



Denial and Deception: A Chronicle of ExxonMobil's Efforts to Corrupt the Global Warming Debate

Global warming eclipses all other environmental challenges of the 21st century. There is undeniable proof that pollution from the burning of oil, coal and other fossil fuels is the root cause of the observed climate changes to date. Global warming is already occurring, with evidence piling up weekly of radical climate disruption. If left unchecked, the catastrophe of global warming threatens to cause weather disasters and climate disruption that will destabilize and destroy ecosystems, economies and societies worldwide.

Throughout the last decade, ExxonMobil has been viewed internationally as the number one company driving the ongoing industry campaign to derail the international agreement to solve global warming. While other oil companies are still polluting the environment and lobbying for pro-oil policies, ExxonMobil epitomizes the worst of corporate America's onslaught against climate protection. Prior to the 1999 merger, both Exxon and Mobil were leaders of American oil industry efforts against global warming action. The merger of these two giants truly created what some have called the "Death Star" of the global warming debate.

ExxonMobil and their allies have long spearheaded a corporate war against environmental regulations that threaten to control the negative attributes of their core business – fossil fuel exploitation and use. They give millions of dollars to political campaigns and candidates and spend millions more on lobbyists and advertisements in order to achieve policies that allow them to act with impunity. As a result of this effort they get large financial payback in the form of government subsidies, tax breaks, and access to public lands.

ExxonMobil continues to stall the debate. In early May, René Dahan, the Director and Executive Vice President of ExxonMobil, speaking at the G-8 Energy Ministers meeting in Detroit, stated that "with regard to potential climate change, some people have decided not to wait for additional scientific understanding or for further identification of potential solutions." Conversely said Dahan, ExxonMobil has "become increasingly convinced that the only sensible approach is to take a longer term perspective," adding that "if warming turns out to be a real problem, will we be willing to shut down the economies of the industrialized world...?"



This report, *Denial and Deception: A Chronicle of ExxonMobil's Efforts to Corrupt the Global Warming Debate*, details more than a decade of deliberate and persistent efforts by ExxonMobil and its front groups to derail the evolving global warming treaty and the scientific consensus that urgently supports the international agreement. The report also delves into emerging ties between the ExxonMobil agenda and the damaging global warming legacy of the Bush administration.

Since the early 1990s, Exxon and Mobil have taken leading roles in industry efforts to cast doubt over climate science. With the now defunct Global Climate Coalition front group and others, ExxonMobil has claimed that the scientists are getting it wrong on global warming and the role of fossil fuels. This ongoing effort was spawned by the revelations of the first report of the Intergovernmental Panel on Climate Change (IPCC) in 1990, which pointed to strong and growing evidence of temperature rise, sea level rise and other changes resulting from rising emissions of carbon dioxide (CO₂) and other greenhouse gases. That report stressed the need for a 60 to 80 percent cut in CO₂ emissions just to stabilize rising atmospheric concentrations of this greenhouse gas. This call for emission cuts was received by Exxon, Mobil and others as a direct attack on their core business.

ExxonMobil's campaign to slow the progress of scientific validation of global warming started with the use of paid skeptic scientists to publicly rebut scientific advances. Exxon has also actively engaged in manipulation of international scientific assessments. In 1998, Exxon was involved in developing a \$6 million American Petroleum Institute communications plan for a two-year campaign intended to reshape the climate debate – where the ultimate victory was the defeat of the Kyoto Protocol, and making those promoting it appear 'out of touch with reality'. The latest attack on climate science was revealed this year in a secret ExxonMobil memo to President Bush. The memo asked for the removal of Dr. Robert Watson, the Chair of IPCC. The Bush administration climate team and its allies executed ExxonMobil's will in mid-April of 2002.

In addition to this latest tale of the working relationship between ExxonMobil and Bush, this report delves into some of what is known of the company's close history with George W. Bush dating back to Bush's days as Governor of Texas. In 1997, then Governor Bush consulted Exxon and Marathon oil to draft a proposal to deal with Texas's debilitating air pollution problem from so called "grandfathered" facilities, those that do not pass modern pollution regulations, but are allowed to continue to operate. Rather like asking the fox to design the chicken coop, the resulting proposed regulations were not surprisingly voluntary and full of loopholes. Eventually the secret consultations between Exxon and Governor Bush were revealed and the plan was thrown out.



This report also tracks ExxonMobil's broad array of political dirty tricks aimed at slowing the progress of global warming policy agreements. From the funding and dissemination of "chicken little" economic scare reports on global warming policy to anti-global warming treaty advertising on television and in newspapers, ExxonMobil has carried this war on the climate treaty from international negotiations to Capitol Hill—around the world and back again.

ExxonMobil's use of divisive tactical rhetoric is best exemplified by its two faced argument on the role of developing countries in the climate treaty. While arguing in the U.S. policy arena that America should reject a treaty that does not conscript developing countries to act, Exxon simultaneously has lobbied developing countries not to support the treaty saying that they will be economically harmed by it. In the lead up to 1997 Kyoto climate negotiations, Exxon and Mobil, through the Global Climate Coalition and other front groups, were heavily pushing the message in the United States that developing countries were getting 'off the hook' by not having to cut their emissions. One television ad against the impending treaty claimed "it's not global and it won't work." Meanwhile, Exxon CEO Lee Raymond was in China at the World Petroleum Congress warning developing countries that the Kyoto Protocol would limit economic growth. He said that the developing world should both increase the use of fossil fuels and not limit oil exploitation within their borders, lest they lose Western corporate investment.

As recently as this year, Exxon subsidiary Imperial Oil in Canada is known to have lobbied heavily to get the Canadian Government to back out of promises to ratify the Kyoto Protocol. In January, CEO Lee Raymond was said to have met with British Prime Minister Tony Blair in a preview of the Bush climate plan (alternative to the Kyoto Protocol) seeking Blair's tacit approval of the upcoming plan.

Finally, looking at the actions of the corporation behind the policy rhetoric, we track Exxon's irresponsible and continuing rejection of clean renewable energy development – the clear solution to global warming. In 2001, ExxonMobil earned \$15.3 billion in profits and its return on capital was 17.8 percent. The corporation's total capital expenditures were \$12.3 billion, and its upstream capital and exploration expenditures totaled around \$8.8 billion. But ExxonMobil did not invest one penny in renewable energy technologies. ExxonMobil, as the second largest global corporation, by all means has a responsibility to play a leading role in solving the planet's largest environmental crisis.

This report shows that ExxonMobil has been a highly destructive influence on both national and international efforts to limit catastrophic global warming. The



influence, the total number of years lost and time wasted, cannot be quantified, and added to the now permanent climate legacy of the Bush White House, only our children will truly be able to tally the ultimate damage.

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