

Nation of Change

Climate ‘leader’ Netflix donated to pro-pipeline, Koch-supported think tank

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Netflix gives every impression of being one of the world’s most climate friendly corporations.

The streaming company responsible for the blockbuster climate movie “Don’t Look Up” starring Leonardo DiCaprio and Jennifer Lawrence plans to slash or offset all of its corporate greenhouse gas emissions by the end of 2022, a goal known as net-zero.

Netflix is producing and providing a platform for documentaries, TV series, and feature films educating viewers about the climate crisis — about 160 million households globally watched one of these stories in 2020, according to the company.

“The film industry needs a leader when it comes to climate action,” Katharine Hayhoe, a chief scientist at the Nature Conservancy who belongs to an independent advisory group of experts for Netflix’s sustainability plan, has said. “I’m thrilled at how Netflix is taking on this leadership role.”

But away from the public eye there is one area where Netflix is anything but green.

The company has donated to a rightwing think tank in Canada that has also been supported financially by the Canadian Energy Pipeline Association, the Exxon-owned tar sands producer Imperial Oil, and the Charles G. Koch Foundation, an organization linked to Koch Industries.

Known as the Macdonald Laurier Institute, this Ottawa-based think tank boasts of having “great influence” in pushing forward a massive tar sands pipeline expansion called Trans Mountain. That project’s greenhouse gas emissions could far eclipse any carbon reductions that Netflix promises in its “net-zero” plan.

The Macdonald Laurier Institute is a relatively new think tank. Founded in 2010, its board of directors and advisors come from some of the top legal, lobbying and financial firms in Canada. It is also a member of the Atlas Network, a U.S.-based coalition whose hundreds of partners worldwide include the Cato Institute, a libertarian think tank co-founded by Charles Koch.

The Macdonald Laurier Institute has partnered with Atlas on a campaign to discourage the Canadian government from implementing laws that would give Indigenous communities greater power to push against oil and gas projects on their land.

Netflix is listed as a donor to the Macdonald Laurier Institute in the organization's 2018 annual report, alongside Imperial Oil, the Atlas Network and several dozen other supporters. "We believe that with your help we will bring Canada closer to becoming the best governed country in the world," the annual report says of donors like Netflix.

The Macdonald Laurier Institute, also known as MLI, didn't respond to questions about the Netflix donation.

This might seem like an odd pairing, because Netflix by some measures is one of the most politically liberal tech companies, and MLI is arguably one of Canada's most rightwing think tanks. But at the end of the day, Netflix is a large corporation with financial interests that could potentially be served by supporting a think tank that claims it "has been regularly recognized for our influential thought leadership in Canada."

"Just because the Macdonald Laurier Institute is seen as more conservative, and Netflix is seen as having a more progressive agenda, doesn't necessarily mean that their interests don't align," Donald Abelson, a professor of political science at the University of Western Ontario who is an expert on think tanks, told DeSmog.

But Abelson cautioned against assuming that Netflix supports MLI's full political agenda; more than likely, its donation had nothing to do with pipelines. "Let's say you joined a political party, does that mean you agree with all the policies or platforms that emerge from that party?" he said.

Netflix's climate satire 'Don't Look Up' broke viewing records when it was released in 2021.

Credit: Netflix

Netflix didn't respond to questions from DeSmog about the size of its donation or whether it was aware of MLI's support for Trans Mountain, a pipeline designed to export an additional 590,000 barrels per day from the tar sands.

The think tank has an entire section about the pipeline in its report naming Netflix as a donor. That section doesn't once mention climate change and claims that a failure to build Trans Mountain "threatens Canada's economy."

In the year that Netflix donated to the think tank, tensions were increasing over the Trans Mountain project, a 714-mile pipeline expansion connecting the Alberta tar sands to oil-carrying supertankers in the west coast city of Vancouver.

Many environmental groups and First Nations were opposed to the project, and so was British Columbia Premier John Horgan, whose government delayed issuing crucial permits while arguing that the environmental risks of a potential oil spill couldn't be justified.

“I do believe we have a mandate to defend the coast,” Horgan said in 2018.

Kinder Morgan, the Texas-based company building the expansion, threatened to walk away entirely. All this constituted a “nightmare” to the Macdonald Laurier Institute, which argued in a report that “the attractiveness of Canada as a place for major investments is at stake.”

In May 2018, a senior fellow at the institute named Dwight Newman testified to Canada's Senate, where he argued that the federal government had the legal authority to override environmental opposition to the pipeline in B.C. “Canada does have the legislative powers to get this project done if there is the will to do so,” Newman said.

Two weeks later, Prime Minister Justin Trudeau announced that the federal government would pay \$4.5 billion to buy the pipeline from Kinder Morgan, effectively nationalizing the project. Trudeau called Trans Mountain “a vital project in the national interest” in a tweet, just one day after his government had declared a national “climate emergency” in Canada.

The Macdonald Laurier Institute was thrilled about the role it played in the pipeline fight. It claimed in its 2018 annual report to have shaped “government efforts to deal with the constitutional issues surrounding Trans Mountain,” adding that, “We have been at the forefront of efforts to chart a way out of the pipeline impasse.”

The Macdonald Laurier Institute didn't say in its report how much money Netflix donated that year. But it is possible to quantify the climate damage that will be caused by Trans Mountain.

The pipeline, whose cost has now risen to CAD \$21.4 billion, could result in up to 15 million tons of greenhouse gases released into the atmosphere annually once it's completed in 2023, according to calculations by Environment and Climate Change Canada.

Netflix, by contrast, is now promising to cut or neutralize roughly 1 million tons of greenhouse gases related to its operations by the end of the year.

Trans Mountain threatens to wipe out those climate gains entirely.