Why Is The US Producing More Oil And Natural Gas Than Ever Under Biden?

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02-21-2024 ~ *US crude oil production reached an all-time production high in 2023 — the hottest year on record.*

The current year has a one-in-three chance of being even hotter than 2023, which was already the world's warmest year on record, according to analyses conducted by scientific organizations such as NASA and Copernicus Climate Change Service. And there is a 99 percent chance that 2024 will rank among the five warmest on record, according to scientists from the U.S. National Oceanic and Atmospheric Administration.

In the meantime, U.S. crude oil production reached an all-time production high in 2023, solidifying the position of the U.S. as the No. 1 global oil powerhouse. So much for President Joe Biden's vows of "strong" climate action; he has in fact approved nearly twice the number of oil and gas permits for wells on federal land that former President Donald Trump did in his first three years in office.

Unfortunately, according to a recent Center for Biological Diversity report, "The emissions that will result from the Biden administration's fossil fuel project approvals are larger than the emissions reductions from the Inflation Reduction

Act and other climate policies." Moreover, the full effects of the emissions reductions promised by the Inflation Reduction Act will only be felt decades down the road, according to the U.S. Department of the Treasury. On top of that, the U.S. government has yet to effectively address greenhouse gas, water and air pollution from the country's major emitters, as economist Michael Ash reveals in this exclusive interview for *Truthout*. But perhaps this is not surprising, as the federal government ranks No. 6 on the list of greenhouse gas polluters. Ash is professor of economics at the University of Massachusetts Amherst and co-directs the Corporate Toxics Information Project of the Political Economy Research Institute (PERI), which publishes information about the major U.S. polluters and the effects of pollution on communities.

C. J. Polychroniou: Since 2010, climate scientists have set 1.5 degree Celsius, or 2.7 degrees Fahrenheit, as the climate threshold the world should not cross if we hope to avoid dramatic climate disruptions which will make heat waves longer, more extreme and more frequent, increasing in turn the risk of wildfires and exacerbating droughts by drying out soil. A warming of 1.5 degrees Celsius will also lead to other large-scale catastrophes on people, wildlife and ecosystems. Yet, one major dataset suggests that we already crossed the threshold in 2023 as the world failed again to reduce emissions from burning fossil fuels. In fact, the U.S. produced record amounts of oil and gas in 2023, and those records are expected to be shattered again in 2024 and 2025. Why is the U.S. producing more oil and natural gas than ever under Biden?

Michael Ash: The core problem is the economic and political power of the fossil fuel industry. This industry has spent decades and billions of dollars investing in political and media campaigns of misinformation and astroturfing hostility to converting the U.S. energy system to an efficient and renewable basis.

A decade ago, I attended Transformational Trends, a conference sponsored by *Foreign Policy* magazine, and Jack Gerard, then-president and CEO of the American Petroleum Institute, observed that technological innovation (fracking and other unconventional extraction technology) had "changed the landscape." I think it was a slip of the tongue that revealed more than intended. But he was correct that we are now in the remarkable situation that the U.S. has become a net fossil energy exporter.

It's true that U.S. households as well as industrial and commercial users rely

heavily on fossil fuels as well as electricity powered by fossil fuels. That reliance can make people think that expanded oil and gas production is a demand-side consumer problem. But enormous advances in renewable generation, efficiency and storage put transition within reach. It's crucial to put fossil fuels out of reach and to do it in an equitable way that ensures access, affordability and environmental justice.

I'm sympathetic to people who would like to get the entire transition done by making efficiency, renewables and storage so cheap and accessible that no one would even imagine choosing to use dirty and unjust fossil fuels. Those investments in efficiency, renewables and storage are crucial, but it's also essential that we stop burning fossil fuels very soon.

There are excellent policy instruments available for reducing the use of oil, natural gas and coal. My preferred instrument is a strict and shrinking cap on the total amount of fossil fuels introduced into the U.S. economy, with permits auctioned and the auction proceeds distributed equitably as carbon dividends. There are other approaches, such as carbon taxation, that achieve similar ends. These approaches are not a set-it-and-forget-it solution; they need monitoring for compliance, for fairness and for environmental justice. But they are an important step, and there really must be a "no to carbon" as well as a "yes to alternatives."

The United States is the second-biggest carbon polluter after China. Now, you and some of your colleagues at the Political Economy Research Institute (PERI) have introduced the Corporate Toxics Information Project, which "develops and disseminates information and analysis on corporate releases of pollutants and the consequences for communities." And you have just released the figures for 2021, which is the latest year for which data has been published. Which are the top U.S. companies responsible for direct release of greenhouse gases, and where does the U.S government itself rank overall?

In terms of direct releases of greenhouse gases, our Greenhouse 100 Polluters Index pinpoints electricity production with fossil fuels as the biggest direct corporate contributor. These are Scope 1 emissions [or direct greenhouse gas emissions] going directly from the company into the atmosphere. The top 10 is dominated by fossil fuel-burning electric utilities such as Vistra Energy, Southern Company and Duke Energy. ExxonMobil, at No. 9, is the only top 10 company for which oil refining operations rather than electricity generation is the main

greenhouse gas source. The federal government ranks as No. 6 on the list.

Direct corporate emissions are important, but companies that introduce fossil fuels into the U.S. economy are another concern. Four large oil companies top our Greenhouse 100 Suppliers Index: Marathon Petroleum, Phillips 66, Valero Energy and ExxonMobil account collectively for one-quarter of the total greenhouse gas emissions from fossil fuel combustion in the U.S. economy. Rounding out the top 10 are two coal companies, Peabody Energy (No. 5) and Arch Resources (No. 7); three additional oil companies, Chevron (No. 6), PBF Energy (No. 9) and PDVSA (No. 10); and a natural gas firm, Enterprise Products Partners (No. 8). The top 10 fossil fuel suppliers alone account for over 40 percent of greenhouse gas emissions from fossil fuel in the U.S. That is a remarkable concentration, which gives some sense of the incentive and capacity that these companies have to resist controls on fossil fuels. At the same time, that same concentration creates an excellent opportunity for effective intervention; there are simply not that many entry points for fossil fuels in the U.S. economy.

Which companies are the top polluters on the Toxic Air and Toxic Water Index?

In addition to monitoring corporate responsibility for greenhouse gases, we also track corporate emissions of toxics with our Toxic 100 Air Polluters and Toxic 100 Water Polluters indexes. Here we are assessing company releases of strongly toxic substances with effects primarily on local populations near company facilities.

Some companies that are high on both the Air and Water Polluter lists are chemical giants LyondellBasell Industries, Dow Inc. and BASF.

Low-income and underrepresented groups tend to be more exposed to air pollution and toxic chemicals. Why is so much pollution found in disadvantaged communities, and what exactly are the environmental justice (EJ) indicators included in PERI's air and water indexes?

The U.S. has a long history of environmental injustice. Pollution is a costly, negative byproduct of making valuable goods and services. Companies sell their output for profit and try to dispose of the wastes at low cost. Displacing the wastes for free onto communities that are not well positioned to resist — communities of color, poor communities and other communities with less representation and less social capital — has been a main method for disposing of

pollution cheaply. It's a form of exploitation. When siting their polluting facilities and the storage and disposal of waste, companies disproportionately select communities of color and poor communities. The EJ measurements in the PERI indexes document this environmental injustice.

The first basis of assessing the Toxic 100 Polluters is their contribution to potential chronic human health risk, which combines information on the quantities of over 600 different toxic chemicals that they emit, the relative toxicity of each chemical and the size and exposure of nearby populations affected by the releases. There is a long history of unequal exposure of minority populations and of low-income populations to these corporate environmental hazards. In addition to tabulating the total population risk, we also compute the share of the risk that accrues to minority populations and low-income populations. If the population more or less "downwind" of a polluting facility is, say, 45 percent minority, then the minority share of the risk from the facility is 45 percent. (The water polluters environmental justice assessment is based on proximity to polluted stream reaches — meaning a length of stream with no confluences. The greenhouse polluters environmental justice assessment is based on simple proximity to the facility.) We assess each toxic release for its potentially disproportionate impact on minorities or on low-income people and then aggregate that to the company as a whole.

For example, ExxonMobil, which ranks 20th on Toxic 100 Air Polluters, has an EJ minority share of 68 percent (compared to a 37 percent minority share in the U.S. population).

To what extent can it be said that the companies mentioned earlier engage in environmental crimes?

It is extremely difficult to connect the emissions we are analyzing from U.S. EPA data with permitting data or other indications that the releases are allowed. Many of these emissions are legal without a permit and many more have permits from the U.S. EPA or the state environmental agency. Indeed, much U.S. environmental regulation is in the form of right-to-know laws, such as those that enable our analysis. The right-to-know approach means that corporations are under legal mandate to publicly report their pollution, but after the reports are filed and published, citizens, employees, consumers, shareholders and managers are left to respond as they see fit. For the right-to-know approach to improving

corporate environmental performance to have any chance of success, you need to have stakeholders with access to the information, the ability to interpret the information and the capacity and incentive to respond to the information.

Environmental crimes are regarded as a form of white-collar crime. Isn't it time that the world started treating environmental crimes as crimes against humanity?

That question is outside my scope of expertise. We are certainly facing a situation in which population health is in serious jeopardy from corporate pollution. Obviously, we need significant regulation that will result in a much cleaner environment.

This interview has been lightly edited for clarity.

C.J. Polychroniou is a political scientist/political economist, author, and journalist who has taught and worked in numerous universities and research centers in Europe and the United States. Currently, his main research interests are in U.S. politics and the political economy of the United States, European economic integration, globalization, climate change and environmental economics, and the deconstruction of neoliberalism's politico-economic project. He is a regular contributor to *Truthout* as well as a member of *Truthout's* Public Intellectual Project. He has published scores of books and over 1,000 articles which have appeared in a variety of journals, magazines, newspapers and popular news websites. Many of his publications have been translated into a multitude of different languages, including Arabic, Chinese, Croatian, Dutch, French, German, Greek, Italian, Japanese, Portuguese, Russian, Spanish and Turkish. His latest books are *Optimism Over Despair*: *Noam Chomsky On Capitalism, Empire, and Social Change* (2017); *Climate Crisis and the Global Green New Deal*: *The Political Economy of Saving the Planet* (with Noam Chomsky and Robert Pollin as primary authors, 2020); *The Precipice*: *Neoliberalism, the Pandemic, and the Urgent Need for Radical Change* (an anthology of interviews with Noam Chomsky, 2021); and *Economics and the Left*: *Interviews with Progressive Economists* (2021).