Support to Senators blocking cap and trade: 28,500\$

BP (country of origin: UK)

Total financial support: 25,000\$

Support to climate deniers in US Senate: 6,000\$ Support to Senators blocking cap and trade: 18,000\$

GDF/SUEZ (country of origin: France)

Total financial support: 21,000\$

Support to climate deniers in US Senate: 2,500\$ Support to Senators blocking cap and trade: 15,500\$

SOLVAY (country of origin: Belgium)

Total financial support: 40,000\$

Support to climate deniers in US Senate: 10,000\$ Support to Senators blocking cap and trade: 40,000\$

EON (country of origin: Germany)

Total financial support: 6,000\$

Support to climate deniers in US Senate: 2,000\$ Support to Senators blocking cap and trade: 4,000\$

ARCELOR-MITTAL (country of origin: Luxembourg)

Total financial support: 10,000\$

Support to climate deniers in US Senate: 3,500\$ Support to Senators blocking cap and trade: 5,500\$

ANNEX Detailed 2010 Senate spending per company

Legend:

D = Climate Change denier¹³

N = Against cap and trade proposal14

\$J26 = Author of Senate Joint Resolution which would negate EPA GHG endangerment finding

Total = total funding to all Senate candidates from opensecrets.org database.

Support for denier = sum of funding going to climate change denier candidates

Support for climate legislation blockers = sum of funding going to candidates against/blocking a.o. a federal cap and trade system. This of course includes the climate change deniers as mentioned above

BAYER	2010	
Crapo, Mike (R-ID)	\$10,000	D
Hatch, Orrin G (R-UT)	\$8,000	D
Lincoln, Blanche (D-AR)	\$7,000	N
Bennett, Robert F (R-UT)	\$6,000	N
Mikulski, Barbara A (D-MD)	\$5,500	
Casey, Bob (D-PA)	\$5,000	
DeMint, James W (R-SC)	\$5,000	D
Moran, Jerry (R-KS)	\$5,000	D
Blunt, Roy (R-MO)	\$4,500	D
Grassley, Chuck (R-IA)	\$4,500	D
Murkowski, Lisa (I-AK)	\$4,000	SJ26
Nelson, Ben (D-NE)	\$3,000	N
Lee, Mike (R-UT)	\$2,500	N
Corker, Bob (R-TN)	\$2,400	
Alexander, Lamar (R-TN)	\$2,000	N
Begich, Mark (D-AK)	\$2,000	
Enzi, Mike (R-WY)	\$2,000	N
Inouye, Daniel K (D-HI)	\$2,000	
Landrieu, Mary L (D-LA)	\$2,000	N
Meek, Kendrick B (D-FL)	\$2,000	
Menendez, Robert (D-NJ)	\$2,000	
Murray, Patty (D-WA)	\$2,000	
Nelson, Bill (D-FL)	\$2,000	
Simmons, Rob (R-CT)	\$1,500	N
Portman, Rob (R-OH)	\$1,200	D
Brown, Scott P (R-MA)	\$1,000	N
Brownback, Sam (R-KS)	\$1,000	N
Bunning, Jim (R-KY)	\$1,000	
Burr, Richard (R-NC)	\$1,000	D
Coats, Daniel R (R-IN)	\$1,000	
Collins, Susan M (R-ME)	\$1,000	
Cornyn, John (R-TX)	\$1,000	N
Gillibrand, Kirsten (D-NY)	\$1,000	
Hoeven, John (R-ND)	\$1,000	D

¹³ To identify climate change deniers among the candidates we used public comments by those candidates from online sources such as http://wonkroom.thinkprogress.org/gop-senate-deniers/

¹⁴ To identify climate change legislation blockers we used public comments by those candidates from online sources, the most relevant being http://www.eenews.net/eed/documents/climate_debate_senate.pdf

BAYER	2010	
Inhofe, James M (R-OK)	\$1,000	D
Roberts, Pat (R-KS)	\$1,000	N
Shelby, Richard C (R-AL)	\$1,000	N
Snowe, Olympia J (R-ME)	\$1,000	
Stabenow, Debbie (D-MI)	\$1,000	
Thune, John (R-SD)	\$1,000	D
Total	\$108,100	
support for climate change deniers	\$43,200	
support for climate legislation blockers	\$78,200	

BASF	2010	
Lincoln, Blanche (D-AR)	\$15,000	N
Castle, Michael N (R-DE)	\$10,000	
Blunt, Roy (R-MO)	\$5,000	D
Portman, Rob (R-OH)	\$5,000	N
Toomey, Pat (R-PA)	\$5,000	D
Vitter, David (R-LA)	\$5,000	D
Burr, Richard (R-NC)	\$4,000	D
DeMint, James W (R-SC)	\$2,000	D
Isakson, Johnny (R-GA)	\$2,000	D
Murkowski, Lisa (I-AK)	\$2,000	SJ26
Shelby, Richard C (R-AL)	\$2,000	N
Melancon, Charles (D-LA)	\$1,500	N
Grassley, Chuck (R-IA)	\$1,000	D
Rockefeller, Jay (D-WV)	\$1,000	
Thune, John (R-SD)	\$1,000	D
Total	\$61,500	
support for climate change deniers	\$25,000	
support for climate legislation blockers	\$50,500	

SOLVAY	2010	
Barrasso, John A (R-WY)	\$10,000	D
Cornyn, John (R-TX)	\$10,000	N
Enzi, Mike (R-WY)	\$10,000	N
Lincoln, Blanche (D-AR)	\$10,000	N
Total	\$40,000	
support for climate change deniers	\$10,000	
support for climate legislation blockers	\$40,000	

LAFARGE	2010	
Lincoln, Blanche (D-AR)	\$6,000	N
DeMint, James W (R-SC)	\$5,000	D
Gillibrand, Kirsten (D-NY)	\$5,000	
Inhofe, James M (R-OK)	\$5,000	D
Moran, Jerry (R-KS)	\$5,000	D
Isakson, Johnny (R-GA)	\$3,500	N

LAFARGE	2010	
Webb, James (D-VA)	\$2,500	N
Brown, Sherrod (D-OH)	\$1,500	N
Reid, Harry (D-NV)	\$1,000	
Total	\$34,500	
support for climate change deniers	\$15,000	
support for climate legislation blockers	\$28,500	

ВР	2010	
Murkowski, Lisa (I-AK)	\$5,000	SJ 26
Lincoln, Blanche (D-AR)	\$4,000	N
Burr, Richard (R-NC)	\$2,000	D
Dorgan, Byron L (D-ND)	\$2,000	
Isakson, Johnny (R-GA)	\$2,000	D
Bennet, Michael F (D-CO)	\$1,000	
Bingaman, Jeff (D-NM)	\$1,000	
Conrad, Kent (D-ND)	\$1,000	
DeMint, James W (R-SC)	\$1,000	D
Melancon, Charles (D-LA)	\$1,000	N
Nelson, Ben (D-NE)	\$1,000	N
Portman, Rob (R-OH)	\$1,000	D
Shelby, Richard C (R-AL)	\$1,000	N
Udall, Mark (D-CO)	\$1,000	
Udall, Tom (D-NM)	\$1,000	
Total	\$25,000	
support for climate change deniers	\$6,000	
support for climate legislation blockers	\$18,000	

GDF-SUEZ	2010	
Murkowski, Lisa (I-AK)	\$5,000	SJ26
Lincoln, Blanche (D-AR)	\$4,500	N
Landrieu, Mary L (D-LA)	\$2,500	N
Vitter, David (R-LA)	\$2,500	D
Coakley, Martha (D-MA)	\$2,000	
Shaheen, Jeanne (D-NH)	\$2,000	
Brown, Scott P (R-MA)	\$1,000	N
Schumer, Charles E (D-NY)	\$1,000	
Wyden, Ron (D-OR)	\$500	
Total	\$21,000	
support for climate change deniers	\$2,500	
support for climate legislation blockers	\$15,500	

ARCELOR-MITTAL	2010	
Portman, Rob (R-OH)	\$2,500	D
Castle, Michael N (R-DE)	\$1,500	
Brown, Sherrod (D-OH)	\$1,000	N
Carper, Tom (D-DE)	\$1,000	
Casey, Bob (D-PA)	\$1,000	
Coats, Daniel R (R-IN)	\$1,000	D
Dorgan, Byron L (D-ND)	\$1,000	
Lincoln, Blanche (D-AR)	\$1,000	N
Total	\$10,000	
support for climate change deniers	\$3,500	
support for climate legislation blockers	\$5,500	

EON	2010	
Bunning, Jim (R-KY)	\$1,000	D
Conway, Jack (D-KY)	\$1,000	
Dorgan, Byron L (D-ND)	\$1,000	
Grayson, Trey (R-KY)	\$1,000	N
McConnell, Mitch (R-KY)	\$1,000	N
Thune, John (R-SD)	\$1,000	D
Total	\$6,000	
support for climate change deniers	\$2,000	
support for climate legislation blockers	\$4,000	