

Cabinet Stewart's problematic lobbying tactics

Brussels PA firm Cabinet Stewart is one of the nominees for the 2007 Worst EU Lobbying Awards for “running the International Council for Capital Formation – a uniquely fake European think-tank that serves as a front group for US-based opponents of the Kyoto Protocol”.

Like the other candidates, Cabinet Stewart was offered the possibility to submit a written comment on their nomination. [Cabinet Stewart's submission is now available](#) on the Worst EU Lobbying Awards website.

We believe that Cabinet Stewart's reply does not provide any information or argument that could result in a withdrawal or change of the nomination.

In the past years, Cabinet Stewart has been providing ‘consultancy services’ to the International Council for Capital Formation (ICCF). This service has allowed the ICCF to pose as an EU-based ‘unique European think tank’, while it's no more than an empty shell.

The ICCF was set up by the American Council for Capital Formation, as a vehicle to export an ultra-liberal agenda from the US to the rest of the world. The implicit suggestion that this agenda (including fierce opposition to the Kyoto protocol) originates from European society, is intended to lend it more respectability.

We consider this a misleading practice, in which Cabinet Stewart plays a key role: without their services, the ACCF wouldn't be able to use the ICCF as a front group. Even if these practices are not against the law, they are highly problematic.

Below we give a detailed refutation of Cabinet Stewart's response.

The organisers of the EU Worst Lobbying Awards 2007

ICCF identity and links with the ACCF

In its reaction, Cabinet Stewart discloses the International Council for Capital Formation (ICCF) revenues for 2006 (€107,000), adding that the nomination “misleadingly quotes” a figure of 1.6 bn US\$, received by the American Council for Capital Formation (ACCF) from oil company ExxonMobil.

In fact, the nomination briefly introduces the American Council for Capital Formation (ACCF), the organisation that created the International Council for Capital Formation (ICCF) to serve as a ‘European’ front for the ACCF's activities outside the United States. The nomination text correctly mentions that the ACCF received substantial donations from ExxonMobil. ExxonMobil has a reputation for funding think-tanks that focus on stopping, delaying and/or weakening action against climate change. In that context, the fact that ACCF has been receiving substantial funding from ExxonMobil merits mentioning. The ICCF can hardly pretend to be fully independent from the ACCF, of which it officially is an affiliate. For example it remains unclear if the 107,000 € annual budget of the ICCF also covers the expenses for Dr Margo Thorning (ACCF Senior Vice President and Chief Economist and ICCF Managing Director) when she speaks on behalf of the ICCF.

Cabinet Stewart's claim that the ICCF has a Brussels letterbox address in order to comply with the requirements of Belgian law cannot stand firm. As we perceive it, the ACCF has created the ICCF expressly to serve as a Brussels front group. The [ICCF website](#) and [brochure](#) strongly suggest that the ICCF has a real presence in Brussels, with an office that can be contacted; on its website the ICCF even calls itself a "unique European think tank."

The double identity is also used at home in the US. Earlier this year Dr Margo Thorning [testified before a Committee of the US Congress](#) on behalf of the ICCF, while she made [a very similar testimony before a Committee of the Senate](#) only two weeks later, on behalf of the ACCF this time.

The relationship between Cabinet Stewart and the ICCF

Cabinet Stewart denies responsibility in the running of the ICCF, as no Cabinet Stewart staff sits on the ICCF Management Board which is responsible for the management decisions at the ICCF. When we wrote in the nomination text that Cabinet Stewart is "running the ICCF", we meant that Cabinet Stewart has been providing "logistical and consultancy services" to the International Council for Capital Formation (ICCF). Without these services it would have been very hard for the ACCF to pretend that it has a European affiliate.

Cabinet Stewart claims to be retained by the ICCF to provide 5 hours of monitoring services per month on EU policy on energy, intellectual property and pensions, and on top of that to organise contact programmes for ICCF representatives to meet with EU officials and MEPS and logistical support for conferences.

But the effective role of Cabinet Stewart in the ICCF is more substantial, as is admitted in other circumstances. In July, Nicolas Robin, the Cabinet Stewart consultant responsible for the services provided to ICCF, was nominated as 'European consultant of the year'. According to the nomination text, written by Paul Shotton (also Cabinet Stewart), "Nicolas has an established record on energy issues. His work for an international think-tank has promoted a new perspective on the debate on climate change which has established this think-tank as a valuable contributor in the debate on climate change in Brussels and Washington DC."

The fact that Cabinet Stewart consultants identify themselves by the name of Cabinet Stewart when contacting EU legislators and stakeholders on behalf of the ICCF, and that they are paid exclusively by the ICCF does not change the fact that they do lobby work for the ICCF. In this context it is remarkable that Nicolas Robin, the Cabinet Stewart consultant responsible for the ICCF consultancy work, is [registered at the European Parliament](#) not as a lobbyist for Cabinet Stewart but for his own consultancy, "N Robin".

The nomination text does not claim that Cabinet Stewart is paid by the ACCF. It says that Cabinet Stewart has helped the ACCF to build this misleading European front group and present the American Council for Capital Formation's agenda to European decision-makers as an agenda originating from a 'unique European think tank': the ICCF.

Although Cabinet Stewart claims to have been fully transparent about its consultancy relationship with the ICCF, it never fully and openly confirmed this relationship to Corporate Europe Observatory. They merely didn't deny it when directly confronted. Moreover, they refused to provide CEO with any specific information, including the annual budget and types of activities performed for the ICCF, invoking confidentiality clauses. Nowhere on the websites of Cabinet Stewart and the ICCF the consultancy relationship between the two organisations is mentioned.

The nomination text mentions some workshops organised in the European Parliament by the Cabinet Stewart for the ICCF as evidence of the services that Cabinet Stewart provides to the ICCF. Cabinet Stewart's defense of the openness of those workshops is not relevant.

ICCF position on climate change

Cabinet Stewart argues that “contrary to the allegations, ICCF does not question the science of climate change or the need to take urgent action to tackle it.” But while the ACCF and the ICCF concentrate on trying to prevent or delay government regulations and other regulatory measures to fight climate change, primarily by raising the spectre of high economic costs, both organisations also consistently try to cast doubt on climate change, for example by using the term “potential threat of climate change”, see e.g. [the page introducing the ACCF's work on carbon taxes](#). In her testimonies before Congress and the Senate earlier this year (one on behalf of ACCF, the other on behalf of ICCF) Dr Margo Thorning used the term “potential threat of climate change”.

Moreover, two of the three members of the ICCF Advisory Board, [Richard W. Rahn](#) and [Gerd-Rainer Weber](#) are known as climate sceptics. and

In its Brussels lobbying, the ICCF abstains from crude climate scepticism, yet this is not always the case when elsewhere. An example of this is their work in Russia in 2004 that sought through debates, workshops, and a presence in the media to persuade Russia not to ratify the Kyoto Protocol. This was a very strategic choice, as without Russian ratification, the Protocol would not have come into force. During this campaign, the ICCF sponsored the participation of Andrei Illarionov, currently a senior fellow of the Cato Institute and a former senior economic advisor to Putin. In interviews, Mr. Illarionov stated that “no link has been established between carbon dioxide emissions and climate change” ([interview 18 May 2004](#)) and that “if there is an insignificant increase in the temperature it is not due to anthropogenic factors but to the natural factors related to the planet itself and solar activity. There is no evidence confirming a positive linkage between the level of carbon dioxide and temperature changes” ([interview 9 July 2004](#)).