



## Exxon Mobil conference calls

Posted by [Stuart Staniford](#) on February 3, 2007 - 9:04am

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As part of a public relations outreach effort to improve their image on climate change, Exxon Mobil invited a half-dozen or so green-shaded bloggers to a conference call with Ken Cohen, their Vice President of Public Affairs. The Oil Drum editors were invited, and I ended up being the one to do it. Here are a few thoughts.

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First of all, I should say that I went in **deeply** dubious about Exxon Mobil, based on their [past history](#) of funding [Astroturf campaigns](#) to increase the FUD around climate change, not to mention their editorial page [peak oil denial ad](#) in the New York Times. However, I think it's good to talk with people one disagrees with, so I thought I'd at least listen to what they have to say. I'm still fairly dubious, but I also appreciate that they have been courteous and willing to sit through a couple of very frank exchanges of views with I and the other bloggers on the call.

We had a first session last Friday, where they went through their message and we got to ask questions. In essence, they are saying that they now agree that climate change is really happening, the debate on the science is over, and the right question now is what is the proper policy response. They didn't propose a specific policy response, even when invited in questions, but said that the "devil is in the details" and discussed in generalities some of the trade-offs with carbon taxes, downstream cap-and-trade, upstream cap-and-trade, etc.

I wasn't too impressed: the debate on global warming policy responses has been going on for over 15 years now, so there has been ample time for a large and sophisticated company to decide what its position should be. Being cynical about PR campaigns, my best guess was that they had simply decided that straightforward obstructionism denying the science was no longer viable, and they were now moving to a new phase of delay and obstructionism about the difficulty of deciding on the best possible policy option.

Still, at least Exxon is saying that there was no real debate on the science that climate change was happening, humans were responsible in significant part, and something ought to be done. That's definitely a good thing. There was considerable discussion about their past funding of climate-change denying groups. Ken was very careful in his wording, but indicated that they had stopped funding at least some of the groups in question, and in particular had stopped funding the [Competitive Enterprise Institute](#) (purveyors of the ludicrous "Some call it carbon dioxide, we call it life" ads).

All in all, I wasn't moved enough to want to write about it, and I didn't. You can get a [more detailed discussion here](#) or from [Environmental Law Prof Blog here](#).

However, things got a lot more interesting today, following the release of the [IPCC 4th Assessment Summary for Policymakers](#) and the breaking of the [Guardian story](#) that alleged:

Scientists and economists have been offered \$10,000 each by a lobby group funded by one of the world's largest oil companies to undermine a major climate change report due to be published today.

Letters sent by the American Enterprise Institute (AEI), an ExxonMobil-funded thinktank with close links to the Bush administration, offered the payments for articles that emphasise the shortcomings of a report from the UN's Intergovernmental Panel on Climate Change (IPCC).

and

The AEI has received more than \$1.6m from ExxonMobil and more than 20 of its staff have worked as consultants to the Bush administration. Lee Raymond, a former head of ExxonMobil, is the vice-chairman of AEI's board of trustees.

Jesse at [Watthead](#) wrote a great note to the ExxonMobil PR people essentially asking them what the ??!\*!! was up since they just told us they'd stopped funding groups like that. They promptly scheduled another call with us, and supplied us with two statements: a long one welcoming the IPCC report, and a short one responding to the Guardian allegations. The long statement said lots of reasonable sounding stuff like:

The release of the Fourth Assessment Report (AR4) of Climate Science by the Intergovernmental Panel on Climate Change (IPCC) is an important contribution to the informed debate on the issue of climate change. The IPCC report process is valuable in that it facilitates the sharing of global scientific knowledge and encourages further inquiry on the important issue of climate change.

The Fourth Assessment Report of Climate Science provides a extensive update of scientific understanding regarding Earth's climate. It describes the scientific basis for concern regarding the risk of climate change and attempts for the first time to characterize the probabilities for change.

We look forward to the publication later in the year of reports on Impacts and Adaptation and on Mitigation by IPCC's other two working groups. As in past IPCC assessments, scientists from ExxonMobil have participated directly as lead authors, as well as in the review process and workshops contributing to the development of AR4.

Climate remains an extraordinarily complex area of scientific study. We are constantly learning and reassessing the science and policy aspects of this important issue, and the company's views and actions will consider the best information available at the time.

There is increasing evidence that the earth's climate has warmed on average about 0.6 C in the last century. Many global ecosystems, especially the polar areas, are showing signs of warming. CO2 emissions have increased during this same time period - and emissions from fossil fuels and land use changes are one source of these emissions.

Because the risks to society and ecosystems could prove to be significant, it is prudent now to develop and implement strategies that address the risks, keeping in mind the central importance of energy to the economies of the world. This includes putting policies in place that start us on a path to reduce emissions, while understanding the context of managing carbon emissions among other important world priorities, such as economic development, poverty eradication and public health.

But are they saying one thing out of the front of their mouth, and a different thing out of the side? That is, are they funding independent groups to cast doubt on the IPCC report, while claiming themselves to welcome it? They say not:

ExxonMobil has no knowledge regarding the allegations made in the February 2 article by Ian Sample. ExxonMobil does fund AEI for the purpose of promoting active policy debate along with many others including Microsoft, Dell, State Farm, International Paper, Dow Chemical, American Express and others. The AEI is an independent tax exempt organization and questions related to this matter should be directed to them.

I more specifically asked Ken on the call whether in planning for ExxonMobil's public affairs response to the release of the IPCC report, he had had any discussions with any of his PR staff and agencies about using any independent organizations to help manage the news. He said "The answer is no." I asked it a couple of different ways, and he was pretty clear that they hadn't done so. So you have to decide if you believe the word of the VP of Public Affairs at ExxonMobil.

However, they do fund the AEI. He said they fund an array of think-tanks including both right leaning ones like the AEI, and more liberal ones like the Brookings Institute, but weren't, at this point, using them to get out a particular message.

One thing I will say: I don't think Ken was having a good day at all. I think Exxon was somewhat in public-affairs crisis mode - at least minor crisis. They didn't want to be in the news in this way and although he's a polished presenter and handler of the media, I got the distinct feeling he was finding it a herculean job turning around ExxonMobil's public image on climate change, and he was bummed that it was going so badly on this particular Friday.

Despite my doubts, I find that encouraging. Maybe they've already figured it out, but if they haven't, there seems hope that from these painful experiences they will learn this: they cannot have it both ways in this increasingly transparent world. **Either** they are responsible corporate citizens trying to move the world forward to a better climate policy regime, while protecting the legitimate interests of their shareholders, **or** they are sneakily sowing dishonesty and doubt via funded proxies.

But not both. Trying to do both is not going to work. A few years of consistent climate good citizenry and vigorously distancing themselves from the likes of the CEI is going to be required to clean up their image. I wish Ken Cohen the best of luck in that task.

Finally, it was off-topic, but I squeezed in a peak-oil question. Specifically I asked, since Exxon was reassuring everyone that peak oil was not a near term problem, what was their rationale for believing OPEC's proved reserve numbers? He said that "We have no basis for doubting the

published numbers." I followed up by asking how it could be possible that their reserves could all roughly double in one year with no new discoveries. He said he couldn't answer that. Since I was asking a question somewhat unrelated to the conference call topic I followed up by email with a graph of the reserve data and a repeat of the query to see if I could get a more studied response. I'll let you know if I hear anything.



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