

From the Stratfor Files

How the American Petroleum Institute Spies on Environmentalists

by ADAM FEDERMAN 2/12/14 <http://www.counterpunch.org/2014/02/12/how-the-american-petroleum-institute-spies-on-environmentalists/>

In 2010 the [American Petroleum Institute](#) (API) paid the global intelligence firm [Stratfor](#) more than \$13,000 a month for weekly intelligence bulletins profiling activist organizations and their campaigns on everything from energy and climate change to tax policy and human rights, according to documents published by WikiLeaks in 2012.

The weekly reports provided details on a wide range of environmental organizations including Greenpeace, NRDC, and the Union of Concerned Scientists. API was interested in anticipating which groups might be out to “attack” them.

API’s tracking of environmental organizations comes as the oil and gas industry faces a kind of existential crisis — or public relations dilemma, depending on your point of view — in how to address climate change and related issues. Even as some of API’s own members are inching toward compromise on relatively modest proposals like cap and trade legislation the lobbying group seems to be fighting a rearguard battle.

“The best climate science coming from the IPCC, IEA, and the World Bank agrees that at least two thirds of the world’s existing proven reserves of fossil fuels need to be left in the ground,” says Stephen Kretzmann, Executive Director of Oil Change International. “You can’t believe that and then think that investing billions each year to find more fossil fuels is a good idea.”

The Stratfor contract stipulates that the Austin-based intelligence company will “conduct open source public policy monitoring services on domestic and activist issues of concern to the petroleum industry.” The weekly “sitreps” — or activist reports — provided details on a wide range of environmental organizations

including [NRDC](#), [Greenpeace](#), and the [Center for Biological Diversity](#). Stratfor also furnished API — the country's largest oil and gas lobbying group — with more detailed profiles of organizations including [Oil Change International](#), [350.org](#), the [Center for American Progress](#), Clean Energy Works, the [Sierra Club](#), [Forest Ethics](#), the [Union of Concerned Scientists](#), and the investigative news website [ProPublica](#).

“It's telling that the fossil fuel industry has resorted to trying to dig up, or even fabricate dirt on environmental groups and activists,” says Matt Leonard, director of special projects at 350.org. “The more activists shine a light on them, the more we expose their manipulation of the truth, their corruption of the political process, and their billions spent to block social progress.” But as Stratfor's reports suggest not all activist groups are the same. Part of their aim was to provide intelligence on how to divide and conquer an increasingly restive environmental movement. “They [API] view us as a force,” says Kretzmann, “but they want to know who they can deal with and co-opt and who they can't.”

API was interested both in the organizations' sources of funding and in anticipating which groups might be out to “attack” them. In an August 2010 email to Stratfor requesting four new profiles, API senior policy adviser Walt Retzsch wrote: “We are interested in learning as much as we can about the below groups that have been slamming us in the media recently. In particular, we are interested in uncovering who is funding them and if it's the same source. It would also be helpful to know if there are any other groups that have been attacking us lately that are not listed.”

API did not respond to repeated requests for comment.

API's concern with the inner workings of the environmental movement and the investigative reporting website ProPublica came as climate change activism and opposition to hydraulic fracturing were gaining traction. (API also prepared a briefing on shale gas activism for Exxon Mobil in 2009.) The film *Gasland*, highly critical of natural gas drilling, was released in 2010 and caught the industry off guard. Nominated for an Oscar, *Gasland* upended the idea that natural gas was a clean alternative to coal and oil. Growing public opposition across the country seemed to bolster the film's success.

Around the same time that *Gasland* was making waves, API helped to form the industry front groups [Energy in Depth](#) and [Energy Citizens](#) to combat negative publicity and make the case that tougher regulations were unnecessary and

would kill jobs. In 2009 API orchestrated an astroturf campaign in more than a dozen cities called “Energy Citizen” designed to undermine climate change regulation despite the fact that many of API’s members supported some form of cap and trade legislation. In an internal [email](#) obtained by Greenpeace, API President Jack Gerard notified members that the organization would be coordinating rallies in 20 states opposing what he called “unsound energy policy.” “The measure of success for these events will be the diversity of the participants expressing the same message,” Gerard wrote, “as well as turnouts of several hundred attendees.” He then went on to note that, “API will provide the up-front resources to ensure logistical issues do not become a problem. This includes contracting with a highly experienced events management company that has produced successful rallies for presidential campaigns, corporations and interest groups.” In addition to the funding of front groups, API spent \$63 million —nearly a third of its 2010 budget — on a series of ad campaigns promoting the energy industry.

API’s public relations push has been driven by Gerard, who came to the organization in November 2008 after previously heading both the National Mining Association and the American Chemistry Council. Even among his peers in the oil and gas industry Gerard is viewed as a somewhat controversial and divisive figure. According to a 2012 [Washington Post](#) profile, Gerard has sought to “reshape the political landscape on energy issues. From the outset, he told API staffers that the group...needed to be run more like a political campaign.” He often boasted that, under his leadership, API would become more “nimble and dynamic,” aggressively pursuing the interests of the oil and gas industry. He brought on his own media team, several of whom had previously worked with the Chamber of Commerce, and a new group of executives. He cut staff, firing more than 40 employees, and vowed to remake the organization.

But he appears not to have taken issue with the intelligence reports provided by Stratfor. Were they worth the \$13,000 a month price tag? Have they helped API negotiate tricky issues like climate change, fracking, and the Keystone XL pipeline?

Several of the groups profiled by Stratfor say that the information and analysis sold to corporate clients was often inaccurate or of limited value. In 2010 Stratfor delivered a presentation to Suncorp, a Canadian tar sands developer, on how to neutralize the environmental movement. It divided environmental organizations into four categories: radicals, idealists, realists, and opportunists. It then went on to describe various campaigns and how the company might defeat them.

“Everything they told them about groups like us was essentially wrong,” says Mark Floegel, senior investigator at Greenpeace, one of the groups defined as “radical.” “At the end of the day it’s about money. People like Stratfor are just as happy to dupe API. They just want to sell information, whether good or bad.”

Elliott Negin, director of news and commentary at the Union of Concerned Scientists, says Stratfor misrepresented the organization’s views on nuclear power and genetically modified crops. The group’s positions are not as black-and-white as Stratfor suggests. Negin, who writes for The Huffington Post on issues of energy and the environment, says he was surprised to learn how much API paid for the activist reports.

“It’s sort of like being on Nixon’s enemy list,” Negin says. “It’s a badge of honor. It means we have an impact.”

ProPublica seems to be the only real outlier among the groups profiled for API. An investigative news website founded by former *The Wall Street Journal* managing editor Paul Steiger in 2007 (it launched in 2008), the site was one of the first outlets to devote significant resources to the issue of hydraulic fracturing. ProPublica has published more than 150 articles on the subject, most of which raise questions about the environmental impacts of shale gas development. Stratfor describes ProPublica as a “realist organization,” but one that is “reflexively anti-corporate.” Stratfor also credits the website with galvanizing opposition to fracking and thus delaying operations in New York State and elsewhere. “We don’t agree with many of Stratfor’s characterizations of ProPublica, but we’re flattered by the impact they attribute to our work,” a ProPublica spokesperson said in a written statement.

It is no secret that corporations invest a great deal in keeping tabs on their opponents, on activist campaigns, and on issues that might undermine their credibility. However, strategies for dealing with NGOs or activist groups vary.

On October 10, 2012 API’s Cindy Schild, a former manager at the lobbying firm Booz Allen Hamilton, attended a workshop in Washington DC given by [Sigwatch](#), a NGO-tracking and issues analysis firm; other attendees included Chevron, BP, ExxonMobil, Coca-Cola, and Croplife International. According to its website, Sigwatch “tracks and analyses [sic] activist campaigns to help business manage global issue and activist risk.” This particular workshop was titled, “How Greenpeace Wins 2.0,” and covered what makes activist campaigns successful and how companies can counteract them.

Reached at his office in Germany, Sigwatch founder and managing director Robert Blood said that successful companies figure out how to “go beyond NGOs” in addressing environmental issues or other concerns, in essence preempting confrontation and a potential public relations quagmire. But this often means reevaluating core positions or coming to some kind of compromise. “Our methodology is based on the idea that NGOs make the weather,” Blood told me. Understanding what NGOs or activists do is crucial to a corporation’s livelihood, Blood says.

Given that Blood advises companies on how to engage with NGOs, I asked him how Sigwatch addresses climate change with clients in the fossil fuel industry. “It’s the elephant in the room,” he said. “We don’t talk about it much actually. I think it’s a problem for them. How do you acknowledge it and then not do anything about it? They can only go on so long trying to have it both ways.”