

REJOINDER BY CHRISTOPHER AVERY, 26 OCT 2016

[Christopher Avery sent the statement below to BP as a rejoinder to BP's response to a letter he sent to the company in August 2016. That letter raised concerns about BP PAC's funding of political candidates with poor human rights records. Mr. Avery's original letter and BP's response are available [here](#).]

I am disappointed with the response by BP, which seems to be trying to avoid taking responsibility for its Political Action Committee (PAC) funding far-right-wing candidates (including climate-change-deniers) in the U.S. who have a record of undermining fundamental human rights.

BP's PAC is managed by BP and is part of BP. The BP PAC board (composed of BP senior managers in the U.S.) decides which candidates are supported by the PAC — that board decided, for example, to fund the campaigns of Senator James Inhofe who said that only God can change the climate, and Congressman Mike Coffman who voted against the Lilly Ledbetter Fair Pay Act (which made it easier for women to enforce their right to equal pay for equal work), voted to repeal the Affordable Care Act which provides health care for many low-income people, supported bans on same-sex marriage until they were overturned by the Supreme Court, and declared: "I don't know whether Barack Obama was born in the United States of America. I don't know that. But I do know this, that in his heart, he's not an American. He's just not an American."

So while the funds coming into the PAC are from BP senior managers and other employees (rather than from BP's bank account), the PAC funds go out only to those candidates chosen by the BP PAC board.

Concerns have been raised about companies in the U.S. pressuring or trying to induce employees to donate to the company PAC. A 2015 *Reuters* analysis, "[The new U.S. office politics: funding your boss's political causes](#)", states: "Employees at the nation's top firms are contributing more money than ever before to company PACs controlled by CEOs and senior management... To encourage this sort of donation, some companies are attaching perks to the giving. BP, for example, says employees who donate at least 2.5 percent of their salary to the company PAC get choice parking spots in the company lot." In reference to corporate PACs generally, *Reuters* reported: "Some employees allege they have suffered retribution as a result of not supporting a CEO's politics..." The report also noted: "This sharp increase in political donations by employees is fueling concerns among some campaign finance watchdogs, ahead of the November 2016 elections, that workers may feel pressure to donate to candidates they do not support or to lobby on issues they don't agree with." This raises the question: How many employees in the U.S. fear that their advancement within the corporation may be affected by whether or not they donate to their company's PAC, in other words whether or not they financially support those candidates hand-picked by their senior managers?

See also this article: "[Climate-sceptic US senator given funds by BP political action committee](#)" (*Guardian*), which states: "One of America's most powerful and outspoken opponents of climate change regulation received election campaign contributions that can be traced back to senior BP staff, including chief executive Bob Dudley".

Here is a brief explanation of corporate PACs in a 2012/2013 White Paper by the law firm Venable LLP, entitled "[*Forming a Corporate Political Action Committee*](#)":

- "Corporations often establish federal political action committees ("PAC") to support the election of officials who are aligned with their businesses' policy goals. PACs are necessary because the [United States] Federal Election Campaign Act ("FECA") prohibits using corporate treasury funds to support federal candidates or political parties...."

- "A PAC is somewhat different from other entities associated with a corporation. It is a separate entity, but still managed by, and part of, the corporation."

- "A corporation and its PAC may solicit voluntary contributions of up to \$5,000 per year from the corporation's "restricted class." This includes its salaried employees with decision-making authority, shareholders, and these groups' families. The PAC can make contributions to candidates for federal office of up to \$5,000 per election with the funds it raises. ... Thus, the PAC could give up to \$10,000 to a single candidate in the typical election cycle: \$5,000 for the primary and \$5,000 for the general."

- For further information about corporate PACs, see the full White Paper hyperlinked above.

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