



Bill McKibben. (photo: Wolfgang Schmidt)

New York City Just Declared War on the Oil Industry

By Bill McKibben, Guardian UK, 13 January 18

The home of Wall Street announced on Wednesday that it will be divesting its massive pension fund from fossil fuels. That hits fossil fuel giants where it hurts

Over the years, the capital of the fight against climate change has been Kyoto, or Paris – that’s where the symbolic political agreements to try and curb the earth’s greenhouse gas emissions have been negotiated and signed. But now, New York City vaulted to leadership in the battle.

On Wednesday, its leaders, at a press conference in a neighborhood damaged over five years ago by Hurricane Sandy, [announced](#) that the city was divesting its massive pension fund from fossil fuels, and added for good measure that they were suing the five biggest oil companies for damages. Our planet’s most important city was now at war with its richest industry. And overnight, the battle to save the planet shifted from largely political to largely financial.

That shift had been under way for a long time, of course. The divestment campaign, which my organization [350.org](#) helped launch, has become the largest of its kind in history, with now more than \$6tn in endowments and portfolios divesting in part or in whole from coal, oil and gas.

Smart money has been pouring into renewables; dumb money has stuck with fossil fuel, even as it underperformed markets for the last half-decade. Just two months ago Norway’s vast sovereign wealth fund began to divest, which was a pretty good signal: if even an oil industry stalwart thought the game was up, they were probably right.

But New York is different, and that’s why its decision signals the start of a real rout. For one thing, of course, it’s the center of world finance – you could toss a chunk of coal from the mayor’s press conference and hit Wall St. Its money managers have a well-deserved reputation for excellence, so when city comptroller Scott Stringer [said divestment was necessary](#) to protect the retirement savings of city workers, he implied the obvious: the go-along investors thinking that Exxon is still a blue-chip aren’t doing their homework.

Many pension fund administrators and institutional trustees have refused to divest because they say they’d rather “engage” with oil companies and get them to change their ways. But New York

called out that sophistry on Wednesday too. For all the “climate risk disclosure” and token investments in renewables that the industry promises, it’s clear that nothing is really changing with their business model.

Indeed they’ve doubled down in recent weeks, using their political clout to convince Washington that they should be allowed to [drill in wildlife refuges](#) and winning the right to put up platforms along every American coast. Someday New Yorkers may stand on the Battery and stare out at Lady Liberty lifting her torch – and then on into the distance where a giant drilling light is flaring gas into the night sky.

But of course when New Yorkers stand at the Battery they should probably be looking down – at the narrowing gap between the top of the water and the top of the seawall. In the end, that’s the real bottom line.

New York and most of the world’s other great cities aren’t viable if the sea keeps rising: they will be destroyed. And New York, for one, isn’t taking it any more. It’s going to use its considerable power to try to hold the oil companies accountable.

That includes taking them to court. Journalists have done a superb job over the last three years of exposing the truth: companies like [Exxon knew everything there was to know about climate change decades ago](#).

But instead of ‘fessing up, they covered up, funding the massive campaigns of denial that ended with Donald Trump in the White House convinced climate change was a Chinese hoax. It seemed like a great strategy at the time, buying the fossil fuel companies more years of record profits. But now it exposes them to vast, essentially infinite levels of risk. Who isn’t going to sue? Who wants to be the chump?

The industry’s irresponsibility (a kinder word than it deserves) has cost us a crucial quarter-century when we could have been taking on this crisis. New York’s action on Wednesday means, finally, that these companies are being called to account. Let’s hope it’s not too late