


# The laws that took down mobsters are now being turned against Big Oil

Cities in New Jersey and Puerto Rico claim oil companies are behind a conspiracy to deceive the public.



Kena Betancur / VIEWpress / Corbis via Getty Images

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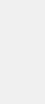
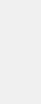
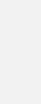
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The flood-prone city of Hoboken, New Jersey, sued Exxon, Chevron, and other oil companies three years ago, hoping to put them on trial for deceiving the public. Like other lawsuits set in motion by “[Exxon Knew](#)” investigations, Hoboken made the case that they breached state consumer protection laws by hiding the risks of burning fossil fuels.

But the lawsuit recently took a novel twist. Hoboken’s lawyers amended the complaint in late April, alleging that Big Oil had violated the state’s Racketeer Influenced and Corrupt Organizations Act, known as RICO, as first reported by the accountability site [ExxonKnews](#). New Jersey’s statute is modeled after a federal RICO law passed in 1970 designed to take down organized crime. These racketeering lawsuits aren’t just for the Mafia anymore; they’ve also been successful against tobacco companies, such as Philip Morris, and [pharmaceutical executives](#) tied to the opioid epidemic.

It could be the start of a new wave of climate lawsuits, said Corey Silverman-Roati, a fellow at Columbia Law School. Thirty-three states and two U.S. territories have RICO laws, and judgments in these cases can award plaintiffs triple the damages. The use of RICO is another sign that cities and states are trying to learn from “the successes and failures of the tobacco litigation movement and the opioid litigation movement,” Silverman-Roati said.

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It’s already proving to be a big year for climate court cases. Last month, the Supreme Court rejected petitions from Chevron, Shell, BP, and other companies in many cases filed by cities and states, unleashing lawsuits to proceed in state courts that had been stuck in limbo for years. This week, the court also [allowed Hoboken’s case to move forward](#), potentially toward a jury trial. The city aims to make the oil giants pay [hundreds of millions of dollars](#) for updating local infrastructure to withstand stronger storms, rising seas, and other effects of climate change.

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Hoboken’s lawsuit is the second to argue that Big Oil colluded in a “fraudulent scheme” to conceal how their products contribute to climate change. In November, [cities across Puerto Rico](#) accused Chevron, ExxonMobil, Shell, and other fossil fuel companies of violating the federal RICO law. The towns seek to make companies pay billions of dollars for the extensive damages suffered during hurricanes Maria and Irma in 2017.

Both lawsuits argue that evidence of a conspiracy traces back to 1989, just as governments around the world started talking about reining in global warming. That year, ExxonMobil, Shell, and the industry’s largest trade group, the American Petroleum Institute, helped form a group to block climate action audaciously named the Global Climate Coalition. Even though these companies had privately understood the risks of climate change for decades, they developed a robust public relations campaign that cast doubt on the science. The corporate coalition lobbied politicians, reviewed international climate science reports, and gave the industry a voice in global climate negotiations.

The latest lawsuits also point to the American Petroleum Institute’s creation of a front group called “Global Climate Science Communications Team” in 1998, mirroring the tobacco industry’s efforts to discredit the science that linked cigarette smoke to cancer. (The oil industry’s “science” team did not include a single scientist.) It had the stated goal of getting a majority of Americans to recognize “that significant uncertainties exist in climate science,” declaring that “victory will be achieved” when uncertainty became part of the “conventional wisdom.”

“They’ve made it easy to prove,” Melissa Sims, an attorney at Milberg, the Tennessee-based law firm representing the Puerto Rican cities, [told Grist earlier this year](#), “because unlike all the other racketeering cases that have been on file, none of them included a written battle plan with a detailed division of labor on how they were going to accomplish their deception.”

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In response, oil companies say that courtrooms aren’t the right place to address the big question of climate change. After Puerto Rico’s suit was filed, a lawyer for Chevron [told Reuters](#) said it was “a baseless distraction from the serious challenge of global climate change, not an attempt to find an effective solution.” An Exxon spokesperson said that these kinds of cases “waste millions of dollars of taxpayer money.”

Hoboken, on the other hand, says that the campaign of deception that started 40 years ago never stopped. Today, advertisements showcasing oil companies’ clean energy ventures “dupe consumers into believing that they are committed to addressing climate change,” the city’s complaint says.

Both RICO lawsuits highlight “this decades-long pattern of fossil fuel companies knowing that their products are harmful, deceptively marketing them to the public as safe, and then public communities being on the hook for huge sums to pay for those harms,” Silverman-Roati said. “It’s really a way of underlining that pattern aspect of the behavior, the conspiratorial aspect of the behavior, and tying that to criminal violations like fraud.”

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