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Protesters demonstrate against fracking and neighborhood oil drilling in Los Angeles May 14,

Protesters demonstrate against fracking and neighborhood oil drilling in Los Angeles May 14, 2016. Much of the oil industry's political power lies in the century-old American Petroleum Institute. (CNS photo/Lucy Nicholson, Reuters)

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August 9, 2021
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Editor's note: *This story originally appeared in The Guardian and is republished here as part of Covering Climate Now, a global journalism collaboration strengthening coverage of the climate story.*

When Royal Dutch Shell published its annual environmental report in April, it boasted that it was investing heavily in renewable energy. The oil giant committed to installing hundreds of thousands of charging stations for electric vehicles around the world to help offset the harm caused by burning fossil fuels.

On the same day, Shell issued a separate report revealing that its single largest donation to political lobby groups last year was made to the American Petroleum Institute, one of the most powerful trade organizations in the United States, and the one that drives the oil industry's relationship with Congress.



Contrary to Shell's public statements in support of electric vehicles, API's chief executive, Mike Sommers, has pledged to resist a raft of Joe Biden's environmental measures, including proposals to fund new charging points in the US. He claims a "rushed transition" to electric vehicles is part of "government action to limit Americans' transportation choice."

Shell donated more than $10 million to API last year alone.

And it's not just Shell. Most other oil conglomerates are also major funders, including ExxonMobil, Chevron and BP, although they have not made their contributions public.

The deep financial ties underscore API's power and influence across the oil and gas industry, and what politicians describe as the trade group's defining role in setting major obstacles to new climate policies and legislation.

Critics accuse Shell and other major oil firms of using API as cover for the industry. While companies run publicity campaigns claiming to take the climate emergency

seriously, the trade group works behind the scenes in Congress to stall or weaken environmental legislation.

Earlier this year, an Exxon lobbyist in Washington was secretly recorded by Greenpeace describing API as the industry's "whipping boy" to direct public and political criticism away from individual companies.

Sen. Sheldon Whitehouse, a Rhode Island Democrat and strident critic of big oil's public relations tactics, accused API of "lying on a massive industrial scale" about the climate crisis in order to stall legislation to combat global heating.

"The major oil companies and API move very much together," he said.

Whitehouse said the oil and gas industry now recognizes it is no longer "socially acceptable" to outright deny climate change, and that companies are under pressure to claim they support new energy solutions that are less harmful to the environment. But that does not mean their claims should be taken at face value.

"The question as to whether they're even sincere about that, or whether this is just 'Climate is a hoax 2.0,' is an unknown at this point," he added.



Despite expressing support for electric vehicles, Shell donated $10 million to the American Petroleum Institute in 2020. (StockSnap/Pixabay)

Shell has defended its funding by saying that while it is "misaligned" with some of API's policies, the company continues to sit on the group's board and executive committee in order to have "a greater positive impact" from within. The petroleum firm claims that its influence helped maneuver API, which represents about 600 drilling companies, refiners and other interests such as plastics makers, toward finally supporting a tax on carbon earlier this year.

With Biden in the White House and growing public awareness of global heating, there are signs API's influence may be weakening as its own members become divided on how to respond.

The French oil company Total quit the group earlier this year over its climate policies. Shareholder rebellions are pressing Exxon and Chevron to move away from dependence on oil. Top clean energy executives at Shell quit in December over the pace of change by the company.

API is also fighting a growing number of lawsuits, led by the state of Minnesota, alleging that the trade group was at the heart of a decades-long "disinformation campaign" on behalf of big oil to deny the threat from fossil fuels.

But despite threats to API's lasting influence, Whitehouse argues the trade organization represents the true face of the industry. Instead of using its considerable power to push for environmentally friendly energy laws, API is still lobbying to stall progress, with the oil industry's blessing.

"Their political effort at this point is purely negative, purely against serious climate legislation. And many of them continue to fund the fraudulent climate denialists that have been their mouthpieces for a decade or more," Whitehouse said.

Banking on disinformation

Since API was founded in 1919 out of an oil industry cooperation with the government during the first world war, it has evolved into a major political force with nearly $240 million in annual revenue.

Its board has been dominated by heavyweights from big oil, such as Rex Tillerson, the Exxon chief who went on to become U.S. President Donald Trump's secretary of state, and Tofiq Al Gabsani, the chief of Saudi Refining, a subsidiary of Saudi Arabia's state-owned Aramco oil giant. Al Gabsani was also registered as a lobbyist for the Saudi government.

API also hired professional lobbyists, including Philip Cooney, who went on to serve under George W Bush as chief of staff of the Council on Environmental Quality until he was forced to resign in 2005 after tampering with government climate assessments to downplay scientific evidence of global heating and to emphasize doubts. Shortly afterward, Cooney was hired by Exxon.

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API came into its own as the realities of the climate crisis crept into public and political discourse, and the industry found itself on the defensive. The trade group, which claimed to represent companies supporting 10 million jobs and nearly 8% of the U.S. economy, played a central role in efforts to combat new environmental regulations.

In many cases, API was prepared to carry out the dirty work that individual companies did not want to be held responsible for. In 1998, after countries signed the Kyoto Protocol to help curb carbon emissions, API drew up a multimillion-dollar disinformation campaign to ensure that "climate change becomes a non-issue". The plan said "victory will be achieved" when "recognition of uncertainties become part of the 'conventional wisdom'".

Much of this is the basis of several lawsuits against API. The first was filed last year by the Minnesota attorney general, Keith Ellison, who accuses the group of working alongside ExxonMobil and Koch Industries to lie about the scale of the climate crisis. The suit alleges that "previously unknown internal documents" show that API and the others well understood the dangers for decades but "engaged in a public-relations campaign that was not only false, but also highly effective" to undermine climate science.

The city of Hoboken in New Jersey is also suing API, claiming that it engaged in a conspiracy by joining and funding "front groups" that ran "deceptive advertising and communications campaigns that promote climate disinformation and denialism."



Sunset view of refinery. Founded in 1919, the American Petroleum Institute has become a major political force, but it now faces lawsuits from states and cities claiming that it paid scientists who denied that climate change was real. (Devon Chandler/Pixabay)

The lawsuits allege that API funded scientists known to deny or underplay climate changes, and gave millions of dollars to ostensibly independent organizations, such as the Cato Institute and the George C. Marshall Institute, which denied or downplayed the growing environmental crisis.

"API has been a member of at least five organizations that have promoted disinformation about fossil-fuel products to consumers," Ellison alleges in Minnesota's lawsuit. "These front groups were formed to provide climate disinformation and advocacy from a seemingly objective source, when, in fact, they were financed and controlled by ExxonMobil and other sellers of fossil-fuel products."

A turn toward denial

It wasn't always this way.

When Terry Yosie joined API in 1988 as vice-president for health and environment, the trade group had spent years funding scientists to research climate issues after hearing repeated warnings. In 1979, API and its members formed the Climate and Energy Task Force of oil and gas company scientists to share research.

Yosie, who moved to API from the U.S. Environmental Protection Agency, controlled a $15 million budget, part of which he used to give workshops on climate change by EPA officials and other specialists.

"I brought them together in front of oil industry senior-level executives for the sole purpose of making sure this industry had some understanding as to what other significant stakeholders thought about climate change, where they saw the issue evolving, what information they were relying on," he said.

When Yosie left API in 1992, he believed the oil lobby group was still serious about addressing the growing evidence of climate change. But a year later, it disbanded the task force at the same time that Exxon abandoned one of the industry's biggest research programs to measure climate change.

Yosie believes that confronted with the true extent of the looming disaster, API and the oil companies ran scared, choosing instead to pursue an agenda informed by climate denialism.

"As the climate issue began to move from the periphery to the center stage, I think there was a collective loss of confidence in the entire industry, a fear that this was not a debate that was winnable," he said.



An aerial view of a refinery complex. The American Petroleum Institute spent years funding scientists to research climate issues, but scrapped its Climate and Energy Task Force in 1993. (jpenrose/Pixabay)

API and its financial backers founded a front organization, the deceptively named Global Climate Coalition, to drum up purported evidence that the climate crisis was a hoax. In the late 1990s, the GCC's chairman, William O'Keefe, was also API's executive vice president, a man who falsely claimed that "climate scientists don't say that burning oil, gas and coal is steadily warming the earth".

API and the GCC led attacks on Bill Clinton's support for the Kyoto protocol with a "global climate science communications plan" that misrepresented the facts about global heating.

The relationship between API and big oil remained exceptionally close throughout. Exxon's chief executive served on the lobby group's executive committee for most of the past three decades, and the two worked together in promoting denialism over the climate crisis.

The focus of API's efforts was on Congress, where it led the industry's opposition to policies, such as the 2009 cap-and-trade legislation to control carbon emissions.

"Most of the funding for the Republican party, and probably a very considerable amount of the big dark money funding behind the Republican party, comes out of the fossil fuel industry," said Whitehouse. Last year, API indirectly gave $5 million to the conservative Senate Leadership Fund to back Republican candidates — many of whom question climate science — for election, and to the campaigns of members of the energy committees in both houses of Congress.

Growing public disquiet, and the departure of oil-friendly Trump from the White House, shifted the ground for API. In March it launched a Climate Action Framework, which for the first time endorsed policies such as carbon pricing. It also stated its support for the Paris climate agreement.

API called the plan "robust," but others noted the lack of specifics, and its sincerity was called into question when an Exxon lobbyist was caught on camera earlier this year saying that a carbon tax will never happen and that support for the measure was a public relations ploy intended to stall more serious measures.

And between API's lost support from Total, and the Shell executives who resigned in December over what they regarded as the company's foot-dragging on greener fuels, there are signs of shifting attitudes within the industry itself.

Shell and BP have said they will continue to review their support for API. Shell said that where it disagrees with API's position, the company "will pursue advocacy separately".

However, Peter Frumhoff, director of science and policy at the Union of Concerned Scientists, is skeptical that there has been any significant change in direction.

"I think it's fair to say that API and its prominent member companies have a broadly shared goal, which is to keep the social license of the oil and gas industry operating, and therefore enabling them to continue to extract oil and gas for as long as possible, as profitably as possible," he said.

[Chris McGreal writes for Guardian U.S. and is a former Guardian correspondent in Washington, Johannesburg and Jerusalem. He is the author of *American Overdose, The Opioid Tragedy in Three Acts.*]

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