

# Big Green, Inc.

The Money Fueling the Environmental Left

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## Executive Summary

Today's environmental movement is fueled by a group of interconnected, left-leaning foundations that are seeking to disrupt the development of America's energy resources. In order to understand how these groups work together and where the environmental movement's funding originates, IER developed Big Green, Inc., a database that tracks environmental grants stemming from 14 foundations and directed to over 1,900 grassroots activists groups and totaling more than \$4.2 billion. Our key findings include:

- The "David vs. Goliath" narrative surrounding environmental activism is false. Environmental organizations outpace conservative and free market groups in terms of funding and organizational capacity.
- As evidenced by the emergence of the "Keep it in the Ground" Movement, this money plays a major role in shaping public opinion, which translates to economically destructive policy initiatives that emanate from all levels of government.
- A key strategy of the environmental movement is to target key institutions that drive the ideas that animate our society.
- Environmental funding has been tied to foreign actors, which raises concerns over the role geopolitics plays in environmental advocacy.

## Introduction

In American energy politics today there is a constant clash between two groups: one that seeks to unlock America's vast natural resources and put them to use in providing an affordable, abundant energy supply for the American people and those in energy poverty around the world, and another group that seeks to halt, delay and litigate the use of traditional energy sources in the name of addressing climate change. The battle is one that plays out with every energy debate, not only on the national stage, but also at the state level and in local communities across the country.

While the pro-energy group stands on decades of proven success in improving America's economic wellbeing and way of life, the other group, driven by the national environmental lobby, assaults America's use of coal, oil, and natural gas without offering a viable alternative to sustaining the progress that can be attributed to the widespread use of these resources. The ultimate outcome of this fight will determine whether America will have abundant and reliable energy in the years to come.

With these high stakes, it is imperative that Americans understand the motivations, tactics, and end goals of the modern environmental movement and how the size and scope of the movement's funding contributes to their influence on energy policy in the U.S.

To that end, the Institute for Energy Research has created Big Green, Inc., a database that tracks environmental grants originating from 14 left-leaning foundations and flowing to over 1,900 environmental activist groups spanning all 50 states. The database highlights a group of foundations that have spent billions of dollars building the politically engaged environmental movement. This funding supports aggressive climate litigation, the promotion of uneconomic renewable energy sources, as well as a litany of burdensome regulations. The Big Green Inc. database illuminates the priority issues and the state-level battles where the environmental movement dedicates vast funds.

There are three important takeaways from the information presented in Big Green, Inc. First, environmental groups have crafted a narrative that depicts their efforts as a “David vs. Goliath” battle against those who would like to see U.S. energy policy move in a free market direction. This narrative is false. Environmental groups outpace conservative and free market groups both in terms of funding and organizational capacity. Second, Big Green, Inc. demonstrates the sweeping influence of environmental activism and provides insight into how groups target the gatekeeping institutions of our society. As the database illuminates, environmental funding has been directed toward policymakers, journalists, academic institutions, the offices of elected officials, government organizations like the Federal Emergency Management Agency, as well as international institutions such as the World Bank. Finally, Big Green, Inc. demonstrates how this complicated system of financial transfers muddles efforts to reveal the sources of this funding, which has been linked to individuals who stand to benefit financially from the adoption of various environmental policies as well as foreign actors trying to influence energy policy within the U.S.<sup>1</sup>

## Messaging: David vs. Goliath

In the narrative crafted by environmental groups, the coal, oil, and natural gas industries are depicted as greedy, politically connected, and downright evil conspirators working to undermine the democratic will. They have been compared to the mid-century tobacco industry as a disseminator of misinformation about the harm of its products to keep people “addicted” to them. To fight this evil Goliath there has emerged a “David” – a scrappy, rag tag team of environmental groups and renewable energy companies, whose weapons of “truth” and science must overcome the larger might of money and power wielded by their opposition. But this self-serving narrative is false.

A prominent presenter of the “David vs. Goliath” narrative is Drexel University professor of sociology Dr. Robert Brulle. Brulle, an Energy Foundation-funded “environmentalist for Bernie,” accuses the fossil fuel industry of using “outsize economic and cultural power to distort the public debate by introducing falsehoods.”<sup>2</sup> His best-known work was a 2013 study “tracking the ‘dark money’ trail from conservative foundations to the think tanks that make up the ‘climate change counter-movement’ that promote climate denial.”<sup>3</sup> The study reverberated in an echo chamber of environmental journals and left-leaning mainstream media sources, with headlines such as “Conservative groups spend up to \$1bn a year to fight action on climate change.” Yet the actual study showed only that conservative think tanks (what Brulle called the “climate change

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<sup>1</sup> For example, one of the donor foundations featured in Big Green Inc. is the Schmidt Family Foundation. Eric Schmidt was CEO of Google from 2001 to 2015 and Alphabet Inc. from 2015 to 2017. Over the years, Google has invested heavily in renewable energy.

<sup>2</sup> Brulle, Robert. "30 Years Ago Global Warming Became Front-page News – and Both Republicans and Democrats Took It Seriously." *The Conversation*. February 05, 2019. Accessed March 12, 2019. <https://theconversation.com/30-years-ago-global-warming-became-front-page-news-and-both-republicans-and-democrats-took-it-seriously-97658>.

<sup>3</sup> Brulle, Robert J. "Institutionalizing Delay: Foundation Funding and the Creation of U.S. Climate Change Counter-movement Organizations." *Climatic Change* 122, no. 4 (2013): 681-94. doi:10.1007/s10584-013-1018-7.

counter-movement”) received an average of \$900 million per year in income, making no attempt to determine how much of this money was actually spent fighting climate action.

In response to the study, the Capital Research Center created the Climate Dollars project, critiquing Brulle’s study and calculating the unaddressed factors.<sup>4</sup> It found that in 2010, the total money conservative think tanks received for all of their operations, \$1.51 billion, was outmatched by environmental groups’ \$3.70 billion (increasing in 2014 to \$1.73 and \$4.59 billion, respectively). Furthermore, conservative think tanks only spent \$100 million on any activities relating to climate science. The Heartland Institute’s James Taylor estimated that of the money spent on climate change; only a net of \$46 million was actually opposing climate action.<sup>5</sup>

The conclusion that environmental groups are the real Goliath corroborates a 2011 study by Dr. Matthew Nisbet, which found:<sup>6</sup>

Overall, in 2009, the most recent year for which data is available, the major conservative think tanks, advocacy groups and industry associations took in a total of \$907 million in revenue, spent \$787 million on all program-related activities, and spent an estimated \$259 million specific to climate change and energy policy. In comparison, the national environmental groups took in \$1.7 billion in revenue, spent \$1.4 billion on program activities, and spent an estimated \$394 million on climate change and energy-specific activities.

The accusation that coal, oil and natural gas supporters outspend the environmental movement on climate lobbying is based on assumption that fossil fuel corporations themselves lobby against climate action measures, but corporate lobbying isn’t a monolith. These claims often place related groups such as the transportation industry and utility companies into the pro-fossil fuel lobbying camp even though these groups often lobby in favor of climate action. For example, some of these entities lobby for a carbon tax. A carbon tax would make the 30.1% of electricity being produced by coal more expensive, but subsidies for clean energy would make the 37.1% of electricity being generated by nuclear and renewable sources much cheaper. The auto industry may pay extra to comply with emissions standards, but they gladly take subsidies for electric and hybrid vehicles. In practice, little of the total 2000-2016 climate lobbying expenditures by fossil fuel and transportation corporations, electric utilities, and affiliated trade organizations was used to fight climate action.

Alone, fossil fuel corporations and their trade organizations still out-lobby environmental groups 3 to 1— but they are far from a united force against climate action either. Natural gas competes with coal, whereas subsidies for wind and solar will only increase the demand for natural gas as the critical backup to unreliable intermittent sources. Fossil fuel corporations are also huge players in the renewable and carbon-offsetting industries. BP, for instance, heavily invests in

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<sup>4</sup> "Climate Dollars." Climate Dollars. Accessed March 12, 2019. <https://www.climatedollars.org/>.

<sup>5</sup> Taylor, James. "'Dark Money' Funds To Promote Global Warming Alarmism Dwarf Warming 'Denier' Research." *Forbes*. January 02, 2014. Accessed March 12, 2019.

<sup>6</sup> The Climate Shift report is no longer available for people to access. It was hosted at the website [climateshiftproject.org](http://climateshiftproject.org) prior to February 2, 2019.

biofuels, solar energy, and touts itself as one of the top wind producers in the US.<sup>7</sup> Shell sells carbon capture and storage, so every bit of the extra state support for CCS that they lobby for benefits them significantly.<sup>8</sup> Even where climate action may hurt the fossil fuel industry as a whole, large fossil fuel corporations often lobby for and help create regulations that will strengthen their competitive advantage; BP, Shell, Exxon, and others support a carbon tax, a policy that will cost them initially but will debilitate their smaller competitors.<sup>9</sup> Despite what Brulle's study implies, the total climate-related lobbying expenditures are not a coordinated attack on climate action.

Nisbet's study found that in 2009, environmental groups and their network of organizations and corporate allies spent \$229 million on lobbying, while opponents of cap and trade legislation spent \$272 million. Part of this imbalance is due to the fact that many environmental groups are 501(c)(3)s and are thus restricted from lobbying. But lobbying is not the only way to advance a mission, and environmental groups have found great success in funding academics like Dr. Brulle and suing fossil fuel corporations, states, and the federal government.<sup>10</sup> Environmental groups outspent their opponents and successfully shot down the fossil fuel-friendly Proposition 23<sup>11</sup> in California, and nationally outspent oil & gas interests by more than 3 to 1 in the 2016 elections<sup>12</sup> and more than 2 to 1 in the 2018 elections.<sup>13</sup>

When these factors are considered, the environmental left looks less like David and their opponents look less like Goliath. In the end, the \$1.51 billion in total annual income for conservative think tanks and the \$2 billion that the coal, oil and natural gas industries spent on climate lobbying over 16 years is a drop in the bucket compared to the \$100 billion that Citigroup has committed to climate action or the \$110 billion in clean energy investments under the American Recovery and Reinvestment Act (the product of an alliance of environmental groups and major labor unions). The numbers speak for themselves.

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<sup>7</sup> "Renewable Energy | Sustainability | Home." BP Global. Accessed March 12, 2019. <https://www.bp.com/en/global/corporate/sustainability/climate-change/renewable-energy.html>.

<sup>8</sup> Bakewell, Sally. "Carbon Capture 'Vital' to Meet Climate Goals, Shell Adviser Says." Bloomberg.com. June 13, 2013. Accessed March 12, 2019. <http://www.bloomberg.com/news/2013-06-18/carbon-capture-vital-to-meet-climate-goals-shell-adviser-says.html>.

<sup>9</sup> Rathi, Akshat, and Akshat Rathi. "More and More Fossil Fuel Companies Support a Carbon Tax-Here's a Running List." Quartz. April 24, 2017. Accessed March 12, 2019. <https://qz.com/964499/which-fossil-fuel-companies-support-a-carbon-tax/>.

<sup>10</sup> "Delays, Lawsuits, and Immigration Controls? The Many Abuses of NEPA." IER. August 23, 2018. Accessed March 12, 2019. <https://www.instituteforenergyresearch.org/regulation/delays-lawsuits-and-immigration-controls-the-many-abuses-of-nepa/>.

<sup>11</sup> Walsh, Bryan. "Climate: Money Vs. Money in the Battle Over California's Climate Law." Time. October 21, 2010. Accessed March 12, 2019. <http://science.time.com/2010/10/21/climate-money-vs-money-in-the-battle-over-californias-climate-law/>.

<sup>12</sup> "2016 Outside Spending, by Donors' Industries." OpenSecrets.org. Accessed March 12, 2019. <https://www.opensecrets.org/outsidespending/summ.php?cycle=2016&disp=I&type=A>.

<sup>13</sup> "2018 Outside Spending, by Donors' Industries." OpenSecrets.org. Accessed March 12, 2019. <https://www.opensecrets.org/outsidespending/summ.php?cycle=2018&disp=I&type=A>.

## Action: Where Does This Money Go?

After establishing that the environmental left outspends groups who promote free-market energy policies, let's take a look at where the money goes.

To get a sampling of this, Big Green, Inc. encapsulates grants made by 14 key foundations between the years 2008 and 2016. The vast majority of the grants by these organizations during this time were directed toward organizations promoting climate change activism. According to the database, \$1.7 billion dollars was spent on climate research and advocacy. These grants were generally directed toward public policy organizations like the Center for American Progress, which received over \$9 million to “mitigate climate change.”

The general operations of various organizations accounted for \$1.2 billion worth of grants. These grants were usually left open-ended, allowing the recipient organizations to spend the money on whatever they deem appropriate. For example, the Natural Resources Defense Council received just over \$8 million worth of grants from a variety of foundations to fund their general operations.

The foundations made \$479.3 million worth of grants to promote renewable energy. These grants were also wide-ranging; they generally funded projects promoting renewable energy subsidies as well as programs building support for renewable job programs. For example, the William and Flora Hewlett Foundation made a grant to the ClimateWorks Foundation for \$80 million dollars in 2014. The description of the grant is provided below:

For ClimateWorks Foundation to work to address climate change and advance clean energy and a prosperous economy. They will pursue a global approach to reducing greenhouse gas emissions aimed at energy sectors and regions with high or fast growing levels of greenhouse gas pollution. Among their priorities will be increasing clean, renewable energy sources, energy efficiency, and clean transportation, while reducing deforestation and emissions of highly potent greenhouse gases, such as methane and hydrofluorocarbons.

Additionally, \$188 million worth of grants went to conservation programs. These grants usually went to programs designed to prevent development on public lands. The largest such grant—worth \$3.5 million—was made by the William and Flora Hewlett Foundation to the Western Conservation Foundation in 2015. Another \$134.3 million worth of grants were made to promote changes in transportation policy; these grants generally went to programs that promote electric vehicles, biofuels, and public transit. Finally, \$94.2 million has gone to organizations promoting new efficiency regulations. These grants include promoting anything from efficiency standards to new building codes.

## Impact: Keep It In The Ground

In addition to funding organizations and projects that promote climate change research and environmental policy, another large portion of this funding goes to organizations that target energy development in the U.S. These programs, which are collectively known as “Keep it in the



Ground” within the environmental movement, are perhaps the single greatest threat to energy development in the U.S.<sup>14</sup>

According to the database, \$77.8 million went from left-wing organizations to initiatives specifically preventing oil and gas development in the U.S. Most of these grants sought to limit oil and gas production on public lands, while others targeted specific energy development projects. For example, the John D. And Catherine T. MacArthur Foundation gave the Environmental Defense Fund \$2 million in 2016 to “reduce harmful climate and environmental impacts of natural gas production.” Additionally, the database reveals \$25.3 million worth of grants that were specifically directed to anti-fracking initiatives across the country.

One of the goals of Big Green, Inc. is to provide concrete examples of how environmental groups with deep-pocketed donors influence American energy and environmental policy. To best understand the impact of these “Keep it in the Ground” programs, we can examine the impact of the \$66.9 million spent between 2008 and 2016 on anti-coal initiatives.

There is no better example of its influence than the environmental movement’s all-out assault on the American coal industry over the past two decades. Many people argue that the “War on Coal” has been overstated as the Clean Power Plan has yet to be implemented, and that the real cause for the decline of the American coal industry was the emergence of hydraulic fracking and its impact on natural gas prices, but that’s only one part of this story. The other, lesser-known part is the abuse of the legal system by environmental groups to inhibit coal development at the local level.

According to the database, the Sierra Club received at least \$17 million in grants from several left-leaning foundations for the explicit purpose of blocking the development of coal-fired power plants across the U.S. from 2008 to 2016.

One specific case is a 2009 grant to the Sierra Club for \$1.08 million from the Energy Foundation. The purpose of the grant was to “defeat new coal-fired power plants in Kentucky, Louisiana, Michigan, Pennsylvania, South Dakota, and Wyoming.” Subsequently, in the period leading up to and directly following 2009, the Sierra Club was directly involved in blocking the development of new coal-fired power plants in those states. The following examples illustrate just how that money was used by the Sierra Club to intervene in energy development projects in each of those states.<sup>15</sup>

### *Michigan*

In 2008 and 2009, the Sierra Club launched a grassroots campaign to stop the development of a new coal-fired power plant in Midland, Michigan. The campaign demanded a moratorium on coal-fired power plants in the State of Michigan. In a direct response to the campaign, Governor

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<sup>14</sup> “Keep it in the Ground.” Western Energy Alliance. May 16, 2018. Accessed March 12, 2019. <https://www.westernenergyalliance.org/why-western-oil-natural-gas/keep-it-in-the-ground>.

<sup>15</sup> “Big Green, Inc.'s Assault on the Coal Industry.” IER. September 19, 2018. Accessed March 12, 2019. <https://www.instituteforenergyresearch.org/renewable/big-green-inc-s-assault-on-the-coal-industry/>.

Jennifer Granholm asked the Michigan Department of Environmental Quality to halt the permitting for seven proposed power plants in February of 2009. In May of 2009, LS Power announced it had cancelled its plans to construct the \$1.9 billion coal plant in Midland. The company cited regulatory uncertainties for the decision.<sup>16</sup>

### *Kentucky*

Another example of this money's influence can be seen in the Sierra Club's involvement in blocking the construction of the Smith 1 Project in Winchester, Kentucky, from 2008 to 2010. In 2007, the East Kentucky Power Cooperative proposed construction of a new 278-megawatt coal-fired power plant. In March of 2008, the Sierra Club sued the federal Rural Utilities Service (RUS) on the grounds that the RUS failed to properly conduct an environmental assessment of the new facility. This lawsuit was later dismissed, but succeeded in driving up production costs and delaying the project.<sup>17</sup>

In April of 2009, the Sierra Club filed comments challenging the project's Clean Water Act permit. In response, the State of Kentucky adopted an "emergency regulation" that required new energy sources to demonstrate that their nitrogen oxide emissions would not violate overly strict ozone air quality standards. They later filed a petition for a hearing to contest the final air permit for the new project and filed a complaint against the RUS for failure to comply with a NEPA statute. After all of this, in November of 2010, the Kentucky Power Cooperative agreed to halt the plan to build the new facility.<sup>18</sup>

### *Louisiana*

The Sierra Club was also involved in blocking the construction of the Big Cajun II Unit 4 Expansion in New Roads, Louisiana. In 2009, the Sierra Club filed a lawsuit in Louisiana state court challenging the final modified PSD/construction permit issued by the Louisiana Department of Environmental Quality for the Big Cajun II plant. The next year, NRG abandoned their plans to construct the plant.<sup>19</sup>

### *Pennsylvania*

From 2007 to 2011, the Sierra Club was also involved in blocking the development of the Greene Energy Resource Recovery Project in Cumberland Township, Pennsylvania. In this case, the Sierra Club issued a legal challenge citing the developer's "failure to begin construction in accordance with the time limitations set out in their permit from the Pennsylvania Department of Environmental Protection."<sup>20</sup>

The case was quickly dismissed, but again, the Sierra Club was successful in driving up production costs and delaying the project. Between 2009 and 2010, the project was halted in

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<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.



order for the developer to obtain permits to develop a 500-ton coal vein that was discovered during construction. In 2010, the Sierra Club and other environmental groups asked the PDEP to deny Greene Energy Resource Recovery an extension on their permits to develop the site. These comments influenced the PDEP to modify the permit to include new emissions controls, making it difficult for Greene Energy Resource Recovery to secure funding for the project.<sup>21</sup>

### *South Dakota*

The Sierra Club also filed a federal lawsuit, which eventually helped block the Milbank Project in Big Stone City, South Dakota, and they also filed a petition asking the EPA to block the project in 2009. The Otter Tail Power Company eventually withdrew its plans to develop the project; they cited high regulatory costs and the probability of federal climate change legislation as the main reason why they decided to scrap the project. Finally, the Sierra Club also intervened in a similar manner in the development of a new coal-to-liquids power plant in Medicine Bow, Wyoming.<sup>22</sup>

As the examples above show, environmental money is influencing public policy.

## **Tactics: Targeting Key Institutions to Shape the Narrative**

It's clear that another strategy of the environmental movement is to shape the narrative and guide public opinion in the direction that is favorable to environmentalism and renewable energy. In order to do so, foundations use their funding to target the key institutions that shape public opinion.

### *Public engagement*

According to the database, \$90.4 million worth of grants were made to a variety of organizations for public engagement. These grants include funding projects such as documentaries, conferences designed to engage business leaders,<sup>23</sup> programs that are designed to build support amongst religious communities,<sup>24</sup> and environmental reporting at various news organizations.<sup>25</sup>

### *Higher education*

In addition to public engagement, it's also evident that another goal of these foundations is to use their money to promote environmentalism in higher education. The 14 grantmaking foundations

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<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> The Energy Foundation made a \$100,000 grant to Partners for Livable Communities in 2009 “for a conference in Washington D.C. for business leaders on climate policy.”

<sup>24</sup> The National Council of Churches of Christ in the USA received \$503,000 from the Energy Foundation between 2009 and 2011. One of the grants was worth \$100,000 “to perform outreach to religious leaders and congregations on climate and clean energy.”

<sup>25</sup> In 2010, the Energy Foundation made a \$55,000 grant to the Texas Tribune “to fund energy journalism fellow to cover clean energy issues in Texas.”

gave \$90.5 million directly to colleges and universities in support of a wide-range of programs. The best example of this is Yale University, which has received over \$31.3 million dollars from these foundations for various climate programs. Another smaller example of this type of grant is a \$295,000 grant from the Schmidt Family Foundation to the University of California, Berkeley to support the school's Graduate School of Journalism.

### *Donations to government entities*

Another shocking revelation is the fact that the grantmaking foundations are providing funding for government offices and agencies. In 2008 and 2009, the Energy Foundation made two grants for \$200,000 and \$50,000 respectively. The purposes were to “support development of climate and clean energy policy in Colorado” and to “support the Governor's office climate and clean energy fellow position.” It's hard to imagine how these grants could be interpreted as anything other than renewable energy interests paying for access to the Office of the Governor of Colorado. Looking beyond those specific grants, the database offers insight into the effort of special interests to target governors more broadly. The database includes several millions of dollars worth of grants made to organizations like the Governors Wind Energy Coalition, Governors Ethanol Coalition, and the National Governors Association Center for Best Practices.

## **Method: Complicated Transfers of Money and Foreign Influence**

The environmental movement is not contained in the U.S., it also plays out on a much larger international scale.

The Big Green, Inc. database focuses on grants made to U.S.-based organizations for projects in the U.S.; however, other sources have shown a significant amount of green money gets shipped overseas as well. For instance, Swiss billionaire Hansjörg Wyss of the U.S.-based Wyss Foundation claims to have already invested more than \$450 million<sup>26</sup> in environmental projects in Africa, South America, North America and Europe. Other Big Green, Inc. grantees include internationally-oriented organizations such as the Greenpeace Fund.

U.S. climate imperialism goes to other countries too. Some efforts sparked the ire of Canadians whose livelihoods were endangered by American money via the Tar Sands Campaign, a large-scale pipeline obstruction operation planned and paid for<sup>27</sup> by the Rockefeller Brothers Fund, William and Flora Hewlett Foundation, and Tides Foundation. Another group that appears often in these conversations is the World Wildlife Fund, which has apparently supported paramilitary forces that tortured and killed people<sup>28</sup> across Africa and Asia.

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<sup>26</sup> "Swiss Entrepreneur Donates a Billion Dollars to Environmental Protection." SWI Swissinfo.ch. November 01, 2018. Accessed March 28, 2019. [https://www.swissinfo.ch/eng/society/hansjoerg-wyss-\\_swiss-entrepreneur-donates-a-billion-dollars-to-environmental-protection/44514390](https://www.swissinfo.ch/eng/society/hansjoerg-wyss-_swiss-entrepreneur-donates-a-billion-dollars-to-environmental-protection/44514390).

<sup>27</sup> Harding, Lee. "Pipeline Opposition Largely Funded by Rich Americans | Pipelines & Transportation." JWN Energy. April 25, 2018. Accessed March 28, 2019. <https://www.jwnenergy.com/article/2018/4/pipeline-opposition-largely-funded-rich-americans/>

<sup>28</sup> Warren, Tom, and Katie J.M. Baker. "WWF Funds Guards Who Have Tortured And Killed People." BuzzFeed News. March 4, 2019. Accessed March 28, 2019.

Foreign governments have showed interest in influencing U.S. energy policy as well, usually they because they have a competitive interest in stifling U.S. energy production. The most powerful and determined international opponents of American energy are the Russian government and its state-run oil and gas monopoly, Gazprom. Much of Central and Eastern Europe is dependent on Russian energy, but the explosion of U.S. oil and gas exports as a result of the shale boom threatens Russia's economic and political stranglehold. This is why Vladimir Putin, whose regime regularly jails Russian environmental activists, expressed concern that<sup>29</sup> "fracking poses a huge environmental problem," and why the Russian state-controlled media source RT ran anti-fracking programming.<sup>30</sup> We should not be surprised, therefore, by charges of Russian orchestration behind European anti-fracking and other environmental protests, as have been raised by a former Secretary General of NATO,<sup>31</sup> Romanian Prime Minister,<sup>32</sup> Belgian Climate Minister,<sup>33</sup> Ukrainian Foreign Minister,<sup>34</sup> and German Chancellor Angela Merkel.<sup>35</sup> Even Hillary Clinton<sup>36</sup> noted the Russia-environmentalist relationship in a speech in 2014:

We were even up against phony environmental groups, and I'm a big environmentalist, but these were funded by the Russians to stand against

<https://www.buzzfeednews.com/article/tomwarren/wwf-world-wide-fund-nature-parks-torture-death>.

<sup>29</sup> London, Herbert. "Putin the Environmentalist." *The Hill*. June 09, 2015. Accessed March 28, 2019. <https://thehill.com/blogs/pundits-blog/energy-environment/244373-putin-the-environmentalist>.

<sup>30</sup> Office of the Director of National Intelligence. "Background to "Assessing Russian Activities and Intentions ..." January 6, 2017. Accessed March 28, 2019.

[https://www.intelligence.senate.gov/sites/default/files/documents/ICA\\_2017\\_01.pdf](https://www.intelligence.senate.gov/sites/default/files/documents/ICA_2017_01.pdf).

<sup>31</sup> Harvey, Fiona. "Russia 'Secretly Working with Environmentalists to Oppose Fracking'." *The Guardian*. June 19, 2014. Accessed March 28, 2019.

<https://www.theguardian.com/environment/2014/jun/19/russia-secretly-working-with-environmentalists-to-oppose-fracking>.

<sup>32</sup> Higgins, Andrew. "Russian Money Suspected Behind Fracking Protests." *The New York Times*. December 01, 2014. Accessed March 28, 2019.

<https://www.nytimes.com/2014/12/01/world/russian-money-suspected-behind-fracking-protests.html>.

<sup>33</sup> Keating, Dave. "What Does Merkel Know About Russia And The Student Climate Protests That We Don't?" *Forbes*. February 24, 2019. Accessed March 28, 2019.

<https://www.forbes.com/sites/davekeating/2019/02/24/what-does-merkel-know-about-russia-and-the-student-climate-protests-that-we-dont/#b843963241ad>.

<sup>34</sup> Gotev, Georgi. "Is Russia behind Climate Change Protests in EU? 'Definitely Yes', Says Ukraine." *Euractiv.com*. February 18, 2019. Accessed March 28, 2019.

<https://www.euractiv.com/section/global-europe/news/is-russia-behind-climate-change-protests-in-eu-definitely-yes-says-ukraine/>.

<sup>35</sup> Delcker, Janosch. "Munich Security Conference: As It Happened." *POLITICO*. February 16, 2019. Accessed March 28, 2019. <https://www.politico.eu/article/munich-security-conference-live-blog/#1254180>.

<sup>36</sup> Bastasch, Michael. "Hillary's Leaked Speeches Confirm Russia Funded Anti-Fracking Groups." *The Daily Caller*. October 10, 2016. Accessed March 28, 2019.

<https://dailycaller.com/2016/10/10/hillarys-leaked-speeches-confirm-russia-funded-anti-fracking-groups/>.

any effort, oh that pipeline, that fracking, that whatever will be a problem for you, and a lot of the money supporting that message was coming from Russia.

More evidence of Russian attempts to influence U.S. policy has been discovered as well. The uncovered Russian social media campaign surrounding the 2016 election was discovered to have targeted liberal American voters concerned about environmental issues, encouraged them to rally for Green Party candidate Jill Stein.<sup>37</sup> Further, picking up where the Senate EPW report left off, the Environmental Policy Alliance investigated Klein Ltd., the Bermuda-based company that gave \$23 million dollars to the Sea Change Foundation. This unveiled that Klein is a shell company formed by two employees of the Bermuda law firm Wakefield Quin, both of whom held directorships in a group owned by Russian minister of telecommunications and longtime Putin friend Leonid Reiman<sup>38</sup> and which was the subject of a 2008 money laundering case. In 2017, the House Science, Space, and Technology Committee sent a letter<sup>39</sup> to the Treasury Department to investigate these allegations; the Institute for Energy Research has since filed a Freedom of Information Act (FOIA)<sup>40</sup> suit to shed light on the Treasury Department's lack of response to this Congressional inquiry.

As the Justice Department has revitalized enforcement of the Foreign Agents Registration Act, there are other groups<sup>41</sup> that may deserve attention. Last year, the House Natural Resources Committee opened an investigation into the ties between the Natural Resources Defense Council and the government of China.<sup>42</sup> While it boasts of suing the U.S. federal government "about once every ten days" since President Trump's inauguration, NRDC and its China office appear to take a fawning stance towards the totalitarian government of the world's largest polluter. The Natural Resources Committee's June 5 letter details instances like NRDC complimenting China's "bold new reforms" on domestic fisheries after Greenpeace released a study critical of China's fisheries and of NRDC criticizing those skeptical of China's commitment to the Paris

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<sup>37</sup> Waldman, Scott. "POLITICS: Russian 'information Warfare' Antagonized Greens." POLITICS: Russian 'information Warfare' Antagonized Greens. December 18, 2018. Accessed March 28, 2019. <https://www.eenews.net/climatewire/2018/12/18/stories/1060109907>.

<sup>38</sup> "From Russia With Love?" Big Green Radicals. Accessed March 28, 2019. [https://www.biggreenradicals.com/wp-content/uploads/2015/01/Klein\\_Report.pdf](https://www.biggreenradicals.com/wp-content/uploads/2015/01/Klein_Report.pdf).

<sup>39</sup> U.S. House of Representatives Committee on Science, Space, and Technology to Secretary Steven T. Mnuchin. June 29, 2017. [https://republicans-science.house.gov/sites/republicans.science.house.gov/files/documents/06\\_29\\_2017\\_CLS\\_Weber\\_-\\_Mnuchin.pdf](https://republicans-science.house.gov/sites/republicans.science.house.gov/files/documents/06_29_2017_CLS_Weber_-_Mnuchin.pdf).

<sup>40</sup> Institute for Energy Research. "IER Sues Treasury For Records On Russian Meddling in U.S. Energy Policy." Institute for Energy Research. December 19, 2018. Accessed March 28, 2019. <https://www.instituteforenergyresearch.org/international-issues/ier-sues-treasury-for-records-on-russian-meddling-in-u-s-energy-policy/>.

<sup>41</sup> Mooney, Kevin. "Mueller's 'Foreign Agent' Cases May Lead to Probes of Green Groups." The Daily Signal. February 20, 2019. Accessed March 28, 2019. <https://www.dailysignal.com/2019/02/20/muellers-foreign-agent-prosecutions-may-lead-to-probes-of-green-groups/>.

<sup>42</sup> Cohen, Bonner R. "House Committee Probes Environmental Group's Ties to China." The Heartland Institute. August 9, 2018. Accessed March 28, 2019. <https://www.heartland.org/news-opinion/news/house-committee-probes-environmental-groups-ties-to-china>.

Agreement. NRDC even sued the U.S. Navy multiple times to drastically limit or stop naval training exercises in the Pacific<sup>43</sup> citing environmental concerns. No such lawsuit or criticism has been lobbied against the Chinese Navy.

Another investigation was opened by the Natural Resources Committee regarding the possible foreign agent registration requirements of the World Resources Institute (WRI), a grantee of, among others, the Macarthur Foundation and Rockefeller Foundation. This D.C.-based think tank has formally operated in China since 2008, and according to its 2017 registration certificate it does so under the “guidance and supervision” of the Beijing Public Security Bureau and Chinese Ministry of Ecology and Environment (MEE).<sup>44</sup> It routinely interacts with senior Chinese government and Communist Party officials, supplies positive quotes for Chinese government press releases, and pens flattering op-eds<sup>45</sup> in the Chinese Communist Party Propaganda Department’s English-language newspaper China Daily. Like the NRDC, WRI routinely criticizes the U.S. government but ignores the Chinese government’s abysmal record on the environment and the rights of environmental activists. Even on the same issue the two are held to different standards: WRI praised China’s business-as-usual pledge for the Paris Agreement but pushed for extreme commitments from the U.S.

The World Resources Institute denied working on behalf of any foreign government or principals, a statement that the Natural Resources Committee contradicted in a second letter<sup>46</sup> documenting WRI communications to U.S. government officials,<sup>47</sup> clearly on behalf of MEE. One of the U.S. officials who received the message was Todd Stern, a State Department special envoy for climate change,<sup>48</sup> now a distinguished fellow at WRI.<sup>49</sup> These revelations show WRI to be more than simply an environmental group that received resources and misinformation from the Chinese government, but rather a powerful participant in the political game. The Institute for Energy Research issued a FOIA request to find out more about WRI’s foreign relationship,

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<sup>43</sup> U.S. House of Representatives Committee on Natural Resources to Rhea Suh. June 5, 2018. [https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman\\_to\\_nrdc\\_06.05.18.pdf](https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman_to_nrdc_06.05.18.pdf).

<sup>44</sup> U.S. House of Representatives Committee on Natural Resources to Andrew Steer. September 5, 2018. [https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman\\_to\\_steer\\_wri\\_re\\_fara\\_09.05.2018.pdf](https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman_to_steer_wri_re_fara_09.05.2018.pdf).

<sup>45</sup> Steer, Andrew. "China Plays Big Climate Role on Global Stage." China Plays Big Climate Role on Global Stage. December 13, 2017. Accessed March 28, 2019. <http://www.chinadaily.com.cn/a/201712/13/WS5a306b26a3108bc8c672b113.html>.

<sup>46</sup> U.S. House of Representatives Committee on Natural Resources to Andrew Steer. October 17, 2018. [https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman\\_to\\_steer\\_wri\\_re\\_fara\\_ii\\_10.17.2018.pdf](https://republicans-naturalresources.house.gov/uploadedfiles/bishop-westerman_to_steer_wri_re_fara_ii_10.17.2018.pdf).

<sup>47</sup> Morgan, Jennifer. "US-China Longer-term Dialogue." E-mail to Paul Bodnar. April 15, 2015. [https://republicans-naturalresources.house.gov/uploadedfiles/wri\\_email\\_redacted.pdf](https://republicans-naturalresources.house.gov/uploadedfiles/wri_email_redacted.pdf)

<sup>48</sup> Mooney, Kevin. "Environmental Activists Pushed Chinese-Friendly Policies with Obama Administration." Washington Free Beacon. February 16, 2019. Accessed March 28, 2019. <https://freebeacon.com/issues/environmental-activists-pushed-chinese-friendly-policies-with-obama-administration/>.

<sup>49</sup> "Todd Stern: Bio." World Resources Institute. Accessed March 28, 2019. <https://www.wri.org/profile/todd-stern>.

which the U.S. Department of State failed to respond to. IER is now involved in a FOIA lawsuit to obtain this much-deserved response.<sup>50</sup>

## Conclusion

As can be clearly seen, the national and international environmental movement is a powerful force in U.S. energy policy as well as in geopolitical relations between world powers. IER's Big Green, Inc. database offers insight into the organizational capacity of the environmental movement and its ability to influence public policy; however, this is just the tip of the iceberg. As noted at the beginning of this report, the \$4.2 billion worth of grants that are included in the database represents a small fraction of the total financial investment that has been made in support of the environmental movement over the years. As outlined above, this money has made a significant impact on the direction of American energy policy in the U.S. It helps explain why the U.S. continues to subsidize uneconomic renewable energy projects in the forms of wind and solar and why the American economy continues to be burdened by aggressive regulations at all levels of government. Big Green, Inc. is the first step in exposing the hundreds of foundations that work to systematically undermine free and open energy markets in the U.S.

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<sup>50</sup> IER v. US Department of State Complaint 18 – 1802 (United States District Court for the District of Columbia January 8, 2018). <https://govoversight.org/wp-content/uploads/2018/08/IER-v-State-COMPLAINT-as-FILED.pdf>.