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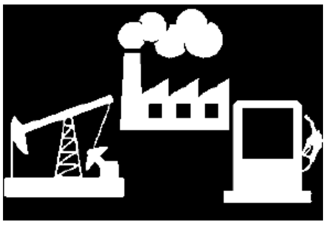
Fossil fuels lobby



Introductory Note

There are certain interest/advocacy groups that are not directly linked to government officials, but are rather considered multinational players. These groups are attempting to represent their interests through persuasion to legislation, regulation, government decisions and policies. Lobbies are usually either grassroots or corporate groups. They can be extremely influential, sometimes more influential than politicians. Questions have been raised regarding the legalities behind them. However, lobbying is considered to be a lawful act in the majority of modern democracies. For example, lobbying is protected by the First Amendment of the United States Constitution (right of speech, association and petition). One can understand a lot about the political dynamics of lobbies by taking a glance at the outcome of Obama administration's choice to disregard these groups. Changing "*business as usual*" in Washington had been a central commitment to the narrative of his 2008 campaign. One week after Obama's victory, transition chief John Podesta stated that "*he (the president-elect) intends to enforce in his government, so that the undue influence of Washington lobbyists and the revolving door of Washington ceases to exist*." However, according to a 2014 POLITICO review, the Obama administration eventually ended up hiring more than 70 previously registered lobbyists (Gerstein, 2015). This is a simple example of how much political power such groups are able to assume. Climate change is part of these groups' interests, as the fossil fuel industry and the environmental activists are both seeking ways to reinforce their agendas.

A 10-year strategy to put people's jobs and well-being at the centre of the transition to carbon-neutral and climate-resilient economies was introduced in the 2019 UN Climate Summit, with a focus on delivering decent jobs, advancing social justice, supporting a sustainable future for every country and ensuring an inclusive and sustainable recovery from the COVID-19 pandemic. The economic, social and environmental dimensions of the COVID-19 crisis need to be addressed so as to build back better, more sustainable and inclusive economies and societies that are more resilient to future shocks. A climate-positive recovery can be achieved through the six areas of action that the UN Secretary-General has put forward (New Climate Action for Jobs Board calls for a sustainable recovery from the COVID-19 crisis, 2020).

Environmental aspect

Countries have shifted their focus on deploying clean energy and decarbonizing the economy, as suggested by the Intergovernmental Panel on Climate Change (IPCC). There is an emergent need that countries drastically cut carbon dioxide (CO_2) emissions within the next decade so as to limit global average temperature rise to 1.5°C (2.7°F). However, many of these countries have developed with the fossil fuel industry as their backbone, something that makes this transition a controversial issue for them. The question is whether such countries are willing to seek an economic development that is costly for the environment.

As for the environmental cost of fossil fuels, oil and gas industries can affect the environment in various ways. Drilling projects may disrupt wildlife, water sources and human health, among other things. These projects are also a menace to wildlife. Loud noises, human movement and vehicle traffic from drilling operations may disrupt avian species’ communication, breeding and nesting. Moreover, it is known that big oil spills have destroyed wildlife in many cases. For instance, the explosion of BP’s Deepwater Horizon rig in the Gulf of Mexico in 2010, whose spill covered 68,000 square miles of sea surface, killed approximately 1 million coastal and offshore seabirds, 5,000 marine mammals and 1,000 sea turtles.

It is also worth mentioning that humans have been burning more and more fossil fuels, which has resulted in releasing more greenhouse gases into the atmosphere, rising the planet’s temperatures. In fact, the majority of harmful emissions originate from fossil fuels, the most common type of greenhouse gas being carbon dioxide, primarily released into the air through the burning of oil, coal and gas. The U.S. is one of the world’s top emitters, as 24% of all U.S. greenhouse gas emissions are linked to fossil fuel extracted from federal lands. This is the consequence of the federal government’s long-term practice of leasing public lands to the fossil fuel industry (7 ways oil and gas drilling is bad for the environment, 2019).

Economic aspect

In terms of oil and gas lobbies' investments, they spend nearly $200m per year to delay, control or block policies to tackle climate change, with Chevron, BP and ExxonMobil playing a leading role. In order to push their agenda, they use extensively all social media platforms. For instance, in the run-up to the US midterm elections of 2018, $2m was spent on targeted Facebook and Instagram ads by global oil giants and their industry bodies, promoting the benefits of increased fossil fuel production. In fact, BP donated $13m to a campaign, Chevron being also a supporter, that successfully stopped a carbon tax in Washington state, $1m of which was spent on social media ads. According Edward Collins, the report's author, "*Oil majors' climate branding sounds increasingly hollow and their credibility is on the line. They publicly support climate action while lobbying against binding policy. They advocate low-carbon solutions but such investments are dwarfed by spending on expanding their fossil fuel business*."

After the Paris Agreement in 2015, the majority of oil and gas companies stood publicly for a price on carbon and formed groups, such as the Oil and Gas Climate Initiative which promote voluntary measures. However, in reality, ExxonMobil, Shell, Chevron, BP and Total spend about $195m a year on branding campaigns suggesting they support action against climate change. Such campaigns were misinforming the public about the extent of the oil companies' actions. They were publicly endorsing the need to act, but at the same time they were massively increasing investment in a huge expansion of oil and gas extraction. According to Shell's statements, "[w]e *are very clear about our support for the Paris agreement, and the steps that we are taking to help meet society's needs for more and cleaner energy…We make no apology for talking to policymakers and regulators around the world to make our voice heard on crucial topics such as climate change and how to address it.*" (Laville, 2019)

Nevertheless, there is a US oil and gas lobby group that has teamed up with green activists over climate policy and is embracing an environmental, social and governance message to win back investors that are uncertain about fossil fuels' future. The Independent Petroleum Association of America, whose thousands of members include large oil companies and family owners of low-volume wells, has launched

"The ESG Center". The Environmental, Social and Governance (ESG) Center will provide consultancy to companies on how to build an authentic and effective programme committed to sustainability in all aspects of vision, strategy and approach. Important steps have been taken even by a number of multinational actors. Banks have committed to reducing carbon emissions in loan portfolios and fund managers such as BlackRock make climate risk central to the process of picking investments. Moreover, ConocoPhillips has adopted a goal of net-zero carbon emissions from its operations by 2050 when it announced a $13.3bn acquisition of rival Concho Resources. Ryan Lance, ConocoPhillips chief executive, stated "You've got to have a credible story around ESG, all three components," adding, "the discourse, the mood music, has certainly changed." (Meyer and Nauman, 2020)

In addition, the fossil fuel lobby has been challenged by Joe Biden, the president-elect of the United States. He has taken a firm stance against such industries, by committing to not accepting contributions from oil, gas and coal corporations or executives for his campaign (The Biden Plan for a Clean Energy Revolution and Environmental Justice, 2020). The end of the Renewable Fuel Standard's (RFS) legislated mandate in 2022 is also an excellent opportunity for Biden to modernize this program that has so far supported bio-based alternatives to fossil gasoline and diesel. The RFS has long been a target of the fossil-fuel lobby. However, it enjoys considerable support in farm states, Senator Chuck Grassley (R-Iowa) being a key proponent. The RFS has also challenged the Trump Administration, who was caught between two important GOP constituencies with opposite goals. A Biden Administration is expected to have this program resemble the California Low Carbon Fuel Standard, driving further decarbonization of the transportation fleet (Alexander, 2020).

Social aspect

It is important to underline the social impacts of oil spills at a community level. According to Liesel Ritchie, a sociologist specializing in human-caused disaster events who also studied social impacts during Exxon Valdez (the tanker that grounded on Bligh Reef in Alaska in 1989, spilling nearly 11 million gallons of crude oil into Prince William Sound): "*Despite the different locations, many of the social impacts are similar if not the same…But the regional setting can make a difference…I think* *that the dependence of folks on oil in Cordova (Alaska) was so much less than what we saw in the Gulf Coast, where business owners and people relied on oil and the oil industry for jobs, which also left them more vulnerable in some ways. People down in the Gulf Coast are so entrenched in it, the oil industry is part of the routine in ways that it isn't for people in Cordova*." Survivors of these human-caused disasters experience severe psychosocial stress, PTSD in some cases, which is linked with the "loss of control" these experience entail (Gray, 2019).

In terms of gender mainstreaming and oil and gas lobbies, women are highly under-represented in most extractive industries, according to a 2019 report authored by The Advocates for Human Rights at the request of the UNECE Group of Experts on Coal Mine Methane. The U.S. Department of Labor defines a male-dominated sector as one where women constitute less than one-fourth of the total workforce and extractive industries have traditionally fallen within this definition. Women are underrepresented in these industries across most levels, but in particular at senior ones. In fact, women constituted only 7.9% of board positions in the top 500 mining companies in 2016, according to Catalyst, a non-profit organization that focuses on gender diversity in the workplace. In order to ensure that women have equal opportunities in these industries, it is essential to ensure that discriminatory laws and sex-based protective legislation are repealed. However, these companies do not comply with the international standards for multinational corporations (Promoting Gender Diversity and Inclusion in the Oil, Gas and Mining Extractive Industries, 2019).

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