

## A Major but Little-Known Supporter of Climate Denial: Freight Railroads

For nearly 30 years, America's four biggest rail companies—which move the majority of the country's coal—have spent millions to deny climate science and block climate policy.

Robinson Meyer December 13, 2019



Illustration by Michael Houtz\*

In the fight against climate change, the nation's freight railroads have painted themselves as heroes. Rail is the "the most environmentally friendly way" to move cargo over land, <u>says</u> the Association of American Railroads, the industry's trade group. The industry's four biggest companies agree: "Railroads are essential to moving [climate] objectives forward," <u>says</u> CSX Transportation, the largest railroad east of the Mississippi.

Yet for almost 30 years, the biggest players in the freight-rail industry have waged a campaign to discredit climate science and oppose almost any federal climate policy, reveals new research analyzed by *The Atlantic*.

The four largest American freight railroads—BNSF Railway, Norfolk Southern, Union Pacific, and

CSX—have sat at the center of the climate-denial movement nearly since it began, documents and studies show. These four companies have joined or funded groups that attacked individual scientists, cast doubt on scientific consensus, and rejected reports from major scientific institutions, including the United Nations–led Intergovernmental Panel on Climate Change. Their effort has cost at least tens of millions of dollars and outlasted individual leaders and coalitions.

It continues to this day. The four companies are members of a powerful pro-coal trade association that in 2014 called climate change a "hypothesis" and argued that carbon dioxide—the air pollutant that causes global warming—was as much as 400 times more beneficial to humanity than it was harmful.



"We can now identify railroads as an integral component of opposition to climate action," <u>Robert</u> <u>Brulle</u>, an author of the new research and a professor of sociology and environmental science at Drexel University, told me. "There's no doubt in my mind about that."

Why did railroads invest millions in climate-science denial? Perhaps because coal makes up almost one of every three tons of American rail freight. <u>Nearly 70</u> <u>percent of American coal</u> is shipped by rail, often along "dedicated" lines that can "operate around the clock," the rail association says on its website. The largest class of railroads made a combined \$10.7 billion, or 14 percent of their revenue, hauling coal last year. So while rail companies say they emitted only about 0.6 percent of U.S. greenhouse-gas pollution last year, their indirect carbon footprint may be gargantuan.

If you take emissions embedded into coal into account, the railroads facilitated 16.5 percent of total U.S. carbon pollution last year, according to calculations by <u>Rob Jackson</u>, a geoscience professor at Stanford. That's more carbon pollution than was released last year by all the farms in the United States, or by all the domestic flights, or by all the commercial and residential buildings.

In separate statements, the four railroads said they were committed to sustainability, and noted, correctly, that rail is the most efficient form of ground transportation. CSX said that, as "common carriers," railroads are required by law to move "all forms of energy." BNSF and Union Pacific-the two dominant railroads in the American West-explicitly rejected the premise that they had fostered climate denial: BNSF's statement said it "has never denied the science or existence of climate change," and Union Pacific said it has not worked to delay climate policy, noting that it has "acknowledged the changing environment and climate risk in public filings since 2007, while reporting fuel consumption and greenhouse gas reduction initiatives in [filings] since 2009."

But railroads' efforts to keep coal burning—and all those tons of carbon flowing into the sky—have been hidden in plain sight for decades. Two new studies unearthed their influence this fall. <u>The first</u>, by Brulle, compiled 25 years of data about companies and nonprofits involved in "the organized efforts to oppose meaningful climate action," he said. He found that the railroads kept appearing in crucial coalitions that blocked policy and pushed climate-science denial.

His results, published in the journal *Sociological Inquiry* in October, showed that railroads often waged this fight alongside other coal-dependent companies, including steelmakers, electric utilities, and coalmining firms themselves. Brulle now argues that this "coal-utilities-rail-steel sector" makes up an important but little known coalition opposed to climate action.

The second study was conducted by researchers who were not alive when the railroads' campaign began. A team at Brown University analyzed the four major railroads' ongoing political activity. It found that they are members of the American Coalition for Clean <u>Coal Electricity</u>, or ACCCE, a pro-coal group that touts the "social benefits" of carbon pollution. ACCCE has also recently lobbied for a federal bailout of coal plants and celebrated the repeal of the Clean Power Plan.

Since 2012, three of the railroads have paid ACCCE a combined total of at least \$3 million to lobby on their behalf, according to their own disclosure forms. Those same railroads—CSX, Norfolk Southern, and Union Pacific—have also given at least \$28 million to other groups that oppose climate policy, including the Association of American Railroads and the National Association of Manufacturers. The fourth and largest railroad, BNSF Railway, does not disclose any funds it gives to trade associations for lobbying expenditures, in accordance with the policy of Berkshire Hathaway, its owner.

What inspired the Brown study? As Cole Triedman, the report's lead researcher, told me: "This was literally for a class."

For the past three months, Triedman, who is 20, has worked with three other undergraduates to study the political activity of coal-dependent companies as part of a seminar on "Engaged Climate Policy." ("I don't know how they pass their other classes, honestly, let alone sleep or have a life," <u>J. Timmons Roberts</u>, their instructor and the Ittleson Professor of Environmental Studies at Brown, told me.)



The students—Triedman; Andrew Javens, 20; Jesse Sugarman, 22; and David Wingate, 22—collated political-spending disclosures from corporate and nonprofit disclosures. They also used data from the Energy Information Administration to piece together the supply chains of roughly 25 of the country's largest coal-fired power plants. "Tracking the mine to the power plant, we found that an elite cohort of coal companies is dealing with an elite cohort of rail companies," Triedman said. (I confirmed their research on political spending with <u>Michael Beckel</u>, the research director of Issue One, a nonpartisan group that studies money in politics.



Norfolk Southern made more than \$1.8 billion hauling coal last year. (Brian Synder / Reuters)

The rail industry has "been incredibly effective in hiding behind the veil of their own cultural capital for decades," Triedman said. The Association of American Railroads has participated in "eight of the most effective and toxically regressive, really harmful climate-denial front groups over the last three decades." But it has not mentioned climate change in any public statement in recent years, and its website does not use the phrase climate change.

The Association of American Railroads "and its member railroads take seriously their responsibilities as stewards of the environment, which is why railroads continue to implement numerous measures to reduce their carbon footprint," said <u>Kristin Smith</u>, its senior vice president, in a statement. "Efforts to strengthen the industry's environmental performance in light of climate change have been noted as a success by the Carbon Disclosure Project and the Dow Jones Sustainability Index among others. Specifically, railroads in recent years have deployed low emissions equipment and idle reduction technologies, increased fuel efficiency via fuel management systems, and many more initiatives."

She added that it had been "nearly twenty years" since the association was a member of "the majority of the organizations" that Triedman was referring to.

The scope of the railroads's role surprised even experts, says <u>Geoffrey Supran</u>, a Harvard researcher of global-warming politics, who was not involved in the new analysis.

It's now clear that railroads were "central" to the effort to deny climate science and delay policy, he told me. "They're not peripheral. These are key cogs in a multidecade, well-oiled, well-funded denial machine. This is a big deal."

By the beginning of the 1990s, much of today's climate science was already clear to researchers.

In the first year of that decade, the new Intergovernmental Panel on Climate Change—in its first-ever report—warned that "human-caused emissions of carbon dioxide" were disturbing the climate. If humanity failed to slow and stop this pollution, global average temperatures could, by 2025, rise by 1 degree Celsius. (This prediction turned out to be too optimistic.)

The rail industry's first strike against this consensus came in 1991, when its trade group—the Association of American Railroads—joined the Coalition for Vehicle Choice, an early consortium of automakers and their allies that opposed increasing federal gasmileage standards. That group called concerns about climate change "ridiculous and dangerous."

The following year, the rail association joined the now defunct Global Climate Coalition, or GCC, the broadest and most powerful of the denial front groups in the 1990s—"the very heart of the denial machine," as Supran called it.

In 1995, when the IPCC released its second report, it found that the evidence suggested a "discernible human influence" on the climate. The GCC pounced. It attacked Benjamin Santer, one of the report's lead American authors, falsely accusing him of misleading the public by concealing scientific uncertainty. In fact, the IPCC report spent considerable space



discussing and quantifying scientific uncertainty. The GCC also said the panel was guilty of "institutionalized 'scientific cleansing." This was a "disgusting and not-so-subtle reference," Supran said, to "ethnic cleansing," the euphemism for genocide used in the Bosnian War a few years earlier.

The Association of American Railroads helped lead the GCC through this period. Richard Briggs, then the executive vice president of the rail association, was the GCC's chairman in 1995, and Edwin Harper, the rail association's president, was GCC's secretary in 1996, according to <u>IRS documents</u>. All four of the big railroads were themselves members of the GCC in one or both of those years.

In 1997, the GCC spent <u>more than \$13 million</u> on ads opposing the Kyoto Protocol, an international climate treaty. When President George W. Bush formally withdrew from Kyoto in 2001, a senior State Department official told GCC that it had changed history: Bush "rejected Kyoto, in part, based on input from you," <u>she wrote</u> in a memo.



BNSF made more than \$4 billion moving coal last year, much of it mined in Wyoming and Montana. Above: An empty coal train leaves Gillette, Wyoming. (Kristina Barker / Reuters)

During this period, the railroads joined other groups opposed to climate science and policy, many of which had a specifically pro-coal bent.

By 1996, all four railroads and the rail association had joined one such group, the Center for Energy and Economic Development. CEED attacked the basics of climate science, falsely <u>claiming</u> that carbon dioxide was "NOT a pollutant" while <u>asserting</u> that "global warming theory" was "based on a computer model." The railroads and their trade group remained in the organization for 11 years. In 2007, they joined another pro-coal group, Americans for Balanced Energy Choices. Formed in part to fight a bipartisan climate bill coming together in the Senate, <u>it spent</u> <u>\$35 million on ads</u> that showed images like "a power cord being plugged into a lump of coal," according to *The Washington Post*.

Both of these groups often used a misleading phrase, *clean coal*. The problem is that clean coal does not, in any wide-scale sense, exist. Every coal-fired power plant on the grid in the United States releases billowfuls of air pollution—with one exception. In the past few years, a single plant in Texas has claimed that it has cut carbon pollution by 90 percent. But the cost of that upgrade came at \$1 billion, and nearly half of that funding came from the federal government as well as foreign governments.

These same groups also argued that coal was cleaner than it had been in the past, eliding the difference between toxic air pollution (which has decreased from coal) and carbon pollution (which has not). And environmental regulation—which those same groups usually opposed—is a main reason toxic air pollution has fallen.

In 2008, the two pro-coal groups merged, forming the American Coalition for Clean Coal Electricity. The four railways and their trade group joined that year.

ACCCE would play a fateful role in climate policy. In 2009, as Congress was debating an aggressive bill to reduce carbon emissions, Representative Tom Perriello of Virginia received a memorable letter from the leader of the local NAACP office.

The letter revealed an intimacy with arcane electricity data that would make an energy lobbyist shiver with pleasure. "Our state gets 56% of its electricity from coal," it told Perriello, a first-term Democrat in a vulnerable seat. It asked him to amend the legislation to "protect minorities and all your constituents from unaffordable energy cost increases."

Soon, nearly identical letters arrived from other local civil-rights groups. The letters were fake—forged by a public-relations firm <u>subcontracting</u> for the clean-coal coalition. The coalition had learned about the fake letters within days of their being sent out, but



said nothing until after representatives had voted on the bill, a congressional investigation <u>later found</u>.

In the years since, ACCCE has pushed outright denial of climate science. In 2014, it <u>published a report</u> that called human-caused climate change a "hypothesis" and "debate." It claimed that the future benefits of carbon pollution may exceed its costs by "400-to-1"—arguing, essentially, that climate change might be an overwhelmingly good thing for humanity. Increased atmospheric carbon would be a "biospheric benefit," it said. And it falsely asserted that rising atmospheric carbon dioxide was "exerting no discernible influence on the rate of sea-level rise." (In fact, the IPCC had found a year earlier that sea-level rise was <u>speeding up</u>.)

Since 2017, ACCCE <u>has lobbied in support of</u> President Donald Trump's plan to bail out coal plants. It has also <u>celebrated</u> Trump's repeal of the Clean Power Plan, which would have dramatically cut U.S. carbon pollution.

In a statement, Michelle Bloodworth, the president and CEO of ACCCE, said the organization "has never opposed climate change policies for scientific reasons; when necessary we have worked to highlight the potential adverse economic impacts of proposed policies." She also said that ACCCE had a new name: America's Power. (<u>The group's website</u> uses both names.)

"The members of America's Power are committed to working with policymakers to help maintain the nation's fleet of coal-fueled power plants," she added, saying that coal provides "fuel security" and "grid resilience," and ensures a "diverse portfolio of electricity resources."

There are no electricity companies in ACCCE. Last week, its final two utility members <u>fled the group</u> under investor pressure. The Association of American Railroads also left ACCCE in 2015.

But all four rail companies are still members. None of the four railroads revealed any plans to leave ACCCE when directly asked by *The Atlantic*. And since ACCCE touted the "social benefits" of carbon pollution in 2014, Union Pacific and Norfolk Southern have paid it more than \$2 million to lobby on their behalf, according to their own voluntary disclosures. It is "likely" that the railroads' spending in ACCCE and other groups actually exceeds that amount, Michael Beckel, the expert on money in politics, told me. The three railroads are not forced by law to disclose most of their spending in trade associations, so "each company gets to dictate the terms of what they want to share," he said.



*CSX*, which is a member of ACCCE, made \$2.2 billion moving coal last year. (Gary Cameron / Reuters)

Apart from ACCCE, rail companies have also tried to block states from passing climate policy. BNSF, CSX, and Norfolk Southern <u>spent a total of \$85,000</u> to oppose a 2012 ballot referendum in Michigan that would have required local utilities to get more power from renewable sources. Voters rejected the initiative.

Over the past decade, researchers have revealed the extensive scope of efforts to muddy the public's understanding of climate change. Historians, activists, and state attorneys general have focused mostly on the role played by ExxonMobil and other oil and gas companies.

"In many ways, the rail industry's track record of funding 'denial and delay' tracks the record of the fossil-fuel industry itself," Geoffrey Supran told me.

In at least one crucial respect, though, the railroads differ from Exxon. By the late 1970s, climate scientists at Exxon had told executives about the risks of global warming, <u>according to a 2015 Pulitzernominated report</u> from *InsideClimate News*. Exxon then launched an "ambitious" internal research program that was able, by 1982, to <u>confirm the basics</u> <u>of climate science</u>; one lab director warned that it was "distinctly possible" that rising carbon pollution



would have "catastrophic" consequences by 2030. But Exxon <u>ramped down that research</u> in the late 1980s, the report found. It then <u>helped found and lead</u> the Global Climate Coalition. (Earlier this week, a New York judge ruled that Exxon <u>had not misled its</u> <u>investors</u> when communicating about climate science and policy.)

There is no evidence that the rail companies rejected their internal scientific assessments of climate science in the same way.

Yet climate science was a well-developed field by the time the rail industry's campaign began. More than 25 years earlier, President Lyndon B. Johnson warned that coal and other fossil fuels could "modify the heat balance of the atmosphere." And scientists and engineers within the coal industry itself fretted over the risks of climate change as early as 1966, <u>a recent investigation in *HuffPost* found</u>.

"There is evidence that the amount of carbon dioxide in the earth's atmosphere is increasing rapidly as a result of the combustion of fossil fuels," <u>the president</u> <u>of Bituminous Coal Research wrote</u> in a mining trade publication that year. "Such changes in temperature will cause melting of the polar icecaps, which, in turn, would result in the inundation of many coastal cities."

An engineer at Peabody Coal, one of the world's largest coal-mining companies, responded to that article in the same issue of the journal. Coal firms were "in effect, 'buying time" until federal pollution rules got stricter, he said. "We must use that time productively to find answers to the many unsolved problems."

Coal use in the United States has halved since 2005, according to research published this month by Rob Jackson and his colleagues. Today, no new coal-fired power plants are under construction anywhere in America.

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