



services limited

The allegations against Exxon Mobil relating to the Company's approach to global warming

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Summary

Greenpeace and People & Planet accuse ExxonMobil of failing to accept that their organisation is responsible for contributing to global warming. They also allege that the Company has sabotaged US climate and energy policies through political influence and donations. To raise awareness of the issues, it has created the website www.stopesso.com. Some Students' Unions in the UK have recently prevented ExxonMobil companies from attending their careers fairs. NUS Services has a policy of not purchasing fuels from Esso or Mobil forecourts.

What is Esso?

ExxonMobil is a multinational corporation doing business in over 200 countries and territories. The corporation explores for fossil fuels (oil and natural gas) on six of the seven continents, and is the world's largest non-government gas marketer and reserves holder. The corporation produces automotive fuels and lubricants, aviation fuels, chemicals, compressed natural gas, marine lubricants and marine fuels. ExxonMobil is the parent company of Esso and Mobil 'petrol' stations in the UK.

What is global warming?

Global warming has been described as the greatest global challenge of modern times. Naturally occurring gases, such as carbon dioxide and methane, trap the sun's heat in the upper atmosphere causing a warming of the Earth's atmosphere. Although this 'greenhouse effect' is a natural phenomenon, it is now widely accepted that this process is being speed up by humans, primarily as a result of the burning of fossil fuels, leading to an increase in the overall temperature of the atmosphere. As the atmosphere warms, it is predicted that the global sea level will rise (through thermal expansion, and through the melting of polar ice) causing flooding, and changes to established weather patterns, including more severe weather.

In 2004, the UK Government famously announced that it expects that, globally, in 2004, global warming would kill more people than global terrorism. The United Nations has predicted that by 2080, 94 million people around the world will be at risk from flooding every year as a result of climate change driven by global warming, and 290 million additional people will be at risk from Malaria. It has also estimated that, by 2025, prevalence of droughts caused by the effects of global warming will mean that 5 billion individuals will lack sufficient water.

ExxonMobil and the Kyoto Protocol

The Kyoto Protocol is the key unilateral agreement that seeks to address global warming. The Protocol seeks to set national targets for the reduction of carbon dioxide and other 'greenhouse' gasses, predominantly through reducing the consumption of fossil fuels. Many of the global oil and energy companies are opposed to the Protocol, presumably seeing it as a threat to their business interests.

Greenpeace allege that ExxonMobil has been the most active oil company proactively undermining Kyoto, including supporting corporate lobby groups to do the same. It is alleged that ExxonMobil donated \$7 million to the American Petroleum Institution for a campaign against the Protocol, and that it ran its own advertising campaign in the US condemning the Protocol. Greenpeace also alleges that, prior to the in the 2000 election cycle, ExxonMobil gave \$1.376 million to the Republican Party.

Following his election, George W Bush publicly pulled the United States out of the Kyoto Protocol. This was a major blow to the protocol, because the United States is responsible for around 25% of the pollution that causes global warming. Greenpeace are adamant that ExxonMobil influenced this important decision.

According to a story reported by the Dow Jones Newswire in November 2004, ExxonMobil mailed its 34,000 employees with election materials and 'helpful' voter guide. These gave the Republican Party gold star ratings for spurning global warming regulation, supporting drilling for oil in the Arctic wildlife refuge, and weakening the Clean Air Act.

ExxonMobil and Renewable energy

Greenpeace condemn ExxonMobil for not investing in renewable fuels and energy sources. Greenpeace argues that the Company have a moral obligation to lead by example, and should spend some of there profits on developing new technologies that will help to reduce reliance on fossil fuels. The ExxonMobil website makes it clear that the Company understands the appeal of renewable energy. However, the organisations campaigning against it allege that the Company has not invested in renewables because the sector requires significant not-for-profit investment, equating to lower guaranteed returns.

Positive initiatives

In 2004, ExxonMobil donated \$450,000 to the American Red Cross to aid the disaster relief fund for the victims of the hurricanes that have devastated Southern-East United States and the Caribbean.

ExxonMobil and Students' Unions

People & Planet (the student environmental campaign organisation), is running a campaign to raise awareness of the allegations outlined in this briefing¹. Their campaign has had some success in preventing Esso from attending careers fares. As a result, we have been informed that Esso suspended its recruitment drives at all UK university career fairs. In 2003, NUS Services developed a policy that prevents NUS Services' employees from purchasing fuel from Esso or Mobil 'petrol' stations.

Links

www.ethicalconsumer.org/magazine/buyers/81/petrol.pdf

www.exxonmobil.com/greenissues

www.exxonmobil.com

www.greenpeace.org.uk/globalwarming

www.peopleandplanet.org.uk/stopesso/

www.stopesso.com

¹ www.peopleandplanet.org.uk/stopesso/