The Arctic Refuge, the 'Filthy Four' and Organized Labor

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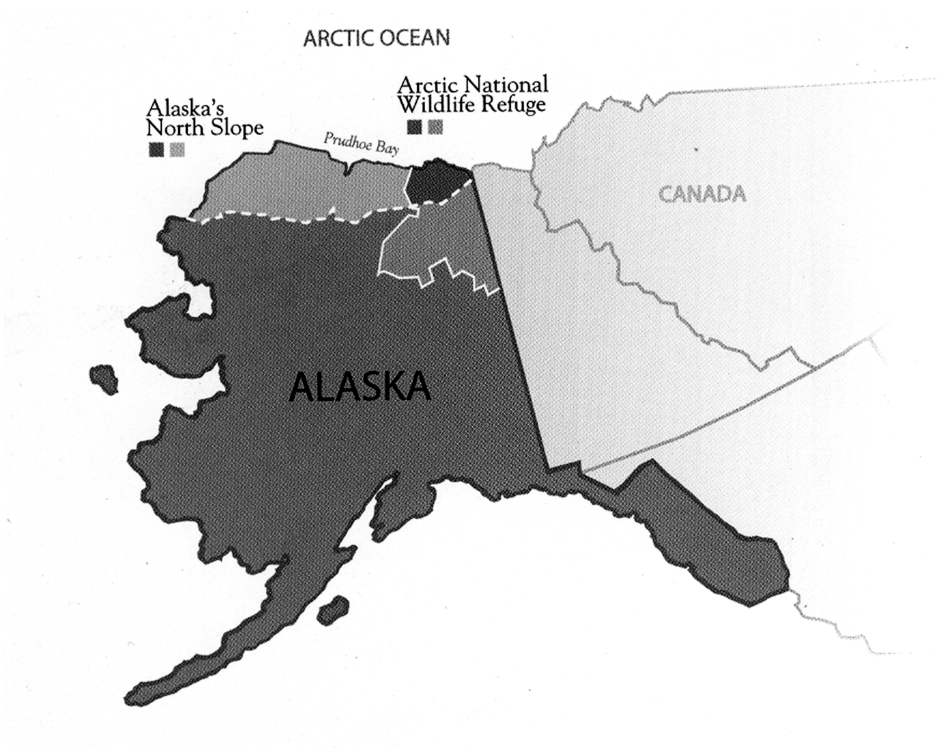

A report by

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TIME AFTER TIME, RESPECTED NATIONAL POLLS have shown how skeptical Americans are about the idea of drilling for oil in Alaska's Arctic National Wildlife Refuge coastal plain. According to a March 2001 NBC News-*Wall Street Journal* poll, 62 percent of respondents in union households (and 56 percent in non-union households) oppose the plan being pushed by the oil companies and the Bush Administration and want to "keep these areas off limits and consider other solutions." A September 2001 CBS News poll found that 59 percent of Americans oppose the Bush energy plan and that 66 percent think the oil industry has too much influence on federal energy policies.

But when the oil companies want something badly enough, how much do the opinions of the American people count? This is the question the Senate could be facing in the very near future when a crucial vote occurs on the future of the coastal plain.

Exxon Mobil, ChevronTexaco, Phillips Petroleum and **BP plc** are the four multinational energy firms that stand to gain the most from invading the coastal plain to carry out massive oil drilling operations. Unions that advocate the interests of working families, consumers and the general public should realize that the people who run the "Filthy Four" have repeatedly placed their selfish interests above all other considerations, not only within the U.S., but around the world.

Exxon Corp. and Chevron were both in the top 50 among "The Top 100 Corporate Criminals of the 1990s," as designated by the respected weekly newsletter, *Corporate Crime Reporter*. Phillips and BP Amoco made the "Ten Worst Corporations of the Year" list for 2000 in *Multinational Monitor*, a magazine that bases its annual ranking upon its judgments about "corporate power run amok," including "despoilment of the natural environment, infliction of preventable disease, smashing of unions, invasions of privacy, corruption of democracy, and more."

Big Oil's Anti-Labor Interlocks

LIKE BIRDS OF A FEATHER, companies that consistently show contempt for workers and unions flock together. Organized labor knows that the best antidote for corporate collusion is broad-based coalition building and union solidarity. Let's take a look at the extensive boardroom connections between the "Filthy Four" and other firms with which unions have had serious conflicts.

Exxon Mobil • AT&T • Verizon • AK Steel • Halliburton

Exxon Mobil (which reported profits in 2000 of $17.7 billion and paid its CEO $62.4 million, according to the AFL-CIO's Corporate Paywatch Web site) shares directors with several other companies that are no friends of labor. For example, the Communications Workers of America and the International Brotherhood of Electrical Workers have had extremely contentious relations with **AT&T** and **Verizon**. CWA contends that both companies have repeatedly broken agreements, including those that followed the painful three-week strike that idled 85,000 workers at Verizon in the summer of 2000. Since 1996, CWA has lost 15,000 members at AT&T, or 30% of its members there. A union source estimates the CWA could lose another 10,000 AT&T

members before bargaining for a new contract begins in early 2002. The company has been transferring much of CWA's work to outside contractors and management. In addition, AT&T and Verizon have violated union contracts brazenly, creating a backlog of time-consuming and costly arbitrations. Both companies have refused to honor neutrality and card-check agreements CWA won in order to establish organizing rights at subsidiaries.

In August, CWA President Morton Bahr wrote in a union publication that "strikers, and our union, have been betrayed. Rather than honor its commitments, Verizon trotted out its expensive lawyers to engage in every kind of legal trickery…The anti-union culture of the original Bell Atlantic 'South' now seems to have spread like cancer through the new, merged company…We are receiving the backing of the entire labor movement in shining a light on Verizon as one of the premier corporate enemies of workers' rights."

AT&T Director Donald Fites, a member of the Exxon Mobil board, is also a top policymaker for **AK Steel**, which has locked out members of the United Steelworkers of America in Mansfield, Ohio since Sept. 1, 1999 in what Steelworkers President Leo Gerard calls a "violent attack" against their families. Fites gained national notoriety as an opponent of unions while serving as CEO of **Caterpillar** during the United Auto Workers' tumultuous strikes of the 1990s, when nearly 15,000 UAW families were subjected to enormous hardships and the union treasury was drained of hundreds of millions of dollars. Exxon Mobil Director Helene Kaplan is also a member of the Verizon Board.

Exxon Mobil Director William Howell also serves on the Board of **Halliburton,** the "diversified energy services, engineering and equipment" firm whose subsidiary, **Brown & Root**, has been an arch-enemy of the building trades unions for decades. Before becoming vice president, Dick Cheney served as chairman and CEO of Halliburton and received more than $20 million in compensation for the year 2000 alone. Former chairmen and CEOs of both **Chevron** and **Phillips Petroleum** currently serve on Halliburton's board, as does the former president and CEO of the **American Petroleum Institute**. What's more, Condoleezza Rice served on Chevron's board before becoming George W. Bush's national security advisor.

BP plc • Reuters • IBM • GlaxoSmithKline

BP plc (which reported profits in 2000 of $11.9 billion and paid its CEO $2.8 million) shares a director, R.L. Olver, with **Reuters**, the international news organization that has long been considered highly uncooperative by unions representing its employees around the world. A long-time Reuters employee and union activist in the U.S. stated flatly that the company is "arrogant" toward its workers and "not respectful of unions."

Another BP director, Charles Knight, also serves on the Board of **IBM,** which paid its CEO $81.5 million in 2000, but continued its 1990s pattern of slashing its employees' health and pension benefits while contracting out thousands of manufacturing and professional jobs in order to "control" wage and benefit costs. In her recent book, "White-Collar Sweatshop: The Deterioration of Work and Its Rewards in Corporate America," Jill Andreske Fraser, finance editor of *Inc*. magazine and a general editor of *Bloomberg Personal Finance*, characterizes both IBM and AT&T as "corporate giants…committed to harsh new management strategies." None of IBM's employees are unionized.

Sir Ian Prosser, a director of **BP plc,** is also a member of the Board at the pharmaceutical giant **GlaxoSmithKline plc**. In August, according to the *Philippine Daily Inquirer,* Rainier Guzman, president of the union representing medical representatives at GlaxoSmithKline-Philippines, accused the company of "implementing new personnel policies without consulting employees and attempting to purge its work force through union busting." An Irish newspaper, *The Northern Echo*, reported in July that GSK planned to eliminate more than 400 jobs — at least 25% of its work force in Ireland's County Durham — in spite of reporting record profits. The paper quoted union leader Roger Lyons: "The scale of these profits is disgusting. We were forewarned about job cuts at the start of the year when the merger (of Glaxo Wellcome and SmithKline Beecham) was announced, and now it seems they're prepared to cut jobs to increase profits."

ChevronTexaco · Coca-Cola · International Paper · General Electric

ChevronTexaco's merger became final in October 2001. (Chevron reported profits in 2000 of $5.2 billion; Texaco reported $2.5 billion. Chevron paid its CEO $14.9 million.) The merged company shares two directors, former U.S. Sen. Sam Nunn of Georgia and Carl Ware, with **Coca-Cola** and the **Coca-Cola Bottling Co.** Coke was recently sued (along with its Colombian subsidiary) by the International Labor Rights Fund, the United Steelworkers of America, the Colombian union that represents Coke workers, the estate of murdered labor leader Isidio Segundo Gil and five other former employees. The plaintiffs are accusing the soft drink giant of using paramilitary death squads to kidnap, torture, intimidate and murder union leaders at its bottling plants in Colombia.

Two other ChevronTexaco directors, Robert Eaton and Charles Shoemate, are also directors of **International Paper**, long considered a hostile employer by PACE, the union representing 15,000 of its employees, and its predecessor, the United Paperworkers International Union. Former Senator Nunn also serves on the Board of **General Electric**, which has steadily reduced its union-represented work force in the U.S. and shifted operations abroad. Fifteen years ago, the 14-union Coordinated Bargaining Committee (CBC) represented 120,000 GE workers, of whom 80,000 belonged to the IUE (now a division of the CWA). Today, CBC represents only 40,000. In all, it is estimated that GE wiped out 150,000 U.S. jobs since the mid-1980s, relocating facilities wherever wage rates are lowest and there are no unions. Ten percent of GE's current work force of more than 300,000 is in Mexico and it has 10,000 workers in China and 15,000 in India. Under the leadership of its recently retired CEO since 1981, the notorious Jack Welch (who said, "Ideally, every plant you own should be on a barge,") GE forced countries to compete with each other for jobs in "a race to the bottom."

It could be argued that GE's deplorable record on environmental issues rivals that of the oil companies — particularly in light of the estimated $500 million in fines imposed by the Environmental Protection Agency for its dumping of over 1.3 million pounds of toxic chemicals in the Hudson River over three decades. Only days ago, five members of Congress from New York and New Jersey demanded a meeting with the current EPA Administrator, Christie Whitman, to discuss GE's attempts to influence the final plan for cleaning up the river.

Still another ChevronTexaco director, John Young, is a colleague of Sir Ian Prosser (see above) on the Board of GlaxoSmithKline plc.

Phillips Petroleum • Knight Ridder • Procter & Gamble • AMR

Phillips Petroleum (which reported profits in 2000 of $1.9 billion and paid its CEO $20.8 million) shares a director, Randall Tobias, with **Knight Ridder**, majority owner of the *Detroit Free Press*. Along with Gannett, majority owner of the *Detroit News*, Knight Ridder instigated a five-year strike by Teamsters and members of other unions in 1995 at the jointly-operated daily papers. It was considered one of the costliest and cruelest labor disputes of the decade. Another Phillips director, Norman Augustine, serves on the Board of **Procter & Gamble**, one of whose executives co-chaired the Joint Policy Committee of the advertising industry that needlessly prolonged last year's six-month strike by members of the Screen Actors Guild and the American Federation of Television and Radio Artists.

Another prominent Board member at Phillips is David Boren, the Democratic former U.S. senator and governor from Oklahoma who is now the president of the University of Oklahoma. Boren serves on the Board of **AMR Corp.**, the parent of **American Airlines**, whose labor relations history is so deplorable that a federal judge commented last year, "If you would look up bad labor relations in the dictionary, you would have an American Airlines logo beside it." In his home state, Boren was one of the principal advocates of the so-called "right-to-work" measure that was passed in a September 2001 statewide referendum. Needless to say, taking the same side with such anti-labor Oklahoma politicians as Sen. Don Nickles and Rep. J.C. Watts placed Boren at odds with the entire union movement.

How can any self-respecting labor leader or union member ignore these links between the oil companies and key policymakers who sit on the boards of so many other anti-union companies? If organized labor supports Big Oil on the Alaska drilling issue, it is implicitly endorsing the government's collusion with corporate bullies and lawbreakers.

The Job-Creation Myth

THE OIL COMPANIES BOAST ABOUT HOW VITAL THEY ARE to our economy, but one of their dirtiest little secrets is how poorly they treat their workers. The industry has shown again and again its willingness to sacrifice employees in the name of "shareholder value." The companies always publicly underestimate the number of layoffs expected after a merger, and having eliminated an estimated one million jobs since 1982, the industry can lay little claim to the allegiance of American workers. (**Exxon Mobil** alone, for example, has eliminated 238,000 of the 361,000 pre-merger worldwide jobs Exxon and Mobil had in 1982.)

In light of this dismal record, it's remarkable that a segment of organized labor — the Teamsters and a few building trades unions — played a pivotal role in lining up the votes of 36 House Democrats in August to vote for the Bush energy package that would allow oil drilling in the Arctic National Wildlife Refuge coastal plain. The handful of union leaders who joined forces with the industry repeatedly cited a 1990 study, commissioned by the American Petroleum Institute (API), that claimed as many as 750,000 jobs would be created if Big Oil got its way.

Never mind that the study is more than a decade old or that the American Petroleum Institute is hardly an unbiased observer. The Center for Economic and Policy Research recently issued it own report debunking and essentially demolishing the 1990 study's basic premises.

The Center's co-director, Dean Baker, estimated that Alaska drilling would create, at most, about 46,000 jobs. "Economic impacts of this magnitude are almost too small to be noticed, given the size of the U.S. economy," he wrote. According to Baker, the 1990 study was largely based on an erroneous estimate that the oil from the refuge would represent 3.5 percent of world oil production when, in fact, more recent estimates set the figure at 1.15 percent. As a result, he said, world oil prices would be affected far less than what was forecast.

The 1990 study predicted that other oil-producing nations would do little to reduce output to push prices up once the Alaska drilling helped pull them down. Relying on more recent data from the WEFA Group, the same company that conducted the study for the API, Baker concluded that other nations would cut production far more than was anticipated to offset output from the Refuge — and that would nullify much or all of the anticipated drop in oil prices.

Union households also reject the job-creation myth, according to an October 2001 poll by Bellwether Research, a Republican polling firm, and The Mellman Group, a Democratic polling firm, for The Wilderness Society. By a 2-to-1 margin, union voters reject the claim that, in light of the economic downturn and job losses, the Arctic Refuge coastal plain should be opened to drilling. Fifty-nine percent of respondents said the argument that Arctic Refuge drilling would create a huge number of jobs is based on "flawed assumptions and wildly exaggerates the number of potential new jobs."

Both the nonpartisan Congressional Research Service and the widely respected Tellus Institute have also discredited the API study. In a new study for the World Wildlife Fund, "Clean Energy: Jobs for America's Future," the Tellus Institute posits an alternative to drilling in the Arctic National Wildlife Refuge coastal plain that could create more than 750,000 new jobs over the next nine years and 1.3 million jobs by 2020. By promoting energy efficiency and renewable energy technologies, the institute says, we would not only create *more* jobs and *more secure* jobs, but we would advance the national interest by reducing demand (and therefore, dependency on fossil fuels in general and foreign oil in particular).

Advocates of wide-scale drilling on protected lands have always used the highest, least probable estimates of how much oil might be technologically recoverable. But the U.S. Geological Survey estimates that the amount of economically recoverable oil from the Refuge would be approximately 3.2 billion barrels — ten years from now — if oil prices are at $21.60 in 2010, as the Energy Information Agency projects. Contrary to the unsubstantiated claims of drilling proponents, the coastal plain would most likely produce about 200,000 barrels a day for a decade, or the equivalent of what the U.S. consumes in less than six months.

Subsidies, Royalties and Corporate Welfare

WHEN OIL COMPANIES RECEIVE "CORPORATE WELFARE" or fail to pay required royalties to state and federal governments for drilling on public lands, the public is hoodwinked into paying higher taxes. At the same time, essential public services such as education are shortchanged.

For example, between 1990 and 2000, **Exxon Mobil** received $286 million in tax breaks and subsidies — in other words, corporate welfare payoffs — from the state of Louisiana. According to an analysis of state Dept. of Economic Development records by the Louisiana Environmental Action Network, $103 million of that sum would have otherwise been earmarked for chronically underfunded public schools. This year, Exxon Mobil agreed to pay the federal government $7 million to resolve claims under the False Claims Act that the corporation underpaid royalties due for oil produced between 1988 and 1998.

Each month, Exxon and other companies are required to report to the Interior Dept. the amount and value of oil produced on federal leases and to pay royalties based upon the figures they report. Oil royalties support the federal Land and Water Conservation Fund, Indian nations and state government budgets as well as the education of schoolchildren.

USA Today's indignant editorial last April 6 — headlined "More Public Drilling? Let's Collect Bills First" — described some of the nuances of the controversy over royalty payments. "Energy companies are cheating the public on the oil they pump now. Why give them new resources until they pay up?" the newspaper asked. After quoting various estimates of the amounts involved, it asserted: "The industry has shorted the government on oil-royalty payments alone by about $100 million a year through a variety of price-fixing and record-fiddling games…In case after case, sworn evidence shows companies falsifying prices, using phony bills of sale and deliberately misclassifying high-quality oil as low-quality in order to pay less."

In June 1999, a former executive for Atlantic-Richfield testified in court that his and other companies priced their oil well below market value, perhaps by as much as 20%, in order to avoid paying royalties for oil extracted from public lands.

Prior to the Exxon Mobil settlement, the Interior Dept. reached agreements for underpayment of royalties with 10 other oil companies, including Mobil ($45 million); **Chevron** ($95 million); **BP Amoco** ($32 million), and **Texaco** ($43 million). An Alabama jury last year ordered Exxon Mobil to pay the state $3.4 billion in damages for failing to pay all required royalties from natural gas wells in state waters — the largest award ever in a civil damages case in the state.

And more corporate welfare could be on the way. The Bush Administration's "stimulus" tax-cut bill approved by the House Ways and Means Committee on Oct.16 called for $25 billion in immediate tax rebates to large, profitable corporations that paid the low-rate "alternative minimum tax" over the past decade because various loopholes cut their tax bills to little or nothing. The committee action provided another example of how the oil companies and others directly linked to them have grown accustomed to preferential treatment, even when hundreds of thousands of workers face layoffs because of the economic calamity that followed the Sept. 11 terrorist attacks.

Some $6.3 billion of the corporate rebate checks would go to just 14 companies that reported more than $33 billion in pretax U.S. profits in 2000. Topping the list are two companies that have Board interlocks with **BP**: IBM, which could get a $1.4 billion rebate check, and General Motors, which could get $833 million. No. 3 on the list of the "Fortunate 14" is General Electric, which shares a director with **ChevronTexaco** and could receive $671 million. Ranked No. 10 is AMR (American Airlines), which shares a Board member with **Phillips Petroleum**, and could pocket $184 million. ChevronTexaco and Phillips, No. 6 and No. 9 on the list, would themselves collect $572 million and $241 million, respectively.

As AFL-CIO President John Sweeney wrote last month, "The House bill follows on the heels of Congress' recent passage of a $15 billion bailout for the airline industry that took care of investors and stockholders but didn't provide a dime for the 150,000 pilots, flight attendants, mechanics, reservation clerks, baggage handlers, airport cleaners and aircraft manufacturing workers who are losing their jobs." *New York Times* columnist Bob Herbert, on Oct. 29, commented, "The (Bush stimulus) package has very little to do with economic recovery. It's about using the shield of war and economic hard times as a cover for the perpetual task of funneling government largesse to the very rich."

Among the 24 major corporations that got federal tax rebates totaling $1.3 billion in 1998, although they reported profits before taxes of $12 billion, were **Texaco**, **Chevron** and **Phillips Petroleum**. According to a study by the Institute on Taxation and Economic Policy, industry tax rates that year ranged from 12.3% paid by oil companies to 31.6% paid by publishers.

Abuses Around the World

HARDLY A WEEK EVER PASSES when the "Filthy Four" companies don't make news, although reports of their questionable activities are too often buried in the back pages or consigned to the fringe hours of the broadcast day. Here are some recent international items:

- The International Labor Rights Fund, a Washington-based group that represents workers in other countries, recently sued **Exxon Mobil** in federal court, accusing the company of complicity in gross human rights abuses committed by Indonesian state security forces that protect its facilities — including murder, torture, kidnapping and rape. *The New York Times* (6/21/01) reported: "The suit contends, for example, that Exxon Mobil provided barracks where the military tortured detainees and lent heavy equipment like excavators that, the suit said, were used to dig mass graves."

- In 1999, U.S. Rep. Dennis Kucinich of Ohio called for a federal criminal investigation of **Chevron**'s complicity in the deaths of protesters in Nigeria the year before. More than 100 protesters had occupied an oil platform for three days when helicopters arrived, soldiers got out and they began shooting. Two men were killed instantly and many others were injured. Although Chevron denied complicity, its spokesman admitted the company transported Nigerian soldiers to the platform — but only after Nigerian law enforcement officials "directed the company to do so." Asked why Chevron still does business with the brutal Nigerian military, the spokesman replied, "We go to where the oil is." Rep. Kucinich commented, "You have oil companies that are not only ruining the environment, but also violating human rights and participating in extra-judicial killings…We have to make sure our oil companies are not buying oil at the price of human rights, human lives and democracy."

- In Burma (Myanmar), human rights groups accuse the Burmese military of relocating entire villages at gunpoint and forcing villagers to labor along a pipeline route for oil multinationals **Texaco**, Total and Unocal. In 1995, these companies announced a partnership with the repressive Thai and Burmese governments in a $400 million project. Following a 1997 U.S. government ban on new investment in Burma, Texaco sold its stake to a British company. Meanwhile, there are allegations that **BP Amoco** employed Colombian security forces linked to executions, disappearances and torture to protect corporate operations in the rainforest.

- "**Exxon Mobil** workers across North America are banding together to fight what they described as deteriorating conditions for workers at the combined company, despite record-breaking profits," *Lloyd's List International* reported (7/12/01). Union leaders said a proposed new benefit package falls well short of what workers at Mobil had before the merger. In addition, they said the company wants to contract out jobs to inexperienced, lower-paid workers; implement an "archaic and punitive" drug and alcohol policy, and allow early retirement only at age 55, compared to age 50 with Mobil. PACE local Vice President Ken Evans, also chairman of the Exxon Mobil Union Council representing 4,800 workers in 20 locals, said: "We hope to present a united front across the company in the U.S. and Canada. We can't do this as independent locals. The company is too big and too powerful. We have to do it together."

- In Chad and Cameroon, **Exxon Mobil** leads a consortium of investors developing the Doba oil fields and a 663-mile-long pipeline through Cameroon. Exxon Mobil has yet to develop an adequate response plan to potential oil spills, which would threaten the rainforest of Cameroon and the farmlands of Chad.

At Home: Destruction and Discrimination

THE EXXON VALDEZ OIL SPILL OF MARCH 24, 1989, perhaps the worst environmental disaster in recent U.S. history, has faded from many people's memories. As the internationally acclaimed physician and activist Dr. Helen Caldicott wrote in her 1992 book, "If You Love This Planet:"

> "(The Exxon Valdez tanker) foundered on a reef in Prince William Sound, Alaska and spilled 11 million gallons of sticky crude oil into a pristine wilderness waterway full of otters, salmon, herring, seabirds, and myriad other wildlife. It was many days before the Exxon Corporation organized itself to begin to deal with the mess, and the local fishermen watched with horror as otters scratched their eyes out and drowned in the oil, seabirds gagged on the toxic sludge, and birds staggered around the beach, their feathers caked in oil. People tried to wash the birds in water and detergent, but most died anyway.
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> "Fifty-eight scientific studies released by the National Oceanic and Atmospheric Administration in April 1991 revealed that the long-term ecological damage was far worse than had been originally estimated, that hundreds of thousands of birds and thousands of otters were killed, and that baby fish…exhibited abnormally high rates of birth defects (demonstrating the mutagenic and teratogenic fetus-damaging effects of the toxic oil products — effects that will probably continue for many generations). Economists who participated in the study estimated the cost of damage to Prince William Sound to be $3 billion to $5 billion, yet Exxon was at first fined only $1 billion. A federal district judge…(later) ruled that the fine was inadequate.
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> "Coincidentally, at the same time as the fine was overruled, Exxon announced unprecedented profits for the first quarter of 1991. They were the highest made since John D. Rockefeller founded the company in 1882. Net income rose 75 percent, largely because of the Persian Gulf War and sales of jet fuel, kerosene, and other refinery products to the military."

To date, Exxon Mobil has not paid a penny of the more than $5 billion punitive damage award that was imposed in 1994 for its role in the tragedy.

It is noteworthy that on March 10, 1989, Robert A. Georgine, longtime president of the AFL-CIO Building and Construction Trades Dept., issued a statement about oil drilling in the Arctic National Wildlife Refuge that said in part: "(The oil companies') cosmetic concern for the energy independence of the United States…is only being used as a veil to mask their greed…Past experience has shown how insensitive the oil companies can be when it comes to Alaskan workers. Previous policies …have included displacing Alaskan natives with low-wage foreign nationals and out-of-state residents and undermining the locally-prevailing wage structure. It is obvious that the oil companies have no concern for the state of Alaska or the working people who reside there." Exactly two weeks after Georgine's statement, the Exxon Valdez oil spill occurred and the Alaska drilling issue disappeared from the Congressional agenda.

Here are some more "Filthy Four" scandals that deserve closer attention:

- Ten major petrochemical companies, including **Exxon Mobil** and **Phillips Petroleum**, agreed in September 2001 to pay $120 million to settle a toxic dumping case brought by the federal government and the state of Texas. Under the proposed consent decree, the U.S. will receive $111.3 million plus interest and Texas will receive $8.7 million plus interest to reimburse costs they incurred to clean up chemical and oil-based contamination near Crosby, Texas. The payment to the U.S. is the second highest cost recovery settlement in the history of the Environmental Protection Agency's Superfund program.

- BP, prior to merging with Amoco, was responsible for the second largest oil spill in California history, a 400,000-gallon spill that covered 20 square miles near Huntington Beach in 1991. In 1999, BP Exploration (Alaska), Inc., a **BP Amoco** subsidiary, was ordered to pay $22 million to resolve criminal and civil cases brought by the Justice Dept. in connection with illegal disposal of hazardous waste on Alaska's North Slope. As part of the plea agreement, the company admitted that it failed to provide adequate oversight, audits and funding to ensure proper environmental management.

- The president of **Chevron** USA appeared in federal court in May 1992 to plead guilty to 65 violations of the Clean Water Act and pay $8 million in fines, for illegal discharges from its offshore oil and gas production platform off the California coast. In 1998, it was estimated that Chevron had paid more than $70 million in fines, settlements and penalties since 1980. In August 2000, the company agreed to pay a record $7 million to settle claims that it violated the Clean Air Act at its offshore loading terminal near El Segundo. The settlement includes a $6 million penalty, the highest ever paid for a single facility, and environmental improvement projects valued at $1 million.

- **ChevronTexaco** makes use of domestic prison labor. They are one of many corporations that employ inmates in the U.S. for wages ranging from 23 cents to one dollar an hour before deductions, along with no benefits and no federal worker protections.

- The Human Rights Campaign, the largest gay-rights organization in the U.S., is calling for a boycott of **Exxon Mobil** because of its refusal to retain a non-discriminatory policy and domestic partner benefits that were in force at Mobil Corp. prior to its March 2000 merger with Exxon. "It's the first U.S. employer to rescind a non-discrimination policy covering sexual orientation," a spokesman for Human Rights Campaign said. In a *Wall*

Street Journal story (8/30/01), Exxon Mobil CEO Lee Raymond is criticized not only for his “disdain for gay rights,” but also for “assailing the Kyoto initiative to combat global warming” and using company resources to assist “repressive regimes.” A senior investment analyst at Trillium Asset Management, a Boston firm that bills itself as socially responsible, is quoted: “Lee Raymond simply doesn’t care.”

- A group of fired **Exxon** Chemical employees, all terminated on Dec. 31, 1998, is suing the company for engaging in a pattern of racial discrimination when considering workers for hiring or promotions. According to the lawsuit, the African-American plaintiffs had from 11 to 30 years of service in the company’s research division, but were “denied training and the opportunities to demonstrate the qualifications necessary to obtain higher paying jobs and higher responsible positions…The result has been a significantly segregated workforce.” The lawsuit, filed in Superior Court in Elizabeth, New Jersey, stems from an Exxon joint venture with Shell Oil in 1999.

- **Texaco**, Inc. Chairman and CEO Peter Bijur retired in February 2001, less than six months after his company agreed to be acquired by **Chevron** Corp. in a transaction valued at about $45 billion, according to the *Los Angeles Times* (2/5/01). In November 1996, on Bijur’s watch, Texaco settled one of the largest racial discrimination lawsuits in U.S. history, agreeing to pay $115 million in damages plus raises of at least 10% to about 1,400 African-Americans who were allegedly denied jobs and/or promotions. As part of the agreement, Texaco had to establish companywide diversity and sensitivity training, establish companywide job postings and tie management compensation to equal employment opportunity and diversity performance. The settlement followed the sensational disclosure of a “racist corporate culture,” as documented in secret recordings in which senior Texaco executives denigrated and belittled black workers and plotted to destroy incriminating evidence in the lawsuit.

- At the end of March 2000, a massive explosion at a **Phillips Petroleum** plastics plant in Pasadena, Texas, killed one person and injured 74. The accident, the fourth within the previous year at the facility, came 11 years after a blast that killed 23 people. “It is nothing short of reckless that Phillips did not prevent this tragedy,” said Jeremiah Baumann of US PIRG in Washington. He noted that the 1989 explosion at the Phillips facility spurred Congressional passage of accident preparedness provisions as part of the 1990 Clean Air Act amendments. One provision requires such facilities to publicly report an estimated worst-case accident scenario, including the radius of vulnerability around the facility. In August 1999, Phillips and other companies lobbied successfully to remove the worst-case scenario estimates from public dissemination. “Now we’re seeing just how dangerous it is to be kept in the dark,” Baumann said.

- **Exxon Mobil** will appeal a verdict by a New Orleans jury ordering it to pay one of the largest sums ever awarded to an individual for property damage — $1.06 billion — for the radioactive contamination of 33 acres of land owned by a former state judge, Bloomberg News reported on May 24. The company was ordered to pay $56 million for cleanup costs. Five former workers — two diagnosed with brain cancer, two with lung cancer and one with leukemia — are suing Exxon Mobil in the same court.

- A Miami federal jury on Feb. 20 ordered **Exxon Mobil** to pay 10,000 independent station owners $500 million — which could grow to $1 billion if the judge adds interest — for inflating wholesale fuel prices. The company has appealed. The station owners' lawyer, Eugene Stearns, said: "We opened a window into Exxon's pricing system. We opened Pandora's box. Anyone (with a personal computer) will be able to see to what extent companies can manipulate the price." In a separate case, in 2000, a federal jury in Corpus Christi, Texas, found that Exxon charged independent station owners more than it charged competing Exxon-owned stations.

- In January 1999, the Labor Department's Office of Federal Contract Compliance Programs announced that **Texaco** agreed to pay $3.1 million to 186 women who worked in its corporate offices nationwide in a settlement of a case alleging pay discrimination. Secretary of Labor Alexis Herman said the settlement was the largest pay case reached by the compliance office in its "glass ceiling initiative," aimed at identifying barriers that block women and minorities from reaching top-level management jobs. Texaco was cited for applying its compensation policies inconsistently. The plaintiffs, who worked for Texaco between 1993 and 1996, were consistently paid less than their male counterparts in similar positions, Herman said.

- In May 1999, the Equal Employment Opportunity Commission filed a federal age discrimination suit against **BP Amoco** for hiring seven employees aged 25 to 34 instead of eight employees all above 40 with more experience. The suit alleged that BP also includes in its application process a rigorous physical test to discourage older applicants. And in September 1999, two lawsuits were filed against BP Amoco in Prudhoe Bay, Alaska, alleging sexual harassment and age discrimination.

A Labor History Lesson?

ENVIRONMENTAL ACTIVISTS AND UNION ADVOCATES have only recently begun to realize how many concerns they have in common. When union leaders and members weigh the arguments for and against oil drilling on protected public lands, they might well ask themselves, in the words of the old labor anthem, "Which Side Are You On?"

It is neither an oversimplification nor an exaggeration to say that the two sides in the Alaska oil drilling dispute are direct descendents of the interests that have clashed repeatedly throughout our history as working people sought dignity and a better life and corporate interests sought profits and more control over everyone's lives. Just by changing a few names and places, labor historian Thomas R. Brooks could have been writing about contemporary struggles when he described the 1914 Ludlow Massacre in his book, "Toil and Trouble: A History of American Labor:"

> "Though John D. Rockefeller controlled the Colorado Fuel and Iron Company…he had 'not the slightest idea' of the wages, rents or living conditions of the miners who were technically in his employ. 'Such details as

wages, working conditions and the political, social and moral welfare of the 15,000 or 20,000 inhabitants of his coal camps,' declared a report of the U.S. Commission on Industrial Relations, 'apparently held no interest for Mr. Rockefeller for…he professed ignorance of these details. Yet he followed, step-by-step, the struggle of his executive officials to retain arbitrary power and to prevent…collective bargaining.'"

Another labor historian, Sidney Lens, wrote in "The Labor Wars:"

"Nothing could be so heartbreaking as the Ludlow massacre which occurred on Easter night 1914. Coal miners striking against John D. Rockefeller's Colorado Fuel & Iron Company in Ludlow…were awakened that night to find company men and National Guardsmen drenching their tents with oil. They had moved into these improvised homes when agents of the oil tycoon had evicted them from company-owned dwellings. Regularly harassed by soldiers' bullets, they had taken the precaution of digging a cave, where they placed 13 children and one pregnant woman. All 14 were burned to death that night, and six other adults were shot to death as the tent community went up in flames."

As the Communications Workers of America noted in a resolution that was overwhelmingly adopted by convention delegates in July, "Exxon Mobil and other corporations have already been responsible for hundreds of oil spills annually and at least 55 contaminated waste sites in the Arctic." Thoughtful union people already understand, as the CWA delegates did, that Big Oil and the Bush-Cheney Administration have formed an unholy alliance of polluters and political operatives who routinely commit environmental crimes and engage in human rights abuses and anti-union vendettas at home and abroad.

Even those union leaders who cherish the myth of "job creation" in Alaska, largely based on the questionable study commissioned by the American Petroleum Institute more than a decade ago, should realize that the very phrase "corporate responsibility" is an oxymoron. Unionists have always known that corporations will try to get away with everything they can, regardless of how much human suffering or damage to nature results. More and more environmental activists have come to the same realization.