

Greenhouse Gangsters vs. Climate Justice

Published by TRAC
Transnational Resource
and Action Center



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*The American Heritage Dictionary definition of gangster is "an organized group of criminals." The history of big oil's collusion, price fixing, transfer pricing, environmental crimes, complicity in human rights violations and most recently, concerted efforts to undermine initiatives to address global warming, effectively stealing our children's future, eminently qualifies them as such.

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Published by TRAC—Transnational Resource & Action Center



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TRAC works to build global links for human rights, environmental justice and democratic control over corporations. We publish *Corporate Watch*, www.corpwatch.org, an Internet magazine and Resource Center. This paper and supplemental materials are also available on the Corporate Watch website in both PDF and HTML formats at <http://www.corpwatch.org/climate>.



This paper was made possible with a generous grant from The Turner Foundation.

We wish to thank those who helped us with research, review of the paper and other support, including: Joe Anderson, David Atkin, Stephanie Barnhart, Marc Beck, Adam Davis, Antonio Diaz, Megan Doyle, Danny Faber, Jennifer Ferrigno, Kirsty Hamilton, Liz Karan, Danny Kennedy, Rob King, Geoff Kinsey, Denny Larson, Julie Light, Penn Loh, Esperanza Martinez, Richard Moore, John Passacantando, Angela Ranzoni, Amit Srivastava, Steve Sawyer, Tristi Tanaka, Jorge Varela Marquez, Daphne Wysham.

TRAC is a project of The Tides Center.

Printing: Autumn Press. Printed with union labor on recycled 30% Post Consumer Waste paper with soy based inks.

Cover Art: Paul Normandia

Design: Melissa Lawton Design

©TRAC/Tides Center, November 1999

Introduction

“Oil has meant mastery throughout the twentieth century.”
—Daniel Yergin,
The Prize

As we hurtle into the twenty-first century, oil is *still* King. But it does not rule benevolently. Rather, the reign of those who control the politics of petroleum continues to undermine democracy while fostering human rights violations and environmental disasters across the Earth.

Now, by making a major contribution to a global problem that looms larger than perhaps any before it, big oil may well have met its match. Indeed, climate change (often referred to as *global warming* or the *greenhouse effect*) has the potential to radically damage entire ecosystems, agriculture, and the inhabitability of whole countries. Changing the climate affects everyone and everything.

Despite the efforts of a few transnational oil corporations (as well as their cohorts in the coal, chemical and car businesses) to dupe the public into thinking that global warming is not a real threat, the vast majority of the world’s climate scientists and a growing body of evidence say it is. No longer does the scientific debate focus on *if* global warming will happen, but rather on *how soon* it will occur and on *how*

bad it will be. And if the extraordinary number of extreme weather events the world has recently been experiencing—killer hurricanes, floods and heat waves in places as far flung as Central America, Bangladesh and the East Coast of the United States—are a harbinger of what is to

come, the greenhouse world will be harsh indeed.

The common wisdom is that the modern consumer is at fault; excessive driving, homes packed with appliances, central heating and cooling, and failure to turn off the lights when leaving the house are what’s ailing us. This is partly true. But the ability of individual consumers to radically change their lifestyle while participating in mainstream society is severely limited. U.S. residents cannot easily buy a solar-powered house or low emission car, many cannot

take public transport to work, and economic incentives for conservation and efficiency are practically non-existent.

The ability of the individual consumer to influence climate is dwarfed by the impact of giant corporations which explore for, extract, transport, refine and distribute oil which is the primary source of carbon dioxide emissions — by far the major greenhouse gas. Just 122 corporations account for 80% of all carbon dioxide emissions. And just five private global oil corporations—Exxon Mobil,¹ BP Amoco,² Shell, Chevron and Texaco—produce oil that contributes some ten percent of the world’s carbon emissions.³

While these five companies and their allies in Congress are busy blaming the American consumer

Climate change affects everyone and everything. Bound Brook, New Jersey in the wake of Hurricane Floyd, September, 1999.

1



for massive energy consumption, or the “Developing World” for not taking adequate steps to curb global warming, the emissions from the fuel they produce exceed the total of all greenhouse gasses coming from Central America, South America and Africa combined!

In addition to *producing* the oil which is bringing on global warming, these *Greenhouse Gangsters* contribute to and perpetuate the climate change dynamic in several other key ways:

- They are *refiners* and *marketers* of oil and gas.
- They use their *political power* to prevent technological transformation and maintain business as usual.
- They *buy* public and scientific opinion.

2

Oil's Injustices

At the same time that the greenhouse gangsters are pushing the world to the edge of global ecological havoc, they continue to relentlessly destroy the health and well being of local communities and ecosystems where profits from oil are to be found—be it in the mangrove swamps of the Niger Delta, the far reaches of the Amazon basin, or the fragile environs of the Arctic.

As Ecuadorian activist Paulina Garzon describes the petroleum industry's tremendous impacts: “Oil has changed the face of our land and the life of our people forever.”⁴

Indigenous peoples and local communities are organizing to protect their human and environmental rights in almost every single place where Big Oil sucks crude from the ground. Unfortunately, they are often met with government repression carried out in complicity with oil giants like Shell or Chevron.

Meanwhile, tankers and pipelines belonging to corporations like Texaco and Exxon Mobil have leaked and gushed oil into rivers and the sea, devastating aquatic ecosystems, undermining the livelihood of local fisherfolk the world over, and, once again, generating resistance in communities across the globe.

Refineries run by the likes of BP Amoco and others have spewed toxic waste into the workplace, as well as the air and groundwater of neighboring communities, for decades. This behavior has severely affected the health and safety of refinery workers. It has left the refineries' neighbors—often poor communities of color—dirty water and air, low property values and depressing nick names such as “cancer alley.” But it has also helped spawn a vibrant movement for environmental justice that has spread across the United States.

The dynamics of corporate-led globalization are only magnifying this complex set of problems, and with it, the injustices. Big oil is riding the wave of globalization to more profits, power and pollution. With the help of institutions such as the World Trade Organization and subsidies from the World Bank, the Greenhouse Gangsters are expanding their exploration into new, uncharted, often pristine ecosystems populated by Indigenous peoples. Big Oil is also buying up newly privatized state-owned oil companies in countries like Russia, Brazil and Venezuela. What's more, the oil industry is making new investments in refining and distribution in these and other energy hungry countries—fostering a greater global dependence on oil.

Meanwhile, in order to remain “competitive” in a global economy they themselves have helped shape, the Greenhouse Gangsters are cutting costs at home. To do so they are undermining worker health and safety, and shedding jobs. They are also merging with one another to form a group of “super major” companies—oil behemoths of a scale not seen since the break-up of the Standard Oil empire nearly a century ago.

Big Oil's profits depend upon the perpetuation of local environmental injustices along this global chain of production that reaches from extraction, to transportation, to refining, to distribution. These activities lead up and contribute to climate change. In fact, the looming crisis of climate change represents the globalization of this chain of local ecological and human rights problems. In a sense, global warming is the explosion of this diversity of local problems into a full blown planet-wide disaster of unprecedented proportions.

What's more, catastrophic climate change itself will bring with it a new round of injustices. While the least powerful are the ones who are hit hardest by the oil industry's multitude of impacts today, it will once again be the poor and disenfranchised who will suffer the most severe effects of global warming. For instance, when Hurricane Mitch ravaged Central America in 1998, it generated hundreds of thousands of environmental refugees. In the same year, nearly unprecedented flooding in Bangladesh severely impacted millions of people's lives in one of the poorest nations on Earth.

If, as scientists predict, sea levels rise while floods and droughts increase, the rich, middle class

and poor will all be affected. Beach-front property on the East and West coasts will be inundated, agriculture and commerce will be disrupted, hunger and disease will spread. But it will be people in places like Bangladesh, along with those

living in the already oil ravaged wetlands of Nigeria and Louisiana, who will have the least recourse as the oceans submerge their already toxified landscapes, while scarce services and relief supplies are channeled to the more privileged.

Defining Climate Justice

The severity and planet-wide nature of climate change represents a sort of an endgame for the global oil corporations. It sets up a showdown between the Greenhouse Gangsters whose activities are at the heart of the global warming crisis, and Climate Justice. The gathering forces of Climate Justice can be broadly defined as the interests of the vast majority of the world's people and that of the ecological stability of the Earth.

What can the average person do to promote Climate Justice? It remains true that each of us should consume the least resources possible, using energy efficient cars and light bulbs, etc. But just as important, each of us can join the effort to hold corporate climate culprits accountable for their role in what may well be the largest environmental justice issue of all time.

Climate Justice provides an alternative to the "solutions" corporations have proposed to the climate problem—false solutions which are divisive, inequitable and unjust. Their response, detailed in this report, is not different from past corporate responses to environmental problems—to DENY the problem, DELAY solutions, DIVIDE the opposition, DUMP their technologies on the developing

world and DUPE the public through massive PR campaigns.

Building a framework for Climate Justice also creates an alternative to "solutions" to global warming—such as emissions trading—that do not take the social dimension of climate change into account.

Climate Justice integrally links human rights and ecological sustainability, recognizing that the communities fighting to live free of the environmental and social problems created by big oil are also on the front lines in the battle against climate change.

The ranks of those fighting for Climate Justice are filled by democracy movements struggling against oil interests around the world. They include communities polluted by refineries and working for environmental justice in the United States, as well as Indigenous people trying to maintain their cultures and their lands. Residents of smog-filled cities, and students seeking to reign in unaccountable university investments all can be advocates for Climate Justice. Activists working to generate democratic control over corporations and to reverse the destructive dynamics of globalization, along with those fighting the environmentally destructive policies of the World Bank and the World Trade Organization, are also advocates of Climate Justice.

WHAT IS CLIMATE JUSTICE?

Climate Justice means, first of all, removing the causes of global warming and allowing the Earth to continue to nourish our lives and those of all living beings. This entails radically reducing emissions of carbon dioxide and other greenhouse gases.

Climate Justice means **opposing destruction wreaked by the Greenhouse Gangsters at every step of the production and distribution process**—from a moratorium on new oil exploration, to stopping the poisoning of communities by refinery emissions—from drastic domestic reductions in auto emissions, to the promotion of efficient and effective public transportation.

Climate Justice in the United States means the solutions adopted to ward off global warming can't fall hardest on low income communities, communities of color, or the workers employed by the fossil fuel industry. Climate Justice means **fostering a just transition** for these constituencies to a healthier and more just environment to work and live in.

Climate Justice means **providing assistance to communities threatened or impacted by climate change**, such as the communities devastated by Hurricanes Mitch and Floyd.

Climate Justice means that while all countries should participate in the drastic reduction of greenhouse gas emissions, **the industrialized nations, which historically and currently are most responsible for global warming, should lead the transformation.** The United States, which emits about 25 percent of greenhouse gasses, must in particular be at the forefront of this transformation.

Climate Justice for developing nations means that international institutions such as **the World Bank and World Trade Organization should halt their funding and promotion of corporate-led fossil fuel-based globalization** and instead foster the transformation to sustainable and equitable development based on clean energy technologies.

Ultimately, Climate Justice means **holding fossil fuel corporations accountable for the central role they play in contributing to global warming.** This signifies challenging these companies at every level—from the production and marketing of the fossil fuels themselves, to their underhanded political influence, to their PR prowess, to the unjust "solutions" they propose, to the fossil fuel-based globalization they are driving. Climate Justice means stripping transnational corporations of the tremendous power they hold over our lives, and in its place building democracy at the local, national and international levels.



Hurricane Mitch strikes Honduras, October 1998



The Basics

Indigenous prophecies are dovetailing with scientific projections. What we have known and believed, you now also know. The Earth is in disequilibrium. Plants are disappearing, animals are dying and the weather itself—the rain, the wind, and fire—react against human activities.

—The Albuquerque Declaration of Indigenous Peoples⁵

What is Climate Change?

The Earth's climate is the result of complex interactions between the atmosphere, ocean, land masses and living organisms, all of which are warmed by the sun. Greenhouse gases trap the heat of the sun, and the natural balance of those gases is what allows our climate to

support life. Climate change is the effect on the natural climate caused by human activities. Industrial society is affecting the climate by releasing massive amounts of greenhouse gases into the atmosphere. As industrial activities have increased, the atmospheric concentrations of greenhouse gases have also increased, upsetting the natural balance of gases. The primary greenhouse gas is carbon dioxide (CO₂), which represents the bulk of man-made greenhouse gas emissions. The main activities that cause these carbon emissions, are burning of fossil fuels—coal, oil and gas—for heat, electricity and transportation.

Climate Change is Real

There has been intense debate over the science of global warming and whether human activities will really change the climate. Industry has used this debate skillfully to instill doubt in policy makers and the public eye in order to avoid changing business as usual. Even now there remain a handful of climate skeptics who emphasize the uncertainties involved and the possibility that

some factor will emerge to counteract the effects of man-made greenhouse gasses. By far the majority of scientists and other sectors, including the Intergovernmental Panel on Climate Change (IPCC)—a UN panel of 2000 of the world's top climate scientists—the U.S. government, and even most of the private sector now agree that climate change is real.⁷

Since the world community has resolved this debate by agreeing to take action to prevent climate change through the

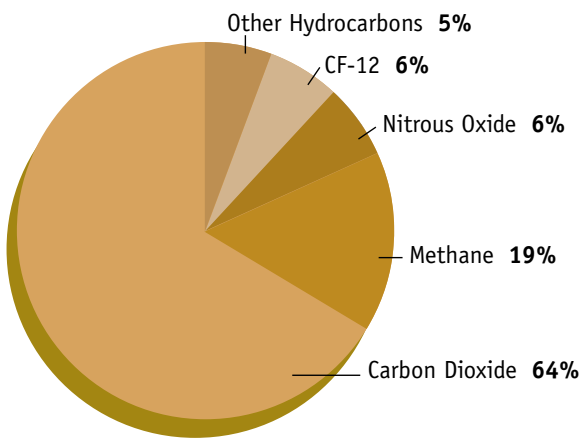
Kyoto Protocol, this paper does not review the scientific arguments of the climate skeptics.⁸

Recent weather events show that the theory of man-made greenhouse gases causing global warming is not only correct, but that the climate has already been affected. Greenhouse gas concentrations are higher now than any-time in the last 220,000 years. Seven of this century's hottest years were in the 1990's; 1998 was the hottest followed by 1997. Arctic and Antarctic ice are shrinking alarmingly. Since 1980, there has been an increase in both drought and deluge, unevenly distributed around the world. Cloud cover has increased in some regions, nighttime temperatures are rising, coral reefs are being bleached, and the list of already *observed* impacts goes on.⁹

The Kyoto Protocol

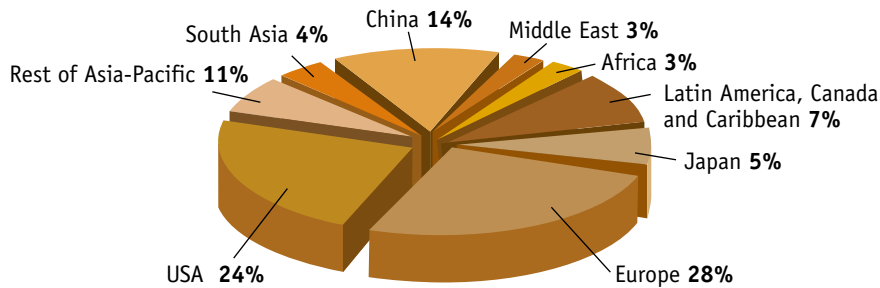
The Kyoto Protocol is the key international agreement on climate change. It was negotiated by most of the world's governments as part of the Framework Convention on Climate Change under the auspices of the United Nations. The Kyoto Protocol recognizes the problem of climate change and calls for reductions in carbon emissions from the industrialized countries by the year 2008 – 2012. For the U.S. the reduction is to be 7% below 1990 levels, for Europe the target is 8%. Developing countries are not immediately required to take action.¹⁰

The United States signed the Convention in November 1998, but the Senate has said it will not ratify it unless major changes are made, including "meaningful participation" from developing countries. The Protocol would be hollow without the U.S., since it is the largest source of greenhouse gases. Although the Protocol does not go nearly far enough to prevent dangerous climate change, most environmental groups support it as a first step



Share of Greenhouse Warming Due to Different Greenhouse Gases

Source: World Resources Institute, 1998



**CO₂ Emissions from Fossil Fuel Burning by Country/Region
(Includes Cement Manufacturing)**

Source: World Resources Institute, 1998

and many lobby for strengthening its provisions. Most of the oil industry has vociferously opposed the Kyoto Protocol.

Climate Change and Environmental Justice

“The ferocity of Hurricane Floyd—like Hurricane Mitch, which killed 9,000 people in Central America—is part of a pattern of extreme weather which results directly from early-stage global warming.”

— Ross Gelbspan, author, *The Heat Is On*⁶

On a global scale, climate change is likely to be the biggest environmental justice issue ever. The reason is simple: the poor are most vulnerable to the effects of climate change. The United Nations Environment Programme summarizes the reason:

“The predicted impacts of climate change would probably exacerbate hunger and poverty around the world...People who are highly

dependent on farming, fishing or forestry will well see their livelihoods destroyed...The poor would suffer the most because they have fewer options for responding to climate change.”

UNEP goes on to note that the likely impacts of climate change may lead to mass migrations, which themselves lead to social and political conflict, and loss of cultural identity.¹¹

More specifically, the Small Island States—mostly in the Pacific and Caribbean—are likely to be the hardest hit. Some low-lying islands may become totally uninhabitable, and entire populations will become environmental refugees.

Other countries likely to suffer dramatically are in South Asia, where life is heavily dependent on the pattern of monsoons, and floods have a devastating effect.¹² In 1998, the world witnessed a distressing example of the vulnerability of countries in Central America to hurricanes such as Mitch, which destroyed large parts of Honduras and Nicaragua, killing thousands and generating hundreds of thousands of environmental refugees.

There will be many people in rich countries who are affected by climate change as well.

But within those countries, certain groups have less capacity to adapt and adjust to the changes. Low income people by definition have fewer resources to move, rebuild, find new jobs, and protect their health. While the climate itself does not discriminate, as with other environmental issues, communities of color, long subject to institutionalized racism, are likely to have to fight harder for a fair share of resources and protections.

Certain communities already bear the brunt of oil company activities. Some of these communities are the hosts of oil refineries, where chronic air pollution and toxic accidents are common. Denny Larson, from the National Oil Refinery Action Network calls these problems “local warming.” He says that “the refinery communities have been the guinea pigs. If this is how the oil companies treat the local community, why would you expect them to treat the global climate any differently?”¹³

When we all fill up our tanks with gasoline, oil creates more problems still. For while the individual must take some responsibility for his or her impact on the global environment, it also must be understood that air pollution in many major cities—contamination that most severely affects the inner city poor—can be attributed to a concerted historical effort by oil and auto corporations to undermine public transit systems and foster dependence on the gas guzzling car.¹⁴

Exacerbating the injustice of the situation is the fact that the poorest people—in the industrialized North and the South—have neither contributed to the problem to a substantial degree nor benefited financially from the fossil fuel industry. With climate change, it’s the poor who pay, not the polluter.

Part 1: The Most Powerful Industry on Earth

"Dig deep

search well, and you find that the emissions, whether they are coming from Nigeria or the United States, are flowing from the multinational companies."¹⁵ —Oronto Douglas, Environmental Rights Action, Nigeria

Size Matters

Preventing climate change will take nothing less than a monumental collective effort to wean society from fossil fuels, which are currently the very lifeblood of our economies, and even our daily lives. We all must change. But how?

As we enter the new millennium, governments are looking to the world's most powerful economic actors, the transnational corporations, for technological and market oriented solutions to our environmental problems. Many of the most active environmental pressure groups, from the relatively mainstream Environmental Defense Fund to the more radical Greenpeace, routinely discuss the need to steer the private sector toward solutions. Ethical investors approach the same goal using the persuasion of capital. The transnational corporations, with their vast resources and technical capabilities, can invent and implement solutions faster than government agencies, perhaps faster than we can imagine. Their behavior will determine our future.

Oil produced by Shell alone accounts for more carbon dioxide than most countries in the world.

But what if a group of companies were so powerful that they could control world politics and markets to such a degree that it became impossible to steer them, even for governments? What if the policies of those companies are the reason that we as individuals are locked into fossil fuel use? What if their leaders believed, like John D. Rockefeller before them, that "It is not the business of the public to change our private contracts?"¹⁶ Should we then look to them to voluntarily steer themselves, or should we try to gain democratic control over their activities?

In a world increasingly dominated by transnational corporations, the oil industry is the largest business on earth.¹⁷

Fully integrated corporations such as Exxon Mobil, BP Amoco, Royal Dutch Shell, Chevron and Texaco generate hundreds of billions of dollars in revenue every year. They have a vested interest in all stages of the industry, from exploration and production to transport, refining, and marketing final products such as gasoline. Their tentacles reach deep into the political process of almost every country on Earth. And their product is the primary source of global warming.

Overall, almost 80 percent of human produced carbon dioxide emissions come from just 122 private and state owned corporations.¹⁸ The oil produced by the five Greenhouse Gangsters accounts for some 10 percent of all global carbon dioxide emissions.¹⁹ If we look at other measures such as refining or control of key regional markets, the role of this group of five fossil fuel corporations is considerably greater.

These guys can actually change the weather.

The burning of fossil fuels — oil and coal — is the major cause of global warming. Global warming is now an accepted scientific fact. Unchecked, it will mean more severe storms, more floods, more crop failures.

The truth is, it would take over fifty years to burn the proven reserves of oil at the current rate of use. Sadly, if we were to burn all that oil, along with even moderate amounts of coal, the resulting change in climate would create a world-wide catastrophe.

The men who run the major oil companies must know the last thing we need is more oil.

Yet, British Petroleum and ARCO are planning to drill in the pristine waters off the North Coast of Alaska.

And the rest of the companies are exploring in other locations for oil we must not burn.

These companies need to be pressured to do what is prudent and necessary for life on this planet. They need to be pressured to spend their energy efficiency and development dollars to promote renewable energy sources. We have more than enough reserves, more than enough time to prevent disruptions in the lives of the American people while we provide an orderly shift from oil and coal to renewable energy.

We at Greenpeace are leading the fight to stop the oil companies from further exploration for oil we do not need and must not burn. Please join us.

GREENPEACE

You can reach Greenpeace at 800-336-0909 or www.greenpeaceusa.org

Nations vs. Corporations

Continent, Country and Corporate CO₂ Emissions ²⁴

Company, Country or Continent	Million Metric Tons of CO ₂ Emitted Annually
South America	747.3
Africa	745.6
BP AMOCO	622.6 (including ARCO)
EXXON MOBIL	601.4
United Kingdom	543.3
SHELL	493.7
Central America	477.0
Canada	470.8
Ukraine	430.6
Italy	410.0
France	362.0
Mexico	327.6
Brazil	287.5
Australia	286.0
Saudi Arabia	227.1
CHEVRON	187.6
Netherlands	178.8
Turkey	160.5
Thailand	155.5
TEXACO	145.7
Argentina	128.3

For example, the Saudi Arabian state-owned Aramco corporation is the single largest corporate climate culprit, responsible for nearly 7 percent of global emissions. But most of the oil the Saudi Aramco produces is refined and distributed in Europe, the US and Japan by three of the Greenhouse Gangsters: Exxon Mobil, Chevron and Texaco.²⁰

Similarly, BP Amoco alone, after its acquisition of Arco, will control 59% of U.S. refining and marketing and 28% of European refining.²¹ Texaco has 3,200 gas stations in Brazil, a 13% retail market share.²² Exxon and Mobil combined have

22% of the US gasoline market, and BP Amoco has 16%.²³

Another way to look at the role of these companies is to compare their production to country emissions. When we do so, we find that while many of the greenhouse gangsters are busy insisting that the Third World reduce its emissions, these corporations produce oil that is responsible for far more greenhouse gasses than most countries.

Oil produced by Shell alone emits more carbon dioxide than most countries in the world, including Canada, Brazil, Mexico, France, Australia and Spain. BP Amoco's

production accounts for emissions that surpass those of its home country, Britain, while Exxon Mobil emissions equal some 80% of those from all of Africa or South America.

“Getting Their Way”

The oil industry's power cannot be measured merely by sales, assets, or barrels of oil produced. We must also look at their political influence. In the United States, these companies are used to “getting their way,” as *The New York Times* puts it. The *Times* calls Exxon and Mobil “rich in cash, aggressive in style...effective in pursuing their agenda...at the highest level of government and through arm-twisting in Congress.”²⁵

The Center for Responsive Politics reports that the oil industry as a whole spent \$62 million on lobbying Congress in 1997, the fourth largest amount of any industry.²⁶ On top of this, between 1991 and 1996, the oil and gas industry contributed over \$53 million to candidates and Political Action Committees, with most going to Republicans. One analysis showed that these contributions were steered strategically to members of key Senate committees.²⁷ In return for this investment, the oil industry receives more than five billion dollars a year in corporate welfare from the U.S. government.²⁸ Not a bad deal, for them.

This mutually supportive relationship between Congress and Big Oil undermines the ability of the U.S. government to effectively deal with the most serious, and potentially calamitous, environmental issue in history. And it further undermines a democratic process already corrupted by overwhelming corporate influence.

What's more, as *The New York Times* once again points out, the power of Big Oil is greater than the sum of its parts because the industry is



How Big Oil Rigs the System

often “marching, and lobbying, in lockstep.”²⁹ Or as Exxon Chief Lee Raymond told an audience of his colleagues: “united we stand, divided we fall.” Raymond has called for “cooperation” to prevent a “fall” on critical issues such as climate change. The models for these campaigns include working with other trade groups, employees, and even consumers. Raymond has underscored the importance of allying with the auto industry in confronting the Kyoto Protocol.³⁰

This alliance of corporate climate culprits extends beyond lobbying to coordinated public relations campaigns. These PR initiatives, run under the guise of front groups like the Global Climate Coalition or industry associations such as the American Petroleum Institute, have also had profound effects on the U.S. government’s ability to seriously address climate change.

For instance, in the run-up to the original Kyoto Protocol meeting in 1997, industry ran a \$13 million dollar advertising campaign aimed at undermining support for the climate treaty. Then, in April 1998, the National Environmental Trust discovered a \$5 million plan by industry, including Exxon and Chevron, to train climate science skeptics in public relations so as to convince the public that climate change was not real.³¹ These efforts may well be just the tip of the PR iceberg—the ones that have come under public scrutiny. Certainly we can expect that below the surface many more exist.

Other Corporate Climate Culprits The Auto Industry

Automobiles and trucks use a great deal of the world’s oil. In the U.S., transportation overall accounts for about 31% of CO₂ emissions, the most of any sector in the world. In the U.S. especially, millions of drivers have been “sold” on the need for gas guzzling Sport Utility Vehicles and luxury models. The auto manufacturers have instigated, aided and abetted this preference because Sport Utility Vehicles create higher profit margins. Meanwhile, they have consistently resisted and delayed switching to fuel-efficient models.

Worldwide, **General Motors** and **Ford** combine to control nearly 1/3 of the market for cars and light trucks, and could affect worldwide carbon emissions substantially by focusing on creating and marketing fuel cell, hydrogen based or fuel efficient cars. Both companies have concentrated more on beefing up sales of luxury cars.

In March 1999, **DaimlerChrysler** announced the welcome news that they have developed a fuel cell car to be marketed in the year 2004. However, in the meantime, every car manufacturer is making big engined SUVs as fast as it can make them, while lobbying to exclude these vehicles from fuel efficiency standards.³²

Coal Corporations

Besides oil and natural gas, coal makes the largest contribution to global warming. In addition, coal can cause severe local pollution, both from mining and from burning. Coal producers supply 25 percent of the world’s primary energy demand. A number of giant coal companies—**Peabody, Cyprus Amax, Rio Tinto, CONSOL, BHP, and Arch Coal**—compete with the oil giants for the dubious distinction of greenhouse gangsters. Together these six transnational corporations are responsible for nearly five percent of all global carbon emissions.³³

As they globalize their mining operations, expanding throughout the Third World, these corporations are fostering many countries’ dependence on carbon intensive coal for their energy needs. These same corporations are also aggressively working to undermine the Kyoto Protocol through their industry association, the World Coal Institute, as well as through the Global Climate Coalition.³⁴

Electric Utilities

Electricity generation is another sector that plays a giant role in global warming. Like that of motor vehicles, the responsibility of utilities overlaps with oil companies. Much of the utilities’ fuel is oil, and the general public is the ultimate consumer of the product. Still, the electric utility companies must become part of the solution to global warming. The top three electric utilities emit over 100 million tons of carbon dioxide annually. These companies’ emissions are comparable with the burning of oil and gas from Texaco, or with all the emissions from Argentina.³⁵

Company Name	CO ₂ Emissions in Tons per Year
American Electric Power (AEP)	138 million
The Southern Company	136 million
Tennessee Valley Authority	108 million

Oil, Globalization and Climate Change:

How Free Trade, Mergers and Privatization Magnify Big Oil's Power

In the early days of the oil industry, John D. Rockefeller became the richest and most reviled man in America by gaining a near monopoly on the U.S. oil industry for his corporation, Standard Oil. Meanwhile in Asia, Royal Dutch and Shell competed for dominance before combining. The break up of Standard Oil in 1911 led to the emergence of a larger group of still very big companies known as the Seven Sisters, though there were actually eight major players.³⁶ For much of the century, the Seven Sisters ruled the world's oil industry. But the dominance of the multinationals was weakened by the formation of OPEC and the nationalization of the oil industry in the 1970's in the largest oil producing countries.

The largest oil producers in the world today are still the national oil companies of Saudi Arabia, Iran, Venezuela and Mexico.³⁷ The top ten national oil companies control some 70% of the world's reserves.³⁸ But now the pendulum of power is swinging back toward the Greenhouse Gangsters as they once again move to rule the industry. The swing of the pendulum is speeded by the process of corporate-led globalization.

Corporate-led globalization is accelerating the pace of climate change.

Globalization supports the interests of transnational oil corporations in at least four key ways:

- **MERGER MANIA**, which is sweeping the industry, is one way. This consolidation is occurring as the big corporations attempt to increase their competitiveness in the world economy. It also represents a shift in power back toward Big Oil, as the former "seven sisters" attempt to "unmake history," in a sense reversing some of the break up of Standard Oil which occurred nearly 90 years ago.³⁹ Assuming regulatory approval, three of the four largest oil companies in the world will be formed by recent mergers or acquisitions.⁴⁰ Although there are still thousands of oil companies in the world, at the beginning of the 21st century a few supermajors will dominate the industry to an extent not seen since Standard Oil's heyday.
- **STRUCTURAL ADJUSTMENT PROGRAMS**, imposed by the World Bank and IMF, are a second support for the oil transnationals. This, combined with the collapse of the former Soviet Union, has led to the widespread privatization of national oil companies. Oil privatization is a major piece of what author Daniel Yergin has called the "greatest sale in the history of the world."⁴¹ The big oil companies are snapping up interests in these Third World and Eastern European companies (and their markets) left and right. For instance, Russia's Gazprom, just recently privatized, is now the single largest privately owned corporate contributor to climate change, responsible for more than 4 percent of world carbon emissions. Shell and others have bought significant stakes in Gazprom.⁴²

Other state-owned oil companies have formed joint ventures with private sector companies. Mobil's joint venture with PDVSA for



exploration in Venezuela's Orinoco Delta is one example.⁴³ Chevron's James Simpson believes we will see more joint ventures, or even mergers, between the multinational and national oil companies.⁴⁴

- **FREE TRADE AND INVESTMENT AGREEMENTS** and institutions, such as NAFTA and the World Trade Organization (WTO), are the third plank of globalization that supports the oil industry. For example, NAFTA—the North American Free Trade Agreement—promotes the oil industry over ecological sustainability in two key ways. First, it explicitly encourages governments to subsidize oil and gas mega-projects by exempting these subsidies from challenge as “unfair barriers to trade.” Meanwhile, NAFTA gives no such protection to government support for energy efficiency, conservation or alternatives—leaving clean energy exposed to the whims of NAFTA's secretive, undemocratic dispute resolution panels. Under the guise of “free” trade, NAFTA also virtually eliminates countries' ability to control the development of their energy resources for export markets—in essence threatening to make Canada and Mexico virtual “resource colonies” for the United States' nearly insatiable energy demand.⁴⁵

Meanwhile the WTO is lowering barriers to trade and investment around the world, and encouraging the expansion of countries' increasing dependency on fossil fuel based transportation, agricultural and energy development. This creates ever expanding markets for the oil industry.

Of course, it is no coincidence that fossil fuel industry associations and corporations, including Greenhouse Gangster Texaco dominate the official U.S. government trade advisory committee for energy issues. There are no

human rights, labor or environmental groups on this committee, and only one renewable energy industry association. By contrast there are fourteen oil, gas, electric utility and mining companies and industry associations on the committee.⁴⁶ These climate culprits are working hand in glove with the U.S. Trade Representative to forge a new round of WTO negotiations focusing on energy deregulation. Just as the WTO's logging accord will increase deforestation rates, thus undermining, not only biological and cultural diversity, but also the role that the world's forests play in stabilizing the global climate, an energy agreement will likely have the effect of accelerating destructive global warming trends.

The WTO can also be used to stifle countries' efforts to comply with the Kyoto climate treaty. For instance, the U.S. and the European Union are threatening to go after Japan's new fuel efficiency standards—rules that are designed to reduce carbon dioxide emissions—as unfair barriers to trade.⁴⁷ Government subsidies for energy efficiency, “green” government purchasing programs, and government labeling of goods whose production contributes to climate change are all at risk of being struck down by the WTO.⁴⁸

- **NEW FRONTIERS**, including ecologically fragile areas, are opened up to oil exploration by globalization. As free trade and investment accords tear down international economic barriers, transnational corporations are rushing into a number of new areas. The Greenhouse Gangsters are amassing cash to expand their reach to the developing countries of the South, to the remote rainforests, to the deep sea, to the forbidding Arctic, literally “to the ends of the earth.”⁴⁹

Oil exploration is monumentally expensive. Even with record low oil prices, in 1998 the industry spent \$88 billion in exploration.⁵⁰ Prices rebounded in 1999, and exploration budgets are likely to soar even higher. Even Shell and BP agree, on paper, that renewables are the wave of the future. Yet Big Oil's long-term strategy is still dictated by the urge to explore. Why?

Many oil executives seem to share the feeling that “without oil... civilization as we know it could not exist.”⁵¹ Certainly their companies could not exist, at least not without a transformation. One traditional measure of success for these companies is how well they replace production with new discoveries. This brings pressure on the oil companies to look harder for more oil.

Yet there is good reason for the oil companies to resist this logic and allow discoveries to lag behind production. The reason is we have too much oil. This is true in the short term, as the glut of 1998 and OPEC's decision to curtail production in early 1999 showed. But it is also true in the long term. The scientists of the Intergovernmental Panel on Climate Change (IPCC) estimate that in order to stabilize CO₂ concentrations at current levels we would need to cut back on carbon emissions by some 60%.⁵² There is simply no way to do this without a massive cutback on fossil fuel consumption and development of alternate energy. The world's proven oil and gas reserves, if fully exploited, would far exceed the earth's capacity to absorb carbon emissions. In other words, it is impossible to safely burn even the fossil fuels we already have, let alone those still undiscovered.⁵³ Yet the oil giants continue their expensive and destructive search for new oil and gas fields, even in some of the most remote places on the planet.

This drive toward new oil exploration has come up against a movement for human and environmental rights. The oil industry has profound impacts not only on the global climate, but on local ecology and the struggle for democracy. Currently, new exploration and oil or gas pipelines continue to threaten the survival of Indigenous peoples in the Amazon basin, Southeast Asia, North America and other centers of Indigenous life. These people and their supporters have been actively resisting the encroachment of oil and gas exploitation on their land.

Such movements are attempting to combat the economic

globalization fueling the Greenhouse Gangsters' expansion by building a process of "grassroots globalization," an informal network of Indigenous people, economic justice advocates, human rights defenders and environmental groups which coordinate efforts to curtail destructive oil development. Recognizing that new oil exploration threatens both the global climate and local ecology and culture, members of this network have called publicly for a moratorium on new oil exploration.⁵⁴ As Nigerian human rights attorney and activist Oronto Douglas has put it, "a stoppage of oil in the frontiers and fragile environments" can serve as

"a first step towards arresting climate change."⁵⁵

In sum, globalization has fostered the consolidation of the oil industry in an ever smaller number of mega-corporations. It has allowed these oil giants to buy up former state-owned companies. While through NAFTA, the WTO and other accords, it has fostered a deregulation of trade and investment which is providing the oil industry with the opportunity to continue to expand its exploration and its markets. As a result, globalization increases the Greenhouse Gangsters' responsibility for climate change, both in the United States and around the world.

Part 2: The Corporate Response— The Five "Ds"

11

"There is now an effective consensus among the world's leading scientists and serious and well-informed people outside the scientific community that there is a discernable human influence on the climate, and a link between the concentration of carbon dioxide and the increase in temperature...The time to consider the policy dimensions of climate change is not when the link between greenhouse gases and climate change is conclusively proven...but when the possibility cannot be discounted and is taken seriously by the society of which we are a part. We in BP have reached that point." —John Browne, CEO, British Petroleum⁵⁶

The words of BP's John Browne sound reassuring, especially coming from one of the most influential executives in the oil industry today. Surely they are a step forward from the total denial that climate change is a problem, which has been issued by most oil executives until recently. But what do they mean in real terms? Has John Browne put his company's money where his mouth is? How about the other oil giants? Will they act soon enough, and

vigorously enough, to play their part in preventing climate change?

To begin to answer these questions, we invite you to study the reaction of the climate culprits to the news of climate change, and compare it to the behavior of other industries faced with the conundrum of a product which provides profits but also damages health and the environment. That behavior, typically, can be summarized as: Deny, Delay, Divide, Dump, and Dupe—the Five

"D"s. These often overlapping tactics and strategies form the core of the corporate response to environmental issues and are all on prominent display in the global warming debate.

DENY

"There is no harm to human health or the environment." Sound familiar? This phrase is stock in trade for corporate spokespeople whenever there is a release, spill, or accident of any kind.

It is also the first reaction of manufacturers to scientific or anecdotal evidence that their products are causing long-term damage. For example, DuPont, which was the top manufacturer of chlorofluorocarbons (CFCs) for most of the century, denied the connection between CFCs and ozone destruction for 14 years after that connection was first discovered.⁵⁷ Only after evidence



was so overwhelming that dissent evaporated did DuPont finally announce its own decision to phase-out CFCs.

In the case of leaded gasoline additive, too, the industry which made it fought tooth and nail against the phase-out despite evidence of

Oil's response to global warming is classic: Deny, Delay, Divide, Dump and Dupe

childhood lead poisoning, denying that the additive was the cause. The asbestos industry has a similar history of denying the connection between asbestos

products and cancer.⁵⁸

Currently, the chlorine industry as a whole is still in the midst of denial that its products are at the root of many of the world's most toxic and persistent chemicals.⁵⁹

Typically, these industries use a scientific sounding approach to bolster their denials of harm. Most infamous in this regard is the tobacco industry, which claimed that there was no proven connection between smoking and lung cancer despite the overwhelming evidence of such a connection.

A former speechwriter in the auto industry recalls the policy at General Motors: "If we were accused of contributing to air pollution, we would simply say nothing had been proved."⁶⁰

Strictly speaking, that was true. But what does it really mean?

The "no proof of harm" defense is a misleading use of scientific sounding language. "No proof of harm" may sound to the unsuspecting ear like "there is no harm." But that is not what the scientist means. In the laboratory, to prove a hypothesis, the scientist must prove cause and

effect, and must be able to replicate results. In the real world, it is difficult to create the conditions to prove, beyond a scientific doubt, that a certain chemical causes a certain ailment. "No proof of harm" is not the same as "no harm." The industry understands this, yet they use the scientific language of "no proof" to imply that there is no cause and effect.

Waiting for scientific proof is morally wrong, because by definition the proof of cause and effect comes after the damage is already done. The toy industry, in recent years, kept vinyl toys on the shelves saying there was no proof of connection between vinyl toys and harm to health of children. But parents understood that there was a strong possibility of a problem. The companies agreed to phase out dangerous vinyl additives even though advocates could not name a single child who had been affected by the chemicals.⁶¹

This principle of avoiding harm even when there is no absolute scientific certainty is the precautionary approach. The precautionary approach is endorsed by many international agreements, including the Rio Declaration, and even, in theory, by Shell and BP.

Denial by the Greenhouse Gangsters

The theory of climate change due to human activities became well-known in 1988, when a scorching summer and other events brought environmental issues to the fore. It was also the year of the first major international conference on climate change. The meeting helped create the IPCC, a large group of the world's best climate scientists. At this conference, industrialized countries' governments pledged to voluntarily cut CO₂ emissions by 20% by the year 2005.

By the time of the Rio Earth Summit in 1992, the Climate

Convention was one of the most important international treaties on the table. The reaction of the oil companies was predictable. Climate change was not proven, the science was not scientific, there was no cause for alarm, etc. In short, full denial of the problem.

An industry lobby group, the Global Climate Coalition (GCC), was formed to spread the notion that global warming is a dangerous myth. Until recently, the GCC was the main voice of the oil industry at climate negotiations and in key capital cities. Although other industry associations have formed with more sophisticated positions, the GCC continues to rely on the old habit of inappropriately emphasizing the lack of proof.⁶²

This trick is still used by Mobil and others, who stress the lack of certainty as a reason to delay actions.⁶³

Currently, outright denial by the Greenhouse Gangsters has weakened a bit. For example, Shell and BP have left the GCC. They agree that actions should be taken even when there is scientific uncertainty. However these words have not translated into significant actions to protect the climate. The U.S. majors, Exxon, Mobil, Chevron and Texaco are all still in the "deny" mode, stressing the uncertainty of the scientific studies as a reason to delay action, while admitting there is "concern."⁶⁴

Exxon turns the precautionary principle on its head, comparing the supposed uncertainty of the science of climate change to the alleged certainty of "serious adverse consequences for economic development and growth around the world" if fossil fuel use is curtailed.⁶⁵ This rhetorical trick still sounds like precaution, but actually is an old-fashioned cost-benefit assertion. For Exxon, the economic disruptions of climate protection are more costly than the benefits of climate protection.

DELAY

In the case of lead fuel additive, asbestos and CFCs, eventually the



evidence became so overpowering, and society so overwhelmingly in favor of phase-out, that the industry was forced

to abandon their denials, or the denials were simply ignored. Once denial has been abandoned, the industry puts more of its effort into delay.

The delay strategy relies a great deal on the value to society of the product in question. Issues of jobs, convenience, and consumer prices are brought in to show that there will be a downside to the phase-out. In this way the public is divided—workers against environmentalists, people adversely affected versus those who gain convenience, rich versus poor—and momentum for phase-out is temporarily slowed. All of these products are useful to at least one constituency, and their replacements are generally less proven. Users and consumers are scared into thinking that their refrigerators or cars will not work, and begin to support a gradual sunsetting of a product rather than an immediate ban.

The latest possible phase-out date is sought, so that the maximum use can be made of equipment and technology which already represents investment for the firms. Meanwhile, the firms work feverishly to control the market in the successor products. DuPont did this

brilliantly, having already established a dominant market share for CFC replacements like HCFC 31, even as they were wringing the last profits out of CFCs. DuPont flourished during the phase-out of CFCs by delaying it long enough to plan its own dominance of replacement chemicals.

Delay by the Greenhouse Gangsters

Delay is also an important tactic for the Greenhouse Gangsters. Mobil laid its cards on the table in a series of ads just before and after the Kyoto meeting in December 1997. On the op-ed page of *The New York Times*, Mobil emphasizes the “high degree of uncertainty” over the impact of human carbon emissions. It says we “don’t know enough about global warming;” it scares us with predictions of job loss and “difficult choices” for Americans, such as “How much prosperity are Americans willing to forgo?” and “How much more tax will they have to pay?” It warns that the Protocol could put “the U.S. at a disadvantage.” And it claims that actions to prevent climate change “could wreak havoc on nations.” This is the set up. Mobil then advises us not to take any “quick-fix” measures, and to “Stop, look and listen before we leap.” In other words, delay.⁶⁶

To implement the delay, the entire strategic arsenal is on display. Contributions to right wing legislators; alliances with other industries such as the auto industry and with some labor unions such as the United Mine Workers of America; lobbying for U.S. rejection of the Kyoto Protocol, even after weakening it by calling for late action; the formation of the Global Climate Coalition and other lobby groups which are very active at the climate negotiations—these are all aimed at delaying changes.

Delay is self-perpetuating. Mobil notes that the 7% carbon cuts between 2008 and 2012 which the U.S. would require under the Kyoto Protocol really represent 41% cuts, because the 7% are below 1990 levels. It uses the 41% figure to frighten the public into thinking that affluence and modern convenience are at stake. Mobil does not mention that its own denials and delays are part of the reason that carbon emissions are still growing in the U.S. Its own policies are part of the reason that the relatively modest 7% goal will be more difficult to reach.⁶⁷

Here it is also interesting to note the role of BP and Shell, the two Greenhouse Gangsters that have admitted that climate change is a serious problem. These companies have stated that precautionary action is appropriate to the situation; that is, carbon emissions should be reduced even though they believe there is no scientific certainty that human activities are causing harmful climate change. They have received positive attention for these statements, and for a stated commitment to investment in solar energy.

Shell and BP, as European-based companies, were quicker to understand the meaning of a precautionary approach, and quicker to include it in their rhetoric. In their home countries, where climate change has become a big issue, the political climate encourages such political positioning. But these companies’ relatively minor efforts to promote alternative energy may, more than anything else, help alleviate the growing political pressure on them, serving to delay real measures to address global warming.

What’s more, Shell and BP are content to allow the American Petroleum Institute do their dirty work for them. API continues its role in denying the problem of

climate change and delaying solutions.⁶⁸ In doing so, API represents both BP Amoco and Shell Oil. The positions of the more reactionary companies like Exxon, and of industry associations like API, allow Shell and BP to sound progressive and environmentalist without having to make substantial changes to their business plans. Or, as *The Wall Street Journal* puts it, "oil companies play on both sides of the global warming debate."⁶⁹

Pollution Trading— Another Way to Delay

To prevent climate change, reducing fossil fuel use is the crux of the matter. Yet the U.S. government and industry have gone to great lengths to come up with schemes to avoid or delay doing just that while still getting credit for carbon reductions. These schemes are based on the principle of emissions trading.

In its broadest sense, trading takes several forms, which are known as Flexible Mechanisms under the Kyoto Protocol. These include Joint Implementation and the Clean Development Mechanism (CDM). Joint Implementation allows the industrialized countries to buy the credit for another country's reductions rather than having to reduce emissions at the source. The CDM allows the industrialized countries to avoid domestic reductions in exchange for participating in developing country projects which would produce lower emissions than otherwise would have been emitted. For example, the U.S. could buy "credit" for carbon absorbed by carbon "sinks," like forests, in the South, or for global warming gas reductions in the former Soviet Union, where economic downturn is causing reductions anyway.

Experience with emissions trading in air pollution has shown that pollution trading can create phantom reductions, reward the worst historical polluters, promote fraud,

and undermine technology innovation. Emissions trading schemes do not address the local polluting effects of carbon emitting facilities like refineries, and therefore can exacerbate environmental racism both within the U.S. and across borders. And the trading system puts southern countries at a disadvantage when they begin making carbon cuts, since the easiest cuts will have already been purchased and credited to northern countries.⁷⁰

Even some climate science skeptics such as Jack Kemp realize that emissions trading is "a cynical bargain between big business and the Federal Government" which will "divide the business community between winners...and losers, who will face the full brunt of any emissions controls."⁷¹

The Greenhouse Gangsters are by no means the only proponents of emissions trading as a solution to climate change. It is supported by some environment groups such as Environmental Defense Fund and Union of Concerned Scientists. But to an extent, this support reflects the realpolitik of climate change. It presupposes that we cannot force the fossil fuel industry to change if we cannot make it profitable to do so, and this assumption is based on the knowledge of the industry's tremendous power. Questions of justice and fairness become secondary in the realpolitik calculation. Trading schemes, as one columnist puts it, provide a "pretense of action to the public while giving winking assurance to industry that the status quo is not disturbed."⁷²

The embrace of emissions trading as a solution reflects the desperate lengths to which the U.S. government feels

it must go to avoid and delay making actual reductions in our dependence on fossil fuels and our emissions of carbon. The emissions trading system allows the least challenge to the power of the Greenhouse Gangsters and their

allies, while undermining the creation of real solutions to climate change.

DIVIDE

In fighting environmental regulation, corporations do not merely advocate delay, but bring out the entire arsenal of tactics to effect the delay. Among

the most important of these tactics is to DIVIDE the opposition. Perhaps the most important division exploited by business in the last 30 years has been between the environment and labor movements. From the infamous spotted owl versus lumberjacks debate in the Pacific Northwest to the closing of chemical plants, jobs versus environment is the traditional wedge for business.

Some environment and labor advocates believe this wedge is becoming even more powerful, due to rising job insecurity.⁷³

Greenhouse Gloom and Doom

In the case of global warming, the threat of job loss and other economic forecasts of doom have been an effective way to divide critics of the fossil fuel industry. In the U.S., the economic doom forecast by the industry should the Kyoto Protocol move forward has successfully divided environmentalists from at least a portion of the labor community, despite that fact that workers have not fared well at the hands of the fossil fuel industry, and despite efforts by the AFL-CIO to keep



open a dialogue between the labor and environmental movements.⁷⁴

Job loss in the U.S. has been the most effective scare tactic industry has used in opposing climate protection in general and the Kyoto treaty in particular. Let's look at those claims.

According to the American Petroleum Institute (API), the oil industry employs nearly 1.5 million people in the U.S.⁷⁵ API, whose members include all the major oil companies, has actively raised the specter of job loss due to the Kyoto Protocol.⁷⁶

In 1997, a study by the Wharton Econometric Forecasting Associates forecast wildly gloomy consequences if the U.S. were to sign the Kyoto Treaty. These included the loss of 2.4 million jobs, \$300 billion in GDP, and an average loss of \$2,700 per household.⁷⁷ The study was cited by the American Petroleum Institute, Mobil and other companies as evidence of the hardships combating climate change will bring.

The Economic Policy Institute examined the study and found the authors had included portions of the Kyoto Protocol which were not agreed to and made other unduly pessimistic assumptions.⁷⁸ The National Environmental Trust discovered connections between Wharton and the GCC, API, Shell and Texaco. API funded the study.⁷⁹

API also co-sponsored a study by Ronald Sutherland, which concludes that the Kyoto Protocol would cost Americans thousands of jobs—23,000 in the aluminum industry alone, 5,800 in the cement industry, 7,500 to 75,000 in the chemical industry, and thousands more in steel, paper and petroleum refining. The study says that the jobs would migrate overseas, to countries with less stringent commitments under Kyoto.⁸⁰



Again, a gloom and doom scenario. The tone of these studies and ads implies that the industry is just fine as it is, and the Kyoto Protocol is the main threat to its health. In reality, the fossil fuel industry is already shedding jobs, without influence from the Kyoto Protocol.

In the U.S., the Bureau of Labor Statistics calculates that from 1990—1996, oil and gas extraction lost 76,000 jobs net. According to the Bureau, between Oct. 1997 and March 1999, 52,000 jobs—some 15% of the workforce—were lost in oil and gas production alone, and many will not be replaced. Exxon chief Lee Raymond says 450,000 oil jobs were lost between 1981 and 1996, though he blames U.S. environmental regulations for the loss.⁸¹ Many of the job losses are among the small producers, who are hardest hit by low prices.⁸²

But giant oil companies are cutting jobs as well

The Oil and Gas Journal believes that most of the 51,500 oil jobs lost from December 1997 to February 1999 were layoffs at large companies.⁸³ BP Amoco's purchase of Arco will lead to approximately 2,000 jobs lost, mostly in California.⁸⁴ Two months before the announcement of the

Big oil's rush to profits comes at the expense of jobs, community health and the environment—their tactic is to play these groups against one another.

ARCO acquisition, BP Amoco had already laid off 400 Alaska workers.⁸⁵ In January the company announced a loss of 900 jobs in Britain and in February 1,500 Chicago area jobs.⁸⁶ The Exxon Mobil merger will involve at least 9,000 jobs lost.⁸⁷ And Exxon has already been cutting jobs at the rate of 4% annually for over a decade.⁸⁸

Neither climate change nor the Kyoto Protocol are a current cause of job loss in the fossil fuel industry. Rather, management's own plans for mergers and other restructuring to maximize competitiveness and profit, are the main forces behind job loss in the industry.

The predicted future losses are also misleading. The API studies and related advertising campaigns assume that the Kyoto Protocol will be signed without policies to mitigate the job loss. That is a preposterous assumption, and there are many policies available.

The Sutherland study asserted that jobs in the steel, paper, cement and refining industries would migrate to developing countries with less stringent Kyoto commitments. It is true, though reprehensible, that some of the dirtiest industries have migrated to developing countries when health and safety regulations make it more difficult or more expensive to operate in the U.S.

But ironically, it is these industries, including the members of API, which support the ability of U.S. companies to freely move wherever on earth they wish. Instead of arguing for some control on the export of polluting and hazardous industries to the South, they now argue that we can't afford regulations because industry will leave.

The argument is disingenuous in another way. Even without regulations which directly restrict migration of dirty industries, there are ways to prevent the loss of these jobs. A carbon tax on imported carbon intensive goods is one way. A border adjustment is another way. With border adjustments, the tax on fuel, for example, is based on the place of consumption, not production. Therefore, there is no incentive to move production overseas. Border adjustments are already commonly used and are compatible with international trade rules. For example, ozone depleting chemicals are taxed in this way.⁸⁹ When industry tries to scare us about job loss if we take action to prevent global warming, they are deliberately ignoring these policies.

The Greenhouse Gangsters are also ignoring the *employment benefits* of cutting greenhouse gas emissions. Researchers looking at solar and wind power, micro-energy and low/no-emission vehicles have concluded that the Kyoto Protocol "would create more winners than losers" through low energy prices and job creation.⁹⁰ One detailed report shows how market-based

policies favoring new technologies could not only reduce carbon emissions and other pollutants, but also "cut energy costs, increase employment... [and] reduce net costs by \$530 per household."⁹¹

Economic Extortion and Job Fear or Just Transition?

In the long run, jobs *will* be displaced as the fossil fuel industry is gradually phased out. Unless something unexpected happens to reverse the trend of global warming, this is as inevitable and desirable as the phase-out of leaded gasoline, CFCs, and asbestos. The sooner we plan for the transition, the better off workers and environment will be.

The phase-out of leaded fuel is a fascinating precedent, and one which we must avoid repeating. Lead was added to gasoline starting in 1924 to boost octane. By the 1970's scientists discovered that this was a monumental mistake. Leaded fuel was the biggest source of global lead contamination and millions of children had been poisoned by lead, causing loss of intelligence, behavioral problems and neurological problems. Starting in 1975, lead was phased out of gasoline.⁹²

DuPont, Ethyl and other lead additive producers warned that thousands of jobs would be lost as a result of the phase-out. They were not crying wolf. The closure

Fossil fuel

corporations are

misleading the American public

by playing off their fears and blaming the "Third World"

of lead additive plants and refineries (some of which closed rather than upgrade) cost 7,670 jobs.⁹³

For some of the families of these workers, the layoffs were no doubt a severe hardship. Yet who would argue that another entire generation of children should risk the nightmare of lead poisoning to protect these jobs? Who would tell a mother in New York City or Oakland that her child must breathe additional lead because a job must be protected at all costs?

It is entirely understandable that each generation of workers will fight to protect its jobs. But industries will continue to transform, mostly due to changing markets or technologies, but also sometimes as a response to social or environmental issues. When these changes cost jobs, the response should be not to protect jobs in dirty industries indefinitely but to provide a JUST TRANSITION. Such support needs to be both for workers who lose their jobs, and the communities



that are left dealing with the environmental and economic consequences of a toxic industry departing as a result of regulations which benefit the wider society.

The Oil, Chemical and Atomic Workers Union, which has since merged with the Paperworkers International to form PACE, has demanded the creation of a National Just Transition Fund "to provide full income protection, access to sustainable jobs and education for workers in toxic industries, and economic support for impacted communities."⁹⁴ PACE is working with the Southwest Network for Environmental and Economic Justice and other environmental justice organizations to build a Just Transition Consortium that organizes workers and fence-line communities through training and dialogue (see p. 25). Meanwhile, in Canada, the Chemical, Energy and Paperworkers Union has not only made Just Transition its policy, but is working nationally to make it a legislative initiative across the country.

API and its members, which cry so loudly about job loss due to the Kyoto Protocol, are mainly silent about their workers' call for Just Transition. Industry's concern about job loss due to the Kyoto Protocol or other means of reducing fossil fuel use rings hollow when it routinely slashes jobs to increase profits. Its failure to develop plans for a Just Transition is another way the Greenhouse Gangsters hang on to their fossil fuel business at the expense of the planet's health.

North vs. South

How to cut greenhouse gas emissions in a way that is fair to all countries is the most contentious issue at the Kyoto Protocol negotiations. This reflects both the real complexity of the issue and the mutual suspicion between so called developed and developing countries in international politics.

The Greenhouse Gangsters have used this emotionally and politically charged issue to slow down, weaken or derail progress toward CO₂ reductions. Fossil fuel corporations have used jingoism and xenophobia cleverly to divide the international public on the issue. The main theme is the need for developing countries to cut carbon emissions.

The petroleum industry has insisted that the Kyoto Protocol is unfair because no action is required of developing countries. Its campaign has worked, as its position has been echoed in the U.S. Senate and casts a shadow over the

THE BLAME GAME: GLOBAL WARMING & GLOBAL EQUITY

How should actions to prevent climate change be shared among the countries of the world? There are many ways to look at the question, and the answer, inevitably, is political. A common sense approach to equity, or fairness, includes the following factors:⁹⁷

- historical emissions
- current and future emissions
- per capita emissions
- ability to reduce emissions without hardship to population

The Kyoto Protocol, which so outrages big oil, says that the U.S., Western Europe and other industrialized countries must reduce their carbon emissions by various amounts by the year 2010. Developing country commitments will come later. Is this really so unreasonable?

One measure of how to require actions would be historical responsibility. In other words, how much total carbon a given country has emitted in the past is one indication of their responsibility. By this criterion, the United States has by far the largest contribution to total CO₂ emissions. Despite having smaller population, the U.S. has emitted about three times more CO₂ since 1950 than the Soviet Union/Russia or China.⁹⁸ The industrialized world as a whole accounts for about 80% of CO₂ emissions historically.⁹⁹

In current emissions, the U.S. also has by far the highest of any country in the world. Moreover, U.S. emissions are still growing, with an increase of 11% between 1990 and the year 2000. With the exception of Germany and the UK, all the major emitters whose CO₂ emissions decreased were in the former East bloc; the decrease was due to economic stagnation rather than improved efficiency or development of alternative fuels.¹⁰⁰

On a per capita basis, the U.S. contribution is even more skewed. On average a U.S. citizen emits about 120 pounds of greenhouse gases per day, about twice as much as the average for other wealthy countries like France, Germany or Japan. With just four per cent of the world's population, the U.S. emits about one-fourth of the world's greenhouse gases.¹⁰¹ The average greenhouse gas emissions of a U.S. citizen are equal to 25 Indians, 33 Pakistanis, 125 Bangladeshis, or 500 Nepalese.¹⁰²

Worse still, U.S. energy consumption is still growing, largely as a result of more driving, bigger cars, bigger houses and appliances, and lack of efficiency measures by industry.¹⁰³

In addition, the U.S. has the strongest economy in the world, and one of the highest rates of CO₂ emissions per unit of GDP. By any interpretation of equity, the U.S. should double, triple or quadruple the reductions of almost all other large countries, even the wealthiest nations of Western Europe. Neither the Kyoto Protocol nor any other forum has dared to suggest this, however.

If one were to take into account emissions created by US corporations operating in the developing world, the responsibility of the US is greater still.

And what about China and India? If we look at the four criteria for common sense fairness above, we see that these countries fit just one of the four. They are not major historical contributors, they have relatively low per capita emissions, and their widespread poverty makes it difficult to reduce emissions while improving the standard of living. But in simple numerical terms, it is true that China, India, Brazil and a few other developing countries must become part of the solution if climate change is to be prevented. As we have already seen, the oil companies, along with the international financial institutions, nevertheless are pushing the development of fossil fuel based economies on these countries.

climate negotiations.⁹⁵ The industry has deliberately focused on this issue because it plays to the most jingoistic and racist side of the U.S. public, to the unsubstantiated but nagging belief that the masses of China and India are the real environmental problem, to the fear that the United Nations is picking on the American people, their freedom, their lifestyle.⁹⁶

The justification for this position is that in approximately 2015, according to the International Energy Agency, carbon emissions from developing countries as a group will exceed those of industrialized countries. Yet this projection is just one side of the story, and does not mean that all countries must make the same commitments. The corporations know this. In truth, their position is really an attempt to weaken or derail the treaty altogether.

The oil industry downplays the obvious fact—understood by everyone outside the United States—that carbon emission cuts must come from the U.S., which puts out 24% of all greenhouse gasses, making it the single largest contributor to climate change. This divisive theme leads to misplaced outrage among some Americans at developing countries. This is juxtaposed with the outrage felt by much of the world at massive overconsumption in the U.S. With people from industrialized countries and developing countries blaming each other and misunderstanding their relative responsibilities and roles, the oil industry no doubt feels less threatened than it would in a world united to reduce fossil fuel use.

DUMP

When a corporation sees the writing on the wall, when its home country has at last banned its product, it may have already made arrangements to protect profits by dumping the product in the developing world.

In one especially heinous case, Shell and other companies manufactured a pesticide for export to Central America even after its use was banned in the U.S. because it caused sterilization in men.¹⁰⁴

But in many cases, the expansion of a dirty industry proceeds well before regulations clip its wings at home.

The tobacco industry is one of the best examples of an industry which first denied scientific proof, then delayed restriction at home, and then dumped its product on the rest of the world. As massive public education campaigns and the litigation by State Attorneys General finally brought an end to growth for tobacco in the U.S., the tobacco companies were busy building their markets overseas. They enlisted the United States Trade Representative's help in opening markets. And they kept health warnings off cigarettes for export, even when such warnings were required in the U.S.

The strategy worked. Philip Morris and RJ Reynolds, the two leading U.S. companies, now sell nearly 2/3 of their cigarettes and earn nearly half their profits abroad.¹⁰⁵

It worked for DuPont and Ethyl as well. They continued profiting from export of lead fuel additive to the developing world well after its role in causing childhood lead poisoning was understood and its use was phased-out in the U.S. and Canada.¹⁰⁶

Canada, the second largest producer of asbestos in the world, exports nearly all of it, since asbestos is virtually banned in Canada. Most of

the exports go to the developing world, where people are still routinely exposed to the misery of asbestos diseases.¹⁰⁷

The chlorine industry and its satellite industries like pulp, paper and PVC plastic are expanding most rapidly in Asia and Latin America as the environmental consequence of chlorine chemistry has become understood in Europe and North America.¹⁰⁸

Since most technologies and products which spread globally are first invented in the North, this is the standard pattern. It is a pattern which has become even more pronounced as the rules of the global economy facilitate the export of dirty industry and discourage national governments from preventing import of environmentally damaging products and technologies.

Dumping by the Greenhouse Gangsters (aka: Globalize, Globalize, Globalize)

Chevron said it well in its 1992 Annual Report. "Attractive opportunities overseas combined with limited business opportunities in the U.S. due to stringent regulatory barriers, drilling bans and a dwindling number of high-potential exploration opportunities have resulted in a shift in investment emphasis."¹⁰⁹

Despite some differences, the expansion of the fossil fuel industry in the South has a lot in common with the classic dumping practices of tobacco, asbestos and lead industries.

Most governments agree that, despite the squeals of the U.S. right wing, the developing world should be given more time before they are required to cut back on CO₂ emissions. During that time, developing countries will be a growth market for oil and gas. So the oil giants, along with many of the smaller brethren, are tripping over each other to claim concessions in these



countries. An oil concession map of the Amazon basin of South America or West Africa looks like a who's who of international oil companies. Massive areas of Peru, Venezuela, Bolivia, Colombia and Ecuador are given over to these companies by governments in the process of economic liberalization.¹¹⁰

The process of globalization, supported and pushed by these same corporations, opens the economies up to these companies. These countries become as dependent on fossil fuels, both for foreign exchange and for domestic consumption, as any industrialized country.

Hydrocarbon Hypocrisy

The industrialized world and its corporations are driving the developing world toward replicating the energy model which causes global warming, and supporting massive new fossil fuel projects for the South. This being the case, it is remarkable that the same forces are crying out that the developing world must reduce CO₂ emissions under the Kyoto Protocol.

Exxon chief Lee Raymond, for example, reminded an audience in China of "the need to maintain and, if possible, increase local production and reserves [of oil]..." He went on to explain that "excluding developing countries from the reductions [of the Kyoto Protocol] will not prevent them from being hurt. Their exports will suffer as the economies of industrialized nations slow."¹¹¹

As already noted, the oil majors are highly transnationalized companies and their petroleum activities extend to dozens of countries in Africa, Latin America and Asia. They are proud of their role as major driving forces behind the growth of the fossil fuel industries in the South.¹¹² To name just one notorious example, Exxon and Shell are part of the consortium planning the controversial Chad Cameroon gas pipeline, which will have the

capacity to carry 225,000 barrels of crude per day for a period of 25–30 years.¹¹³

It is one thing to invest millions in growing a carbon-based economy in the developing countries, but another to insist simultaneously that these countries must plan to cut carbon emissions. The Rio Earth Summit established the principle that industrialized and developing countries have "common but differentiated responsibilities."¹¹⁴ This principle guides the Kyoto treaty as well. It is an accepted part of the international approach to environmental issues. The oil giants are well aware of this.

Yet the oil companies have allowed their public relations departments, trade associations, front groups and right-wing politicians to do the dirty work of stigmatizing China, India, and other developing countries to the U.S. public. The United Nations and environmental "extremists," like Al Gore, are demonized for allowing these countries a different timetable for adjusting their economies to the reality of climate change.

The Greenhouse Gangsters should be telling the world the truth. It is the U.S.—its government, people and, perhaps most of all, its corporations—which must take the lead role if disastrous climate change is to be prevented.



DUPE

Since the late 1980's, industry has become increasingly concerned and sophisticated about environmental issues.

Whether the concern is mainly for the environment or for their public image is a matter of heated debate.

Some companies and

business groups do not even distinguish between the two rationales.¹¹⁶

In any case, business has moved aggressively to control the terms of the environmental debate, by co-opting and distorting environmental language, by forming environmental departments and giving speeches about the importance of environment for good business, by creating corporate sponsored "environmental" groups, by allying with mainstream non-governmental organizations, by investing in small-scale projects which are environmentally friendly and distract

THE WORLD BANK'S CLIMATE HYPOCRISY

Researchers have documented that the World Bank and other international financial institutions have a similar Climate Hypocrisy policy. Rather than assisting developing countries in phasing out fossil fuels, the Banks are lending millions of dollars a year for new fossil fuel projects. These projects include coal-fired power plants in China and India, the most carbon intensive energy sources available. The researchers found that the projects enriched Amoco, Exxon, Chevron and Mobil, among other western companies.

World Bank projects financed since 1992 will produce 37.9 billion tons of carbon, more than a year's worth of total carbon emissions for the whole world. U.S. export credit and insurance agencies, the Export Import Bank and the Overseas Private Investment Corporation, have underwritten \$23.2 billion in financing for fossil fuel projects around the world—projects which will emit 25.5 billion tons of CO₂ over their lifetimes. Yet when China recently announced a \$23 million investment in solar energy, no international financial institution supported it.¹¹⁵

from the destructive nature of their core business, and by “posing as friends of the environment and leaders in the struggle to eradicate poverty.”⁶⁷

The largest petroleum, chemical, nuclear and mining companies have spent hundreds of millions of dollars trying to convince the public that they are the leaders in environmental protection and our allies in promoting sustainable development and human rights. Some of the most notorious names in environmental history—DuPont, Dow, Sandoz, Monsanto, Shell, Exxon—have promoted themselves as environmentally concerned leaders. The phenomenon of environmental image advertising and other environmentally oriented PR programs has been dubbed “greenwash.”¹¹⁸

Greenhouse Greenwash

The Greenhouse Gangsters, some of which were pioneers of greenwash in the 1980's, indulge in unhealthy doses of climate greenwash.

Chevron has its “People Do” advertising campaign.¹¹⁹

Exxon has its “Save the Tiger Fund,” which associates its logo with the endangered tiger.¹²⁰

Mobil has its unctuous op-ed page ads every Thursday in *The New York Times*. In May 1999, Mobil boasted of how it overcame Conservation International's alarm at plans to develop oil in the sensitive Tambopata rainforest

of Peru. If Mobil's ad is to be believed, Conservation International's collaboration in this unnecessary and destructive project has been secured.¹²¹

Shell has its “Profits or Principles” philosophy which indicates that it does not need to choose between profits and principles but can satisfy everyone. A recent ad, replete with the predictably exuberant green foliage behind the company logo, claims Shell is “focusing [its] energies on developing [renewable energy] solutions”¹²² even while its Annual Reports document fossil fuel growth and provide maps graphically demonstrating the astounding global reach of its oil and gas exploration and production operations.¹²³

In 1999, British Petroleum one-upped its competitors in the greenwash sweepstakes. Chairman John Browne laid the groundwork with his endorsement of the precautionary principle and recognition that BP needs to take into account the views of the society in which it operates. Then came a commitment to reduce BP's own

emissions by 10% by the year 2010.¹²⁴ In March, 1999, BP bought Solarex for \$45 million, making it the largest solar company in the world. And on March 13th, John Browne announced that BP Amoco would install solar panels in 200 gas stations around the world.

It's not that there's anything intrinsically wrong with these initiatives. It's just that they pale in comparison to the aggressive consolidation of power and commitment to fossil fuels in which the company has been engaged. For BP, being the world's largest solar company is not difficult. The \$45 million spent on Solarex, is a mere fraction of the \$400 million in transfer taxes associated with the purchase of ARCO, which cost \$26.5 billion.¹²⁵

The company's dramatic move to acquire Arco in 1999 was aimed at strengthening its gasoline marketing position in the U.S., and gives it control over all Alaskan oil exploration. In Alaska alone, BP



Going green or greenwashing? BP bought itself the world's largest solar company for \$45 million. Meanwhile it plans to spend \$5 billion on more oil exploration and production.

Amoco will spend \$5 billion in the next five years on oil exploration and production.¹²⁶ The implication is clear: BP Amoco is committed, *over the long term*, to continued reliance on oil and gas.

The merger with Amoco and the purchase of Arco put John Browne at the helm of the largest fossil fuel company in the world. The pursuit of oil in Alaska and in the Arctic are perfect examples of following a

fossil fuel path which is leading to catastrophic climate change. The endorsement of the precautionary approach and the miniscule solar investments don't change the basic facts. BP Amoco is part of greenhouse greenwash, an attempt to dupe the public into leaving the oil companies to regulate themselves.

In reality, over time, the Greenhouse Gangsters have not used their power for significant development of

renewable energy. In 1973, geothermal, wind, and solar accounted for 0.1% of world energy supply. In 1996, renewables accounted for a mere 0.4% of world energy supply. During that same period, oil declined in terms of dominance of fuel supply, from 44.9% to 35.3%, though it is still the biggest source. But this decline was replaced largely with natural gas, which contributes equally to global warming, and nuclear power.¹²⁷

HYDROCARBONS AND HUMAN RIGHTS

“Speaking of human rights in the [Amazonian] oil producing regions is like speaking a language from another planet.”¹²⁸

—Paulina Garzon, Center for Economic and Social Rights, Quito, Ecuador

Oil development has been at the center of human rights abuses around the globe for decades, and the companies have come under withering attacks for their roles.

In Ecuador, Texaco dominated the oil industry for decades and the pollution from their operations affected an estimated 30,000 Amazonian Indians and farmers. Their health, their ability to grow food, their land, in short, their entire lives, were affected. These oil victims are plaintiffs in a lawsuit against Texaco for damage to their land and health.¹²⁹

In Nigeria, Shell's role in propping up the military dictatorship became notorious because of the execution of Ken Saro-Wiwa and the suppression of dissent by the Ogoni people. In 1998, Chevron played a similar role, providing transport for military personnel who killed Ijaw youth who were protesting at oil installations. Shell and Chevron are also being sued in U.S. courts for these violations.¹³⁰

In Burma, California-based Unocal's Yadana pipeline is the cause of massive

militarization of the area, which has resulted in forced relocation, forced labor, rape and summary executions by the military regime. Unocal joins Shell, Texaco and Chevron in the dubious distinction of being sued for its role in these abuses.¹³¹

In Colombia, a former oil engineer says “it is inarguable that the arrival of the petroleum industry to any region of the country immediately worsens the conditions of the population. One only has to look at a map to see that the regions of violent conflict and human rights violations coincide with the regions of natural resource exploitation, particularly petroleum.”¹³² Despite this record, environmental protection is not the only cause the Greenhouse Gangsters have belatedly adopted in the last few years. The oil giants are now promoting themselves as human rights champions as well.

Incredibly, the oil industry is proud of its human rights record. Shell and Unocal, for example, both include the Universal Declaration of Human Rights on their websites and Shell discusses why it is committed to human rights.

The American Petroleum Institute offers a 12-page dossier: “Oil and Natural Gas Industry Promotes Human Rights Abroad.” The Institute concludes that “Wherever they are engaged, American petroleum companies...provide powerful support for humanitarian activities.”

The compendium includes claims such as “Peru has benefited in a number of ways

from the presence of Occidental Petroleum.” This laughter specifically mentions the sinking of 10 freshwater wells along three Rivers in northeastern Peru which are known for their contamination by crude oil from Oxy's operations. Oxy also has the gall to include its contribution to education in Colombia, where it threatens to begin oil activities in sacred U'wa land. The 5,000 U'wa people have threatened to commit mass suicide if Oxy proceeds.

In this document we discover that BP joined with WWF in bringing environmental education into the school curriculum in China. We may be surprised to learn that Shell has “consistently called for fair trials and humane treatment for prisoners” in Nigeria, where the military government executed Ken Saro-Wiwa and eight other Ogoni activists for agitating against Shell. Perhaps we're shocked to find out that Unocal has “improve[d] living conditions in the Yadana region of Myanmar [Burma],” where, as even UNOCAL President John Imle has admitted, forced labor has been used to build the company's pipeline.

Evidently, Exxon had to dig deep to find something to include here. It joined with the government of Colombia to form a nonprofit organization to promote economic development. It has helped “to promote capitalism among young people in Russia.” Quite believable. And finally, a bit of unintended, though welcome, honesty: “Exxon is committed to helping its advertising icon [the tiger].”

Part 3: Climate Justice

“Respect

for the climate, like all ecological protection, is inseparable from the struggle for democracy, for freedom, and for justice.”

—Ka Hsaw Wa, Burmese Activist, EarthRights International¹³³

The petroleum industry is going through the biggest restructuring since the oil embargo of 1973. At the start of the 21st century, a few super-giant oil companies will be moving toward re-establishing their dominance over one of the world's most strategic industries.

As we have seen, fossil fuel production by just five corporations

Secoya demonstrators in Ecuador: “Gas prices rise and my rainforest cries.”

People around the world are fighting the Greenhouse Gangsters for survival.

accounts for 10% of all carbon emissions. If we include their role in refining and marketing, their contribution to climate change is higher. Their power in Washington and other capitals is difficult to resist, and that power is magnified by a collective political strategy. The globalization dynamic they have forged further expands their reach and impact. This collection of power dwarfs the influence of the individual to affect change through lifestyle choices.

As the saying goes, with power comes responsibility. How has the industry handled its power? The oil

giants would like us to believe they have become allies in the quests for environmental protection, sustainable development and human rights. These corporations have adopted, to varying degrees, the rhetoric of scientists and environmentalists concerned about climate change. They promote their human rights and environmental records. They would like us to believe that they understand the problem better than anyone, and are in the best position to balance scientific, technological, environmental and economic considerations when finding solutions.

Reality, however, is a different story. On the ground, the Greenhouse Gangsters are egregious violators of human rights and environmental standards. The oil companies' exploration and extraction of oil has destroyed rainforests and polluted Indigenous lands. Their oil boom-towns have torn the social fabric and introduced disease to Indigenous and



peasant communities. Their oil separation stations have dumped contaminated wastewater in rainforest and farmland. Their hellish gas flares light up the night. Their pipelines and oil tankers have spilled billions of barrels of oil, causing toxic contamination. Their refineries, often located in low-income communities, have polluted the air and water, while poisoning workers. Their host communities often remain impoverished, despite the wealth oil generates. Their political allies have repressed dissent, sometimes violently and brutally. Is this an industry which can be trusted to deal responsibly with its role in causing global warming?

The reality is that because of their powerful interests, the oil giants are adversaries, rather than allies, in the quest for environmental protection and justice. Their behavior demonstrates that their goal is to obstruct actions to prevent climate change so as to protect their business for as long as possible. Modeling their actions on historic corporate responses to environmental issues, the Greenhouse Gangsters have taken strategic steps to accomplish this goal at the expense of the planet's health.

The U.S. Chamber of Commerce, a leading business association, has vowed to "Block [the] Climate Treaty and 'Environmental Justice.'"¹³⁴ Perhaps without realizing it, they made the link: climate protection and environmental

justice go hand in hand. The best solutions to climate change will not only reverse global warming. They will protect jobs and incomes, improve respect for human rights,

reduce inequality between and within nations, improve the local environment in many places, and reduce our dependence on a few large corporations for our daily energy needs. Or, as Esperanza Martinez, coordinator of the global, Ecuador-based Oil Watch network, puts it:

"the sum of local experiences... will help us resist the causes of climate change."¹³⁵

Thus, the following is an attempt to set forth a platform for Climate Justice.

1. Remove the Causes of Global Warming—Build Democratic Control Over Corporations

Almost every one of us is an emitter of greenhouse gasses, an addict, if you will, of fossil fuels. We must participate in the technological changes which will be necessary, including reining in our energy habits. But we must also change the habits of the pushers, the fossil fuel producers. Ultimately, if those who supply and continue to push fossil fuels are not held accountable, we will live the 21st century in a turbulent and terrifying greenhouse world.

Addressing climate change is intertwined with the challenge of building a movement to address increasingly unfettered corporate power in the U.S. and worldwide. Corporations, through their influence in the legislative, executive and judicial branches

of government, through their unabashed promotion of the globalization agenda, through their control of the mainstream media and their advertising power, continue to undermine democratic institutions nationally and internationally. By creating a global system of corporate rule where the bottom line reigns supreme, these companies—the Greenhouse Gangsters central among them—attempt to insulate themselves from the values of human, labor and environmental rights.

A movement for Climate Justice must join with other organized efforts to strive to reverse this dynamic. It must make human rights, labor rights and the environment the guiding forces for local, national and international politics and economics. If we are to halt global warming while addressing the other negative impacts of the Greenhouse Gangsters and their cohorts, we must build a movement for grassroots globalization and democratic control over corporations.

Such democratic control could and should take many different forms. Regulating not just *how* a company produces something, but rather what that company produces is an important step toward greater democratic control over corporations. When applied to climate change this approach might manifest itself in government requirements that oil companies invest truly significant amounts of money in developing ecologically sound energy and employment alternatives.

Another step toward exerting democratic control can be taken through divestment campaigns against the Greenhouse Gangsters and other climate culprits. In fact, students at many universities across the U.S. are organizing a nation-wide "Cool the Planet" campaign to pressure their schools to divest their holdings in members of the Global Climate Coalition.¹³⁶

Climate Justice places environmental, labor and human rights at the center of the movement to reverse global warming

More broadly speaking, democratic control over corporations means revoking the Supreme Court granted status of U.S. personhood whereby corporations enjoy the same rights and privileges as individual citizens. Other important reforms that could exert such democratic control include ending the billions of dollars in government subsidies to the oil industry; strictly

The prevention of climate change goes hand in hand with opposition to corporate rule.

prohibiting corporate campaign contributions; supporting and generating government subsidies for the widespread development of community based, renewable energy sources; and creating affordable, sustainable public transportation.

With such changes in place, Senate approval of the Kyoto Protocol would be a slam dunk. Of course, to get there, a powerful social movement must emerge in the US and around the world to challenge the Greenhouse Gangsters. Such

a movement for Climate Justice must make democratic control over corporations a central organizing principle.

2. Oppose the Destructive Impacts of Oil Locally and Globally

The growing global reach of the Greenhouse Gangsters is encountering increasingly vibrant movements to curtail the mastery of oil in our society. One is the movement for climate protection. Internationally, most activists have put their efforts into strengthening the Kyoto Protocol, which in theory will reduce greenhouse gas emissions country by country. This will require a major transformation of energy and transportation systems and development models.

This movement has allies and potential allies whose own battles for survival against the oil companies provide a strong push for Climate Justice. For example, many Indigenous people and their networks are leading battles against new oil exploration which has profoundly impacted them. And to a growing number of Indigenous people, the connection between their local struggles against the fossil fuel industry's incursion on their ecologically fragile lands and the global problem of climate change is clear.

As a group of Indigenous leaders meeting on climate change recently declared, "The continuing large scale extraction of fossil fuels results in a number of adverse changes in these vital zones, including deforestation, pollution from drilling and ultimately forest degradation caused by climactic instability on a world wide scale... The zones of fossil fuel extraction are the homes of some of the oldest and most vulnerable Indigenous populations on Mother Earth. This accelerates the loss of biodiversity, traditional knowledge and, ultimately results in ethnocide and genocide."¹³⁷

Similarly, communities in the U.S. located near refineries which have built resistance to the toxic pollution and refinery accidents through groups like the National Oil Refinery Action Network are key allies in the struggle for Climate Justice. The disproportionate siting of polluting facilities like refineries in low income communities of color has sparked an environmental justice movement that has responded to both unjust government policies and to the unfettered power of transnational corporations, like the Greenhouse Gangsters. When a Latino community in Austin forces the corporate clean-up of oil storage tanks, it becomes a victory—a

NO NEW EXPLORATION!

A moratorium on all new oil exploration would benefit the global climate, fragile local ecosystems and Indigenous people living in these pristine places. A moratorium would acknowledge the long-term necessity for society to wean itself eventually off of fossil fuels. It would recognize that we cannot afford to burn all the oil on the planet without causing catastrophic climate change. A moratorium would cut off the spigot of climate change, even as we allow ourselves time to transform our energy and transportation systems. By the time supplies of fossil fuels get low, society will have had more time to develop alternative energy sources.

For the sake of the protection of Indigenous rights and tropical forests, a moratorium on new oil exploration should begin with a focus on pristine and ecologically sensitive areas, and a recognition that Indigenous people have the right to say no to oil development on their lands.

While the industry is traditionally concerned with replenishing its consumption with new finds, the carbon logic, i.e. the ecological limit on our ability to burn oil safely, indicates it is time to lower that priority in favor of investment in other energy sources. So far, the industry has not responded to calls for a moratorium on new oil. Governments are unlikely to call for a moratorium right now, but as Esperanza Martinez, coordinator of Oilwatch in Quito, asserts, the moratorium "can be decreed by governments or it can be decreed and executed by local populations."¹³⁹

link in a chain that can eventually sever the stranglehold of the Greenhouse Gangsters.¹³⁸

3. Forge Just Solutions to the Challenge of Climate Change

Prevention of climate change could impact workers in fossil fuel-intensive industries and neighboring communities hardest if there is no parallel effort to foster a Just Transition.

Also, as we have seen, some of the proposed “solutions,” like pollution trading, are not only unproven but also inequitable, as they allow local communities to become toxic sacrifice zones for the rest of the planet, while letting countries like the U.S. delay true emissions reductions. Solutions that force countries of the South to bear an undue burden are unjust as well.

A Climate Justice approach to solving the global warming problem would, at its core, develop solutions that promoted economic and environmental justice between communities and between nations. Central to this approach is the principle of Just Transition, which would set aside funds to finance the transition for workers and communities dependent on the fossil fuel industry. Such a transition would promote investment, worker training and community development based on sustainability and justice.

There is already organizing and growing pressure on this front from workers and communities. As mentioned earlier, the recently merged Oil, Chemical and Atomic Workers Union and Paperworkers



International (PACE), is working in partnership with the Southwest Network for Environmental and Economic Justice (SNEEJ) to build a Just Transition Consortium. The consortium counts among its members a number of environmental justice organizations, including the Indigenous Environmental Network, the Asian Pacific Environmental Network, and the Northeast Environmental Justice Network, along with Canada’s Chemical, Energy and Paperworkers Union. This consortium is organizing workers and neighboring “fence-line” communities through training and dialogue. The focus of this effort is to bring together these groups, which have been wedged apart by industry, and to mobilize them to implement a Just Transition of their jobs and communities so they do not unjustly bear the negative economic burden of addressing the impacts of local pollution or global climate change.

A similar transition needs to be fostered at the international level, whereby Southern nations are given support to transition their economies away from fossil fuels.

If we are to stop global warming, a strong activist movement for Climate

Justice must emerge in the U.S.

—protest at Chevron headquarters, San Francisco, 1999.

For instance, technology for ecologically sound energy development should be made available to the poorer countries for little or no cost, rather than being held hostage to corporate driven intellectual property and patent regimes.

Climate Justice also requires that adequate support be given to the victims of global warming—especially environmental refugees who have lost access to their land, homes, food, health and work as a result of global warming.

Finally, Climate Justice demands that the Kyoto Protocol negotiations be democratized. Until now, the minor concessions of the Kyoto Protocol have been negotiated in international fora dominated by government and lobbyists for industry. The voices of NGOs, Indigenous peoples and those most affected by climate change have not been included.

4. Reverse the dynamics of corporate-led, fossil fuel based globalization

Currently, corporate led globalization is fostering investment opportunities and new markets for the fossil fuel industry. International trade and investment agreements like NAFTA and the WTO, along with multilateral lending institutions like the World Bank/IMF, have created the global economic structures that are advancing both corporate profits and global warming.

Climate Justice requires that the world economy serve interests of human rights and the environment, not corporate bottom line. For starters, international labor standards from the ILO, the Universal Declaration on Human Rights and

UN-brokered international environmental agreements like the Kyoto Protocol must take precedence over the institutions of globalization like the WTO. The World Bank and other lending institutions must reverse their policies subsidizing fossil fuel-based globalization.

True Climate Justice requires that the Kyoto Protocol specifically focus at the root of the problem—the 122 corporations that produce 80 percent of the fossil fuel which winds up as carbon dioxide in the Earth's atmosphere. A first step toward international control of these global climate culprits would be for the Kyoto Protocol to require that every major energy company in the world report the current and future global warming emissions implications of the fossil

fuel production and investments.¹⁴⁰ Based on this reporting, the world's governments could begin to hold Greenhouse Gangsters and their cohorts globally accountable for their central contribution to this global problem.

Climate Justice also means that the central corporate contribution to global warming be publicly identified on a global scale. There are many creative ways to do this. For instance, in 1998 members of the European Parliament proposed that hurricanes should be renamed to reflect this corporate role. Thus Hurricane Mitch might have been called Hurricane Shell, while Hurricane Floyd might instead have been called Hurricane Exxon-Mobil.

Final Words

The clash between the hydrocarbon economy and environmental protection seems to present an intractable contradiction. But it also presents an opportunity to society. Once we accept that climate change forces us to severely limit fossil

fuel use, we can begin to free ourselves of the tyranny of the oil industry over our lives. We can reduce destruction of Indigenous cultures and reduce pollution of local communities. We can begin to build less centralized energy systems, cleaner cities, less sprawl,

more cooperation between North and South, more independence from the super-giant corporations which now control such fundamental aspects of our daily lives. The prevention of climate change goes hand in hand with the opposition to corporate rule.

Of course, Climate Justice will not be achieved without the emergence of a powerful movement for grassroots globalization—one which links efforts for social and environmental justice across the globe. The good news is that such a movement is emerging.



Ken Saro Wiwa puppet, International Day of Action Against Corporate Globalization, San Francisco

Notes

- 1 Exxon and Mobil announced their intention to merge in 1998. Unless otherwise indicated, this paper treats them as one corporation. The merger is pending U.S. government approval.
- 2 The recently merged BP Amoco has announced its intention to buy Arco. Unless otherwise indicated, this paper treats them as one corporation. The merger is pending U.S. government approval.
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Climate Action Network provides an International Directory of non-governmental organizations working on climate change.

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Climate Solutions works in the Pacific Northwest to stop global warming at the earliest possible point, boost Clean Energy Investment and create more livable community design

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Cool the Planet is a national student-run campaign dedicated to opening people's eyes to the threat global warming poses to the future and to showing the world that students are no longer going to stand for the corrupt policies of corporate America and groups like the Global Climate Coalition.

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EarthRights International combines the power of law and the power of people in defense of human rights and the environment. ERI works on the ground level in Southeast Asia.

2012 Massachusetts Avenue NW, Washington D.C. 20036
tel: 202-466-5188; fax: 202-466-5189; e-mail: www.earthrights.org

Friends of the Earth International runs a climate change campaign, focuses on corporations like Exxon and lobbies governments around the world on ratifying and strengthening the Kyoto Protocol.

P.O. Box 19199; 1000 GD Amsterdam, The Netherlands
tel: +31-20-622-1369; fax: 639-2181; e-mail: foeint@antenna.nl;
www.foe.co.uk/climatechange/

Greenpeace has steadily pressured the world's governments through campaigning and lobbying to enact and implement the Kyoto Protocol. It has also targeted corporate climate culprits, including many large oil corporations for their role.

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Indigenous Environmental Network is an alliance of grassroots indigenous peoples whose mission is to protect the sacredness of Mother Earth from contamination and exploitation by strengthening maintaining and respecting the traditional teachings and the natural laws. IEN was helped draft the Albuquerque Declaration of Indigenous peoples on climate change.

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The Just Transition Consortium is a process to ameliorate the conflict between jobs and the environment. It brings organized labor, the traditional environmental community and the people of color environmental justice movement together to develop policies and relationships to avert clashes.

c/o Public Health Institute 853 Broadway, Room 2014; New York, NY 10003; tel: 212-674-3322; fax: 212-353-1203;
e-mail: laborinst@aol.com; www.justtransition.org;

The National Oil Refinery Action Network links together neighbors, workers, and responsible shareholders who want to see the oil industry made cleaner, healthier, and safer. A project of CBE.

c/o CBE, 500 Howard Street, Suite 506, San Francisco, CA 94105
tel: 415-243-8373; e-mail: cbebucket@igc.org; www.igc.org/cbesf

Oilwatch is an Ecuador-based network of organizations and communities in Asia, Africa and Latin America fighting oil development in the tropics. Oil Watch has also been active on the climate change issue.

Alejandro de Valdez N24-33 y La Gasca
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Ozone Action is a progressive Washington, DC based non-profit public interest organization focused exclusively on two atmospheric threats: global warming and stratospheric ozone depletion.

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Project Underground seeks to systematically deal with the problems created by the mining and oil industries by exposing environmental and human rights abuses by the corporations involved in these sectors.

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Rainforest Action Network: RAN's Beyond Oil campaign works to halt new oil exploration and to protect indigenous people's rights, the local environment and the global climate.

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The Southwest Network for Environmental and Economic Justice is a coalition of community based grassroots organizations, native, labor and student groups from the southwestern and western United States working to build a multi-racial, multi-cultural and international movement that promotes environmental and economic justice. SNEEJ is a participant in the Just Transition consortium.

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The Sustainable Energy and Economy Network: SEEN works in partnership with citizens groups globally on environment and development issues with a particular focus on climate change, energy, gender equity, and economic issues.

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