EXECUTIVE SUMMARY

For more than 20 years, environmentalists, scientists and philanthropists have worked together to mobilize action in the United States on climate change and to implement policies that address the undeniable, human causes of the problem. For the better part of the last decade, this alliance focused on passing cap and trade legislation—a policy goal that defined virtually every aspect of strategy from philanthropic investments to communication initiatives.

The effort to enact cap and trade legislation may have been the best-financed political cause in U.S. history, yet the bill's failure in 2010 has left climate advocates without a clear agenda for moving forward. With major policy action stalled, some environmental leaders and scientists have called for new alliances and approaches to communication. Several groups have launched campaigns against the U.S. Chamber of Commerce and Koch Industries, blaming conservatives and their industry patrons for political inaction.

However, contrary to prevailing assumptions, as this report details, the era of being out-coordinated, out-spent, out-lobbied and out-communicated by conservative and industry opponents on climate change is over. The era of false balance in news coverage of climate science has come to an end. In comparison to other factors, the impact of conservative media and commentators on wider public opinion remains limited.

But major questions remain: What went wrong in the effort to pass cap and trade legislation? What lessons should be learned? And where should the longstanding alliance of environmentalists, scientists and philanthropists go from here? As leaders and groups consider next steps in the policy debate over climate change, this report examines several dimensions that remain at the center of discussion.

The comprehensive study is the first to systematically analyze the financial resources, strategies, communication activities and impacts of those advocating for action on climate change and to draw comparisons to those opposing action among conservative groups and industry.

INTRODUCTION AND OVERVIEW

Many environmentalists and scientists blame conservatives and industry opponents for the failure of cap and trade legislation, defining more effective communication as the key to future political progress. In contrast, a diverse group of scholars and policy thinkers has called for a deeper reconsideration of the problem and for new approaches to policy.

- Sociologists critique national environmental groups for focusing on market-based solutions that do not challenge enough the fundamental social causes of climate change. They view communication efforts as selling policy ideas to the public rather than involving them in decision making.
- Other scholars argue that climate change remains misdiagnosed as a solvable environmental problem like Ozone or acid rain. Instead climate change should be viewed as similar to poverty or public health, complex problems that can only be managed and improved rather than solved through a portfolio of incremental policy actions across levels of government.
- Several scholars and policy thinkers argue for a shift in focus from the regulation of greenhouse gas emissions to the creation of new energy sources and technologies. They call for more intensive investment in understanding how innovation happens and the role of government as catalyst. They warn that too much faith has been placed in market responses to spur the creation of new technology.
- They point to President Obama's 2011 "Winning the Future" State of the Union speech as representative of an emerging strategy that shifts the conversation to energy insecurity and the need for innovation.

CHAPTER 1

CLIMATE CHANGE ADVOCACY: REVENUES, SPENDING AND ACTIVITIES

The national environmental groups working on climate change have closed the financial gap with their longstanding opponents among conservative think tanks, groups and industry associations. They have augmented their legislative influence through alliances with several dozen of the world's largest corporations. They have also spent heavily on general public education campaigns and advertising, and they have been able to spend unrestricted amounts on direct mobilization of their more than 12 million members.

- Analysis of revenue and spending is based on Internal Revenue Service (IRS) records and annual reports for 2009, the most recent year for which data is publicly available. The analysis of lobbying expenditures is based on data compiled by the Center for Responsive Politics.
- The 45 national environmental groups working on climate change are a $1.7 billion-a-year movement, with revenue streams that rival the most expensive presidential campaigns in history and the combined earnings of the world's richest sports franchises. In comparison, the 42 conservative think tanks, groups and industry associations aligned against cap and trade legislation generate about $900 million per year in revenue.
- In 2009, in their efforts focused on climate change and energy policy, the national environmental groups outspent conservative think tanks, groups and their industry association allies $335 million to $259 million.
- Environmental groups coordinated their activities in support of climate action through the Clean Energy Works. This alliance comprised of 50 environmental, religious, labor, national security, clean energy and minority rights groups employed more than 200 field organizers across congressional districts, and was guided by the lead pollster and field director for the 2008 Obama campaign.
- Efforts at communication and influence were also boosted by the activities of such allied groups as the Center for American Progress, the Bipartisan Policy Center and Media Matters for America, research by message experts such as Frank Luntz and Al Gore's Alliance for Climate Protection.

CHAPTER 2

DESIGNS TO WIN: ENGINEERING SOCIAL CHANGE

Contrary to conventional wisdom, the major foundations supporting action on climate change have been as strategic in targeting specific policy outcomes as even conservative philanthropists such as the Koch brothers. Yet this focus and strategy has overlooked several key dimensions of societal action.

- Grants distributed between 2008 and 2010 by nine major foundations supporting action on climate change were analyzed. These foundations were guided in their decision-making by the 2007 report *Design to Win: Philanthropy's Role in the Fight Against Global Warming*.
- Annual reports, websites and IRS records for each of the nine foundations were reviewed. All grants distributed between 2008 and 2010 that had a substantial focus on climate change, energy, greenhouse gas emissions or carbon in their descriptions and/or titles were included in the analysis, resulting in a database of 1,246 grants. Each grant's title, description, amount and recipient was categorized by the type of "policy focus," "research focus," and/or "communication focus."
- Approximately $368 million was distributed across the 1,246 individual grants. Extrapolating from missing data for some of the foundations specific to a given year, the nine funders likely distributed more than $560 million between 2008 and 2010.
- The foundations concentrated their investments in a clear set of policy goals. Funding included $39 million associated with activities in support

of cap and trade policies; and $32 million associated with efforts at reaching an international agreement or influencing the policies of a specific country. More than $43 million in grants included a focus on educating policy-makers, more than $32 million in grants included a focus on grassroots mobilization or public education, and more than $14 million in grants included a plan to educate opinion leaders, key stakeholders or influentials.

- Limited amounts of funding focused on the role of government in promoting new technology and innovation. Nor was there equivalent investment in adaptation, health, equity, justice or economic development.
- Just a few dozen organizations combined to receive $182 million, nearly half the $368 million total distributed. Of these 25 organizations, 14 were national leaders in the push for cap and trade legislation. As the top recipient of funding, nearly $1 out of every $10 ($34.6 million) went to the Bipartisan Policy Center, exceeding the $31.3 million distributed by Koch-affiliated foundations to all conservative organizations between 2005 and 2009.

CHAPTER 3

THE DEATH OF A NORM: EVALUATING FALSE BALANCE IN NEWS COVERAGE

In recent years, major U.S. news organizations have overwhelmingly portrayed the consensus view on the reality and causes of climate change. U.S. news organizations have also paid limited attention to the debate over "Climategate," the release online in late 2009 of emails from climate scientists. The exception to these trends is the opinion page at *The Wall Street Journal*.

- These findings are contrary to the still widely-held assumptions among many environmental leaders and scientists that the news media on the whole continue to engage in false balance and have overplayed the significance of Climategate.
- Patterns of news attention and portrayals in 2009 and 2010 were analyzed at *The New York Times*, *The Washington Post*, *CNN.com*, *Politico* and *The Wall Street Journal*. Both news and opinion coverage were included in the analysis.
- In December 2009, as the Copenhagen meetings took place, approximately 20 percent of articles at the five news organizations mentioned the debate over Climategate (the story first was reported on Nov. 20). In the months following, *The Wall Street Journal* continued to focus on the story while the other news organizations did not.
- Specific to the portrayal of the reality and causes of climate change, across the two years at *The New York Times*, *The Washington Post* and *CNN.com*, approximately nine out of 10 news and opinion articles reflected the consensus view among scientists. At *Politico* during this period, at least seven out of 10 articles portrayed the consensus view.
- Only at *The Wall Street Journal* did this trend not hold up, yet the difference in portrayal was confined largely to the opinion pages. Across the two-year period, at least eight out of 10 news articles at the paper reflected the consensus view, but at the opinion pages, fewer than half of articles asserted that climate change was real and that humans were a cause.

CHAPTER 4

PROJECTIONS OF INFLUENCE: HOW IDEOLOGY COLORS PERCEPTIONS

The decline in public concern and belief in climate change in recent years is influenced by the economy and unemployment, by public evaluations of key political figures such as Al Gore and by concerns over cap and trade approaches to the problem that vary by ideology. Polarization on the issue among Republicans and Democrats has been driven by the message strategies of leaders from both parties—including Gore.

Ideology also influences how scientists and environmentalists as a political community perceive the complexities of climate politics. A strongly one-sided ideological outlook likely leads many scientists and environmentalists to overestimate the influence of conservatives, reducing the need to critically assess their own strategies or those of admired political leaders such as Gore.

- The peak in public concern over climate change that occurred in 2006 and 2007 came at the time of a decade low in unemployment. Studies by economists demonstrate strong linkages between individual perceptions of climate change and unemployment levels at the state and county level. Experts project unemployment rates will not return to the 2006 and 2007 lows until 2015, suggesting that an upward shift in public concern with climate change may be unlikely over the next half-decade.
- Gore has consistently sought to mobilize progressives politically, pairing his messages about climate science with attacks on Republicans. Research suggests that these messages—and the corresponding response from Republicans—have led to wide differences in views on climate change between Democrats and Republicans.
- Today, with the country's political mood shifting right of center, Gore remains the public figure most closely associated with both climate science and policy action. Yet as of 2010, only 44 percent of Americans had a favorable impression of Gore, a level equivalent to that of George W. Bush (45 percent) and Sarah Palin (44 percent).
- Belief in the reality and risks of climate change are also linked to the proposed policy solutions. Among Republicans, studies show that answers to polling questions about climate science are much more likely to be indirect reflections of opinions about cap and trade policy and an international agreement.
- Just as ideology shapes the public's judgments about climate change, ideology also guides the interpretations of members of the scientific community. To understand this process, a representative survey of members of the American Association for the Advancement of Science was analyzed.
- With "moderate" and "independent" the midpoints in a continuum of political identity, more than a majority of AAAS members declare themselves to the left of these outlooks. AAAS members are as ideologically like-minded as evangelical church members and substantially more partisan. Only black church members exhibit a stronger partisan lean than AAAS members and only Fox News viewers, Mormon Church members and Tea Party members exhibit a stronger ideological lean.
- Perceptions of climate change among AAAS members vary considerably by ideology, just as they do among the public. Less than a majority of conservative AAAS members think the Earth is warming and that humans are a cause, compared with more than 80 percent of moderates and more than 95 percent of liberals. There are even stronger differences in the perceived seriousness of the issue.
- As a political community, ideology also strongly influences the political events that AAAS members follow and their interpretation. Among strong liberals, 74 percent reported hearing a lot about claims the Bush administration had interfered with the work of government scientists, compared with 27 percent of conservative AAAS members.
- Ideology additionally shaped how the claims were interpreted. Of those hearing about the debate, 57 percent of conservative AAAS members said the claims were true, compared with 87 percent of moderates and 97 percent of liberals.

CONCLUSION

MOVEMENTS, NETWORKS AND PROGRESS

The top-down, highly professionalized nature of many national environmental organizations may make it difficult to shift policy direction on climate change over the next decade. Organizations best positioned to adapt will seek out new leaders and ideas that guide strategy at the national and state-levels.

- Few national groups have a participatory membership base, limiting their ability to expand alliances in regions such as the Midwest and to recruit younger generations of Americans into action.
- The lack of wider input and the vast sums invested in the fight over cap and trade policy make it difficult for many groups to reassess how they have defined the problem, formulated strategies and pursued their goals. Instead of shifting directions, the answer may be to commit even more money to traditional paths.
- Many of the relevant debates over the next decade will take place at the regional and local levels in the U.S., requiring a shift in political focus, organizational activity and alliances. Examples include controversies over natural gas extraction, carbon capture, nuclear energy, and the siting of wind and solar power. There will be additional major questions concerning the information needs of communities, their ability to adapt to climate threats and their ability to participate in economic opportunities.
- In recent years, the "Green" network of environmental groups, scientists and philanthropists working on climate change have been joined in contemporary politics by a new "Innovation" network of groups. This coalition of left-leaning, centrist, and right-leaning groups is motivated less by climate change and more by the problem of energy insecurity. Instead of viewing conservatives and industry as obstacles to action on energy policy, the Innovation network tends to view them as potential partners.
- The challenge will be to ensure that the Green and Innovation networks work in tandem rather than in opposition. Research and initiatives will be needed that support both alliances as they formulate their strategies and collaborate to achieve closely linked goals.