

Subsidizing Ruin is Wrong

A Multifaith Call to End Fossil Fuel Subsidies



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Credits

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Section 1: Introduction

Fossil fuels, the largest contributor to climate change, create severe impacts including wildfires such as this Colorado blaze. Credit: Kyle Murray, Colorado Hotshots, USFS

Ensure the dignity of all people. Care for the poor.

Prevent the unjust accumulation of wealth by those already rich.

Protect the environment.

**Use public resources to meet vital needs,
not to enrich the affluent and destroy the planet.**

These teachings represent a summary of some of the most important, widely held religious teachings about taxation. The teachings are found across the world's faiths and they are remarkably consistent.

They are also remarkably clear. Subsidizing fossil fuels, while the climate crisis accelerates and as the federal government slashes aid for the poor and working class, is morally reprehensible.

As the US Congress develops and debates its 2025 budget and tax bill, massive subsidies for the fossil fuel industry have been proposed. These subsidies, some of which have been in place for many decades and others which are new, represent an unethical and destructive use of public resources.

This report provides an overview of the lucrative subsidies which the fossil fuel industry receives.

It summarizes teachings from five religions - Judaism, Christianity, Islam, Hinduism and Buddhism - which address the intersection between taxation, economics, social equity and the environment. It rebuts the misappropriation of religion by the fossil fuel industry and its allies to support their own agenda over the common good.

It addresses the policies that should accompany the phaseout of subsidies so as to protect working class and poor households during the energy transition.

It concludes with a call to action for diverse religious communities - to speak out during the coming months while the 2025 tax bill is debated.

Federal and state government handouts provide a financial lifeline and unwarranted guarantee of profitability to an industry whose products are destroying the climate, devastating the health of communities adjacent to their facilities, and endangering the future of the entire human family.

Over more than 50 years, the fossil fuel industry's engagement on the climate issue reflects profound dishonesty, human rights violations, and disregard for the future of life. This industry must decline if the world is to remain habitable for humanity. Increasing government handouts for oil and gas at this critical moment is profoundly wrong.

Yet this is exactly what current drafts of the 2025 tax bill propose to do. This represents a deeply misguided impulse, driven by the insatiable greed of a powerful industry which has, globally, enjoyed [\\$3 billion in daily profits for the past 50 years.](#)

These subsidies are directly opposed to the common good and the welfare of people and planet alike. Religious leaders must call for their elimination.

Our religious values represent a vital contribution to this debate and we must not be silent.

Our faiths are clear on this matter.

Government's responsibility is to care for poor and marginalized communities, the health of the planet, and future generations. We must support tax policies that further these worthy aims, and reject policies that further enrich wealthy fossil fuel corporations.

Section 2: Federal and State Fossil Fuel Subsidies in the U.S.

Government subsidies have supported the fossil fuel industry since the early 1900's. Credit: Library of Congress

1. History

Fossil fuel subsidies in the United States began in the early 20th century. The federal government first introduced these subsidies to promote domestic oil and gas production, using tools like the Percentage Depletion Allowance, a tax break that allows oil, gas, and mining companies to deduct a fixed percentage of the revenue they earn from extracting oil or gas from their taxes. Unlike normal business deductions, which are based on actual costs (like how much a company spent to drill a well), this subsidy lets companies take a deduction based on a percentage of their total income from a well, even if they've already recovered all their original investment. In simpler terms, it's like being allowed to keep claiming a tax write-off for something long after you've paid it off—just because you're still making money from it.

Another early subsidy was the Intangible Drilling Cost (IDC) deduction, which allows companies to immediately write off most of the costs involved in preparing and drilling new wells, like labor and supplies, rather than spreading those costs over time like most businesses are required to do.

Over the decades, these subsidies became permanent fixtures in the U.S. tax system, even though fossil fuel companies became some of the most profitable corporations in the world. States like Texas, Oklahoma, Pennsylvania and North Dakota followed suit, offering their own tax breaks and reduced royalty payments to encourage drilling and coal mining. Some of these states also cynically took nominal responsibility for the cost of cleanups of the pollution caused by the fossil fuel industry - a massively valuable subsidy - while failing in actuality

to provide funds for adequate cleanups of major oil spills and toxic contamination.

Because these subsidies are built into the tax code, they don't show up as line items in government budgets, are difficult to understand, and are usually overlooked by the public. Yet they represent tens of billions of dollars in support for fossil fuel companies each year. Research has shown that close to [half of all new US oil and gas projects](#) would not be profitable without these handouts.

Efforts to end these subsidies date back at least to the 1970s. However, strong lobbying from the fossil fuel industry and related political gridlock have blocked reform. These subsidies continue to incentivize pollution and delay the transition to clean energy, even as the climate crisis worsens and its impacts destroy the homes and livelihoods of working class communities.

Historically, elected officials from both political parties have supported fossil fuel subsidies, though in recent years the Democratic Party has shifted away from this position. The Obama and Biden administrations both sought to end these subsidies but were blocked legislatively. Some Democratic officials—particularly those from fossil fuel-producing states like Louisiana, Texas, West Virginia, and New Mexico—have supported fossil fuel subsidies to protect local economies and jobs. However, the trend within the Democratic Party has shifted significantly since the 2000s, with growing calls to eliminate fossil fuel subsidies. By comparison, support for fossil fuel subsidies has remained strong in the Republican Party.

2. Types of Federal Fossil Fuel Subsidies

Fossil fuel subsidies take many forms, including direct government spending, tax breaks, favorable leasing terms, and regulatory exemptions. While proponents argue that such subsidies maintain energy security and job creation, economists agree that they distort market dynamics, discourage the transition to renewable energy, and accelerate climate change by artificially propping up fossil fuel production.

At the federal level, fossil fuel subsidies are delivered through tax provisions, direct financial support, and regulatory advantages. Some key subsidies include:

1. Tax Breaks and Deductions provide the fossil fuel industry with increased profits while decreasing the taxes they pay.

- **Intangible Drilling Cost (IDC) Deduction:** This allows oil and gas companies to deduct most of the costs of drilling new wells, including labor and material expenses, in the year they are incurred rather than depreciating them over time.
- **Percentage Depletion Allowance:** Unlike standard depreciation, this provision allows fossil fuel producers to deduct a fixed percentage of their revenue, even if the deduction exceeds their actual investment in drilling operations.
- **Manufacturing Tax Deduction:** Originally designed to promote domestic manufacturing, this tax benefit was extended to fossil fuel companies, allowing them to deduct a percentage of their income.

2. Direct Financial Assistance and Research Funding give the industry valuable financial and intellectual support.

- The U.S. government has historically provided direct subsidies to support fossil fuel research and development, including funding for carbon capture and storage (CCS) technologies, which help prolong the viability of the fossil fuel industry.

3. Favorable Leasing and Royalty Structures

- Fossil fuel companies benefit from below-market rates for leases on public lands and offshore drilling sites. The federal government frequently auctions these leases at prices lower than their market value, thereby subsidizing oil and gas production.
- Even with below-market royalty rates, the federal government sometimes allows fossil fuel producers to avoid paying full royalties on extracted resources, reducing costs for companies.

4. Regulatory Loopholes and Exemptions

- The fossil fuel industry benefits from exemptions in environmental regulations, such as the "Halliburton Loophole," which exempts hydraulic fracturing (fracking) from key provisions of the Safe Drinking Water Act.
- The industry also benefits from subsidies embedded in federal disaster relief programs, which cover costs related to oil spills, methane leaks, and abandoned well cleanups that would otherwise be the responsibility of fossil fuel companies.

Government subsidies support massive fossil fuel projects such as this Texas refinery. Credit: Roy Luck



Texas and other states provide large subsidies for oil and gas companies. Credit: Roy Luck

3. State-Level Fossil Fuel Subsidies

Many states subsidize the fossil fuel industry, particularly in states with significant oil, gas, or coal production. State subsidies include:

1. State Tax Incentives and Deductions

- Many states offer tax breaks which reduce the taxes that fossil fuel producers must pay on extracted oil, gas, and coal.
- States such as Texas, Oklahoma, and North Dakota provide tax incentives for horizontal drilling and fracking, lowering production costs for fossil fuel companies.

2. Infrastructure and Direct Subsidies

- Some states provide direct financial assistance for pipeline construction, refinery development, and other infrastructure projects that support fossil fuel production.
- Some states subsidize workforce training programs that prepare workers for employment in the oil, gas, and coal sectors.

3. Weak Environmental Enforcement and Liability Protections

- Some state governments have relaxed environmental regulations to attract or retain fossil fuel projects. This includes lower penalties for pollution violations and leniency in cleanup requirements for oil spills and abandoned wells.
- Some states assume liability for certain environmental damages, reducing financial risks for fossil fuel companies.

“Many states provide tax breaks, direct financial assistance, and lowered environmental standards for fossil fuel projects - all of which are significant subsidies.”

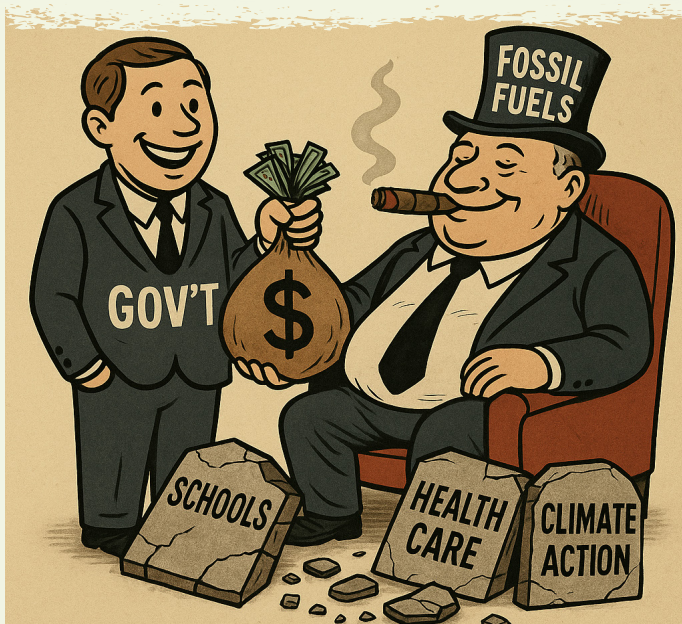
Section 3: Subsidies and Fossil Fuel Industry Profitability

The financial value of fossil fuel subsidies in the United States is substantial, with estimates ranging from tens to hundreds of billions of dollars annually, depending on what is counted. A [2017 study in Nature Energy](#) found that nearly 50% of new U.S. oil fields would not be financially viable without this support.

Direct federal subsidies—including tax breaks, deductions, and favorable leasing terms—are estimated at \$20–50 billion per year. This amounts to a contribution to the fossil fuel industry of \$150–\$380 per US household.

In addition, major oil- and gas-producing states like Texas, North Dakota, and Oklahoma provide additional billions through tax exemptions, royalty relief, and infrastructure support. Some states offer tax breaks or rebates for new drilling projects, lowering production costs and boosting profits.

State subsidies are not limited to oil producing states. Researchers found that New York state agencies granted over \$1.1 billion in tax breaks to fossil fuel projects from 2010 to 2022, averaging close to \$85 million per year. During that same period, [New York state agencies](#) awarded less than 40% of that amount - just over \$400 million - to renewable projects.



When external costs—such as health impacts from pollution, climate-related disasters, and environmental cleanup—are factored in, total U.S. subsidies rise sharply. The International Monetary Fund (IMF) estimates that in 2020, the U.S. provided approximately [\\$757 billion](#) in both direct and indirect subsidies to the fossil fuel sector. On a global scale, the fossil fuel industry received \$7 trillion in subsidies - more than [\\$13 million every minute](#). The U.S. accounts for [nearly 35% of the global total](#).

It is an understatement to say that these subsidies significantly increase industry profitability and delay the transition to clean energy. Without these subsidies, many fossil fuel projects—especially those involving unconventional oil and gas extraction such as fracking and deepwater drilling—would be less profitable or unprofitable.

The following represent several of the ways these subsidies increase the industry’s profitability, delay the transition to clean energy, and waste valuable public resources.

- **Cost Reduction and Increased Production**
 - Subsidies lower the costs of exploration and extraction, enabling companies to undertake projects that might otherwise be unprofitable.
 - The artificially low cost of leasing public lands and offshore drilling sites encourages expanded production, which distorts energy markets.
- **Uneven Playing Field**
 - Fossil fuel subsidies create an uneven playing field for renewable energy. While solar and wind energy receive some government incentives, fossil fuel subsidies far exceed those given to

renewables, making it harder for clean energy technologies to compete.

- By keeping fossil fuel prices artificially low, subsidies discourage investment in energy efficiency and alternative energy sources.
- **Risk Reduction and Long-Term Viability**
 - Subsidies shield fossil fuel companies from the full costs of environmental damage, which would otherwise dramatically decrease their profitability. For example, taxpayers often bear the cost of abandoned well cleanups and oil spill mitigation - costs that the industry should cover.
 - Government-funded research into carbon capture and other technologies provides the industry with tools to comply with environmental regulations while continuing operations.

- **Investor Confidence and Shareholder Returns**

- Because subsidies reduce financial risks, they enhance investor confidence in fossil fuel companies, helping to maintain stock prices and shareholder returns.

Fossil fuel companies can use the financial savings from subsidies to increase dividends, buy back shares, and reinvest in additional drilling projects.

In conclusion, the fossil fuel industry receives an array of financially valuable government subsidies. At the same time, the fossil fuel industry globally has enjoyed \$3 billion in daily profits for 50 years while serving as the primary cause of global climate change.

The following section describes the ways that the Republican majority in Congress is seeking to increase fossil fuel subsidies as part of the 2025 tax bill.

“Subsidies shield fossil fuel companies from the full costs of environmental damage, which would otherwise dramatically decrease their profitability”

Section 4: The 2025 Reconciliation Bill and Fossil Fuel Subsidies

The Republican Party is seeking to expand fossil fuel subsidies and eliminate most of the Inflation Reduction Act as part of 2025 tax legislation.

NEWS
ALERT

EMPOWERING AMERICAN BUSINESSES SEN. LANKFORD PUSHES FOR OIL & GAS DRILLER TAX RELIEF

As of June 2025, the Republican Party, which holds a majority in the House of Representatives and the Senate, is actively pursuing policies to expand federal subsidies for the fossil fuel industry while dismantling core provisions of the Inflation Reduction Act, the landmark 2022 US climate bill. These initiatives aim to increase domestic oil, gas, and coal production by reducing regulatory burdens and offering financial incentives.

Gutting the Inflation Reduction Act

Congress is currently using proposed 2025 legislation to eliminate major parts of the Inflation Reduction Act. Key provisions of existing legislation include:

- Accelerated Phase-Out of Renewable Energy Tax Credits: Current legislation mandates that clean electricity projects must commence construction within 60 days of the 2025 bill's enactment and be operational by the end of 2028 to qualify for tax credits. This effectively disqualifies most planned projects.
- Elimination of Renewable Energy Tax Incentives: Tax credits for rooftop solar installations and leases, energy-efficient home improvements, and electric vehicles are slated for termination after 2025.
- Restrictions on Foreign Entities: The legislation introduces stricter rules for projects involving foreign entities of concern, such as China, limiting their eligibility for tax benefits. Given China's significant role in the global renewable energy

supply chain, this provision would further hinder clean energy deployment in the U.S.

- Increased Royalty Payments for Renewable Energy Projects: Pending legislation would increase royalty rates and fees for renewable energy projects on federal lands. By raising the costs associated with wind and solar energy development, these policies would discourage investment in renewable energy and slow the transition to cleaner energy sources.

In addition, legislation under consideration [would eliminate](#):

- Tax credits for families to purchase new or used electric vehicles, energy efficient appliances, and building materials.
- Incentives for investments in low-income rural and urban households including communities of color and tribal nations vulnerable to climate change and pollution.

- Financing for local governments and nonprofits, including religious institutions, to benefit from the tax incentives to provide clean energy, such as community solar projects, and purchase energy efficient building upgrades and sustainable transportation including EV school buses.
- Community grants to improve environmental health in low-income communities, communities of color, Native American communities and others impacted by energy production and industrial pollution.
- Grants and loans to jumpstart jobs and manufacturing of electric vehicles, battery and battery recycling, windmills, and solar panels.
- Programs to support ecosystem restoration, conservation, and national service.

Since its passage, [the IRA has generated](#) an estimated \$600 billion in private investment across roughly 750 domestic clean-energy projects, creating more than 406,000 new American jobs. Due to federal spending freezes and the threat to repeal the IRA, there have been more than 42,000 announced job losses.

Increasing Tax Breaks for Fossil Fuels

In addition to eliminating major portions of the IRA, current legislation also seeks to expand fossil fuel subsidies.

Expansion of Drilling on Federal Lands

Republican lawmakers have introduced legislation to increase the leasing of federal lands for oil and gas development. This includes areas previously protected or considered environmentally sensitive, such as the Arctic National Wildlife Refuge and parts of the Gulf of Mexico. [The proposed bills](#) also seek to streamline the permitting process, set accelerated deadlines for the approval of drilling applications, and impose fees on individuals or groups that file protests against these leases.

Reduced Royalty Payments for Fossil Fuel Companies

To further incentivize fossil fuel extraction, Republicans are advocating for reduced royalty rates for [oil and gas companies operating on public lands](#). This would lower the cost of production for these companies, increasing their profitability while resulting in revenue losses for the federal and state government and taxpayers. Initial proposals would reduce these royalty rates by 25-33 percent, leading to \$5 billion in losses to the federal government between 2026 and 2035. It is likely that state governments will see a similar reduction in their revenues due to the decreased industry royalty payments.

Reduced taxes for fossil fuel companies

[Pending legislation](#) would ensure that many oil and gas drillers are not subject to the corporate minimum tax by allowing the deduction for intangible drilling costs—a longstanding subsidy—to be claimed against this tax.

Current versions of the 2025 tax bill have made it clear that the Republican majority in Congress is seeking to increase fossil fuel subsidies. The following section makes it clear that this impulse stands in direct and stark opposition to teachings which are central to the world's religions.

Section 5: Religious Teachings and Fossil Fuel Subsidies

Faiths and the Intersection of Tax Policy, the Role of Government, the Needs of the Poor and the Planet

Numerous sacred texts and religious teachings articulate ethical principles that support taxation and government policy to protect the environment and vulnerable communities. These same teachings consistently criticize taxes and policies that enrich the wealthy, exploit the poor, and destroy the environment.

The following represents a sampling of such texts and teachings from the three major Abrahamic religions - Judaism, Christianity and Islam - followed by texts and teachings from Hinduism and Buddhism, the world's two largest Dharmic traditions.

Judaism

Judaism teaches that human beings are moral agents with free will, empowered to make ethical choices to respect the sacredness of life, love one's neighbor, care for the stranger and all who are vulnerable, and protect Earth for the well-being of humanity and the web of life. Jewish tradition emphasizes that it is only possible to fulfill one's ethical responsibilities by participation in community. Viewed through the lens of these ethical commitments, taking steps to end fossil fuel extraction, use, and subsidies is a religious imperative.

1. Environmental Stewardship

The extraction and use of fossil fuels is destroying Earth and its capacity to support life. Subsidizing these activities is contradictory to Jewish teachings which command Jews to protect and not to despoil Earth.

- [Midrash Kohelet Rabbah 7:13](#) – “When God created the first human, God took him and showed him all the trees of the Garden of Eden and said to him: ‘See My works, how beautiful and praiseworthy they are. And everything that I created, I created for you. Be careful not to ruin and destroy My world, for if you do, there will be no one to repair it after you.’”
 - This well-known midrash expands on a verse in Ecclesiastes: “Consider the work of God: for who can make straight what God has formed crooked?” While some environmental harms can be remediated, drilling for oil and gas is so destructive that it is not remediable and the harm to the atmosphere caused by burning fossil fuels cannot be reversed in a time frame that is relevant to human beings.
 - **Deuteronomy 20:19** – “When you besiege a city for many days to make war against it, you shall not destroy its trees by wielding an axe against them. You may eat from them, but you shall not cut them down. Is the tree of the field human, that it should be besieged by you?”
 - The principle of bal tashchit (do not destroy,) forbidding unnecessary environmental destruction, is the basis for a considerable corpus of [halachic \(legal\) literature](#). [Commentators expand the reach](#) of this prohibition to waste of all kinds of resources, and derive requirements to consider long term consequences and avoid even inadvertent destruction.
 - **Isaiah 45:18** - “The Lord who creates the heavens, he is God, He who fashions the earth and makes it, He prepares it. He did not create it to be chaos, He fashioned it to be inhabited.”

Deuteronomy 16:20 – “Justice, justice you shall pursue that you may thrive and occupy the land that your God is giving you.”

- The principle of [yishuv ha'olam](#), that the mission and purpose of humankind is to make the world habitable, requires that we take care of Earth so that life can be sustained.
- **Shulkhan Arukh, Hoshen Mishpat 1:55:23** - “One must distance carcasses, graves, tanneries, furnaces and bees 50 amos from the city. One can only make a tannery on the east side of the city because the eastern wind is hot and diminishes the damage from the skins.”
- While the scale of the harms caused by fossil fuels could not have been anticipated by the rabbis of earlier times, when the public was threatened by environmental harm rabbis ruled against private interests and in favor of the protection of the public. Contemporary rabbis have [relied on these precedents in examining contemporary air pollution threats](#).

2. Social, Economic and Environmental Justice

Jewish tradition emphasizes the pursuit of justice which requires economic fairness and responsibility to further the welfare of all. Government policies that increase the profits of fossil fuel companies through subsidies while shortchanging funding for human needs contradict these values.

- **Leviticus 19:16** - “Do not stand idly by the blood of your neighbor.”
- The [Shulkhan Arukh 426:1](#) explains that the affirmative duty to take action must be interpreted broadly to protecting another's money as well as their person. Others explain that the verse requires that one speak up in the face of injustice and refuse to profit from

another's suffering. Around the world people are suffering and dying due to the extraction and burning of fossil fuels. The responsibility to take action falls on everyone to the extent that it is possible to take action to end this harm.

- **Deuteronomy 15:7-9** – “If there is a needy person among you, one of your kinsmen in any of your settlements in the land that the Lord your God is giving you, do not harden your heart and shut your hand against your needy kinsman. Rather, you must open your hand and lend him sufficient for whatever he needs. Beware lest you harbor the base thought, “The seventh year, the year of remission, is approaching,” so that you are mean and give nothing to your needy kin...”
- The [Shmita \(Sabbatical\) Year](#), or year of remission of debts, is the Torah's vision of a society in which the community works together to meet everyone's needs. This requires recognition that economic inequality (in the form of debt) and depletion of the land (in those days by agriculture) go hand in hand and both must be addressed on a regular basis. Fossil fuel subsidies take funds away from the poor while accelerating environmental damage.
- **Deuteronomy 16:20** – “Justice, justice you shall pursue that you may thrive and occupy the land that your God is giving you.”
- The [Torah and Talmud take for granted that human behavior has physical consequences](#). There is a cycle of injustice causing harm and leading to more injustice. Humanity will only thrive when this cycle is ended.

3. Individual and Communal Responsibility

- **Leviticus 19:14** - "You shall not insult the deaf or place a stumbling block before the blind. You shall fear your God. I am the Lord."
- Jewish law forbids taking any action that would enable someone else to break a law and must not contribute to a situation in which someone else may suffer harm: "He who deliberately gives wrong advice, who gives the means, or prepares the way for wrong... who in any way actively or passively assists or furthers people in doing wrong... transgresses this prohibition. Thus, the whole great sphere of the material and spiritual happiness of our neighbor is entrusted to our care." (Rabbi Samson Raphael Hirsch) When taxes are used to subsidize fossil fuels, those who pay them are participating in placing a stumbling block before the blind. Taxpayers are both the culprit and the victim.
- **Exodus 19:6** - "You shall be to Me a kingdom of priests and a holy nation."
- The responsibilities of the community are emphasized in Jewish tradition. The community is responsible for the general welfare, which includes [regulation of corporate activities](#) and [the collection of taxes](#) to support those in need and communal institutions. Historically, laws regarding communal responsibility were applied to the Jewish community, but the ethical principle is clear. The society as a whole, whose will is expressed through government, must exert control for the well-being of all.

"The extraction and use of fossil fuels is destroying Earth and its capacity to support life. Subsidizing these activities is contradictory to Jewish teachings"

Christianity

Christianity, rooted in the Bible and church teachings and similarly to Judaism, also strongly supports economic justice, fair taxation, and protection of the Earth. These teachings support equitable tax policies and support opposition to subsidies for fossil fuels, which disproportionately benefit the wealthy while harming vulnerable communities and the environment. From a Christian perspective, tax policies should:

1. **Ensure fairness** – The wealthy and corporations should not receive tax advantages that burden the poor.
2. **Support social good** – Taxes should be used to build a just society, providing for education, healthcare, and climate resilience.
3. **End harmful subsidies** – Providing financial support to industries that destroy creation contradicts the biblical call to protect the earth and the poor.

Tax policy that removes fossil fuel subsidies aligns with biblical justice and care for the most vulnerable. This reflects the values of justice, fairness, and creation care at the heart of Christianity.

1. Justice and Fair Taxation

Christian teachings emphasize fairness in economic systems and policies and call for just treatment of all people, especially the poor and marginalized.

- **Micah 6:8** – “He has told you, O mortal, what is good; and what does the Lord require of you but to do justice, and to love kindness, and to walk humbly with your God?”
 - Equitable tax policies should reflect justice and kindness, ensuring that economic burdens do not fall unfairly on the poor while the wealthy benefit from subsidies.
- **Luke 3:10-14** – “And the crowds asked him, ‘What then should we do?’ In reply (John the Baptist) said to them, ‘Whoever has two coats must share with anyone who has none; and whoever has food must do likewise.’ Even tax collectors came to be baptized, and they asked him, ‘Teacher, what should we do?’ He said to them, ‘Collect no more than the amount prescribed for you.’”
 - John the Baptist’s words indicate that tax collection should be fair and not exploitative. Equitable taxation aligns with Christian ethics

when it serves the common good and does not burden the poor unfairly or destroy the environment.

- **Matthew 22:21** – “Give therefore to the emperor the things that are the emperor’s, and to God the things that are God’s.”
 - Jesus acknowledges the legitimacy of taxation while implying that wealth and power should not be hoarded but used responsibly.
- **Compendium of the Social Doctrine of the Church (Pontifical Council for Justice and Peace, 2004), §470** - “The environment is a collective good, the patrimony of all humanity and the responsibility of everyone. ... Economic activity must also consider the need to respect the integrity and the rhythms of nature and the common good. ... Economic and fiscal policies must promote sustainable development and environmental protection, placing the needs of the poor and future generations at the center.”
 - Catholic Social Teaching explicitly links fair taxation with the protection of the earth, the poor and future generations.

2. Economic Exploitation, Favoritism Toward the Wealthy Are Sinful

The Bible warns against economic systems that favor the wealthy at the expense of the poor.

- **Isaiah 10:1-2** – “Woe to those who make unjust laws, to those who issue oppressive decrees, to deprive the poor of their rights and withhold justice from the oppressed of my people.”
- Tax policies and subsidies that benefit the wealthy and powerful at the expense of the poor contradict biblical justice.
- **Proverbs 22:16** – “Whoever oppresses the poor to increase his own wealth, or gives to the rich, will only come to poverty.”
- Providing tax subsidies to wealthy fossil fuel corporations while cutting social programs for the poor exemplifies unjust favoritism and is morally abhorrent.
- **James 5:1-6** – “Come now, you rich people, weep and wail for the miseries that are coming to you... You have condemned and murdered the righteous one, who does not resist you.”
- James condemns economic injustice and the exploitation of the poor by the wealthy, which is relevant when considering tax policies that favor powerful industries over the needs of vulnerable communities.

“Christianity, rooted in the Bible and church teachings and similarly to Judaism, also strongly supports economic justice, fair taxation, and protection of the Earth.”

3. Protecting Creation

Christian teachings emphasize the responsibility to protect creation, which contradicts subsidizing industries that contribute to environmental destruction.

- **Genesis 2:15** – “The Lord God took the man and put him in the garden of Eden to till it and keep it.”
- Human beings are protectors of creation. Policies that encourage fossil fuel consumption rather than renewable energy violate this responsibility.
- **Psalms 24:1** – “The earth is the Lord’s and all that is in it, the world, and those who live in it.”
- The world is God’s, not to be exploited for short-term economic gain but to be cared for responsibly.
- **Hosea 4:1-3** – “There is no faithfulness or loyalty, and no knowledge of God in the land. Swearing, lying, and murder, and stealing and adultery break out; bloodshed follows bloodshed. Therefore the land mourns, and all who live in it languish; together with the wild animals and the birds of the air, even the fish of the sea are perishing.”
- Climate change and environmental destruction caused by fossil fuel dependence are modern manifestations of this warning against greed and exploitation.
- **World Evangelical Alliance** - Evangelicals must advocate “for a just and equitable phaseout of fossil fuels, the championing of ambitious environmental policies, heightened engagement in global discussions by evangelicals, and the prompt implementation of practical measures to reduce carbon emissions and accelerate adaptation.”

4. Economic Systems Must Uplift the Poor

Christianity teaches that economic policies should prioritize the well-being of the poor and marginalized.

- **Leviticus 19:9-10** – “When you reap the harvest of your land, you shall not reap to the very edges of your field, or gather the gleanings of your harvest. You shall not strip your vineyard bare, or gather the fallen grapes of your vineyard; you shall leave them for the poor and the alien: I am the Lord your God.”
- Biblical economic policies prioritize ensuring resources for the poor rather than maximizing profit for the wealthy.
- **Acts 2:44-45** – “All who believed were together and had all things in common; they would sell their possessions and goods and distribute the proceeds to all, as any had need.”

- The early Christian community modeled economic justice, which calls into question policies that enrich the fossil fuel industry while leaving communities vulnerable to toxic pollution and climate disasters.
- **Athena Peralta, World Council of Churches** - “From growing inequality to climate upheaval to rising authoritarianism, the polycrises we are confronted with are profoundly spiritual and moral. We call for practical measures to end the hyper-concentration of wealth and power in the hands of a few individuals and their business entities, including through a range of progressive tax policies”

“Economic activity must also consider the need to respect the integrity and the rhythms of nature and the common good.
... Economic and fiscal policies must promote sustainable development and environmental protection, placing the needs of the poor and future generations at the center.”

Pontifical Council for Justice and Peace



The Islamic Case Against Fossil Fuel Subsidies: A Compilation of Quranic Verses, Hadith, and Fatwas

Islam places a profound emphasis on environmental stewardship, justice, and the prevention of harm. Governments that subsidize fossil fuels—despite their proven role in being a primary cause of climate change, ecological destruction, and harm to future generations—violate core Islamic principles.

Fossil fuel subsidies contradict core Islamic principles of environmental stewardship (khilafah), justice ('adl), and the prohibition of harm (darar). Islamic teachings—supported by Quranic verses, Hadith, and fatwas—require governments to:

1. **Immediately phase out fossil fuel subsidies**, as they accelerate climate change and ecological destruction (fasad).
2. **Redirect funds toward renewable energy**, fulfilling the Islamic duty to preserve Earth's delicate ecological balance (mizan), for ourselves and future generations.
3. **Ensure a just transition that protects vulnerable communities**, in line with Islamic social justice (zakat and qist).

Below is a consolidated argument drawing from Quranic verses, Hadith (Prophetic teachings), fatwas (authoritative religious directives), and contemporary Islamic declarations.

1. Stewardship (Khilafah) and the Duty to Protect the Earth

- **Quran 6:165** – “It is He (God) who has appointed you (human beings) as stewards – care takers (khalifah) on the Earth.”
- **Al-Mizan Covenant (2023)** – “Humanity’s role as khalifah is not domination but responsible guardianship, requiring us to maintain Earth’s balance (mizan).”
 - Fossil fuel subsidies accelerate climate disruption, violating this sacred trust.
- **Quran 55:7-8** – “He has set up the Balance (mizan), so that you may not transgress it.”
 - The Islamic Declaration on Global Climate Change (2015) warns that industrial pollution disrupts this divine balance.

2. Prohibition of Corruption (Fasad) and Waste (Israf)

- **Quran 2:60** – “Do not commit abuse on the earth, spreading corruption/pollution (fasad).”
 - Corruption is not only bribery, manipulation, or systemic abuse, it also refers to the destruction of crops and animals, industrial pollution, environmental damage, and reckless exploitation and mismanagement of natural resources. Fossil fuel extraction for profit, which causes harm to the environment, is in violation of the commandment in this verse.
- **Quran 30:41** – “Corruption has appeared on land and sea because of what people’s hands have earned.”
- The **Indonesian Ulema Council** (2010) ruled that environmental destruction is haram (prohibited).
- **Hadith (Ibn Majah)** – “Do not waste water, even if you are at a flowing river.”
- The **ISNA Fiqh Council** (2015) has stated: “Reckless fossil fuel consumption pollutes air, water, and soil—Islam condemns it.”

3. Justice (Adl) and the Rights of Future Generations and Intergenerational Equity

- Hadith (Sahih Muslim) – “The Earth is green and beautiful, and Allah has made you stewards over it.”
- Subsidizing fossil fuels prioritizes short-term profit over long-term survival, betraying this trust.
- **Hadith (Musnad Ahmad)** – “Whoever hoards resources beyond need has sinned.”
 - Fossil fuel subsidies artificially lower prices, encouraging exploitation, hoarding and overconsumption.
- **Hadith (Sahih Muslim)** – “The Earth is a trust for future generations.”
- **Al-Mizan Covenant** – “Current policies must not deprive future Muslims of clean air, water, and stable climates. ... Current generations have no right to exploit resources at the expense of future ones.”
 - Islamic inheritance (mirath) principles need to be applied to natural resources—preserving them for descendants.

4. The Obligation to Avoid Harm (Darar) and Act Preemptively

- **Hadith (Ibn Majah)** – “There should be neither harming (darar) nor reciprocating harm (dirar).”
- The **ISNA Fiqh Council** states: “Where an activity (like burning fossil fuels) causes irreversible harm, Muslims must prevent it—even without full certainty.”
- **Fatwa from Al-Azhar & UNEP (2022)** – “Islam prohibits activities causing irreversible climate harm; fossil fuels without carbon mitigation are religiously unacceptable.”

5. Renewable Energy as a Collective Duty (Fard Kifayah)

- **Quran 14:33** – “He has subjected to you the sun and the moon... and the night and day.”
- The **Muslim Council of Elders (COP28, 2023)** declared: “Islamic ethics demand a transition from fossil fuels to renewables.”
- **Islamic Declaration on Global Climate Change (2015)** – “We call on nations to phase out emissions and invest in a green economy. Oil-producing states must lead this transition.”

6. Fatwas and Scholarly Consensus Against Fossil Fuels

- **ISNA Fiqh Council (2015)**: “Muslims must reduce carbon emissions and oppose policies worsening climate injustice.”
- **Indonesian Ulema Council (2010)**: “Illegal logging, mining, and environmental destruction are haram.”
 - Fossil fuel subsidies enable these harms.
- **Al-Azhar & UNEP (2022)**: “Fossil fuel extraction without mitigation is religiously unacceptable.”

Al-Mizan Covenant:

“Humanity’s role as khalifah is not domination but responsible guardianship, requiring us to maintain Earth’s balance (mizan).”

Final Religious Ruling (Fatwa Conclusion)

1. Fossil fuel subsidies are haram because they:

- Cause fasad (corruption/pollution) on Earth (Quran 30:41).
- Violate amanah (sacred trust) by harming future generations.
- Deny future generations equity and inheritance rights
- Encourage israf (waste) and hoarding (Hadith).

2. Muslims must demand:

- An end to fossil fuel subsidies as a religious obligation.
- A just transition to renewables (Quran 14:33, Islamic Climate Declaration).
- Climate reparations from oil-rich nations (as part of zakat and adl).
- **Quran 7:85** – “Do not corrupt the earth after it has been set right.”
- **Prophet Muhammad (PBUH)** – “The believer is one who does not harm others.”



Hindu Perspectives: Dharma, Ahimsa, and the Harmony of All Life

1. Bhūmi Devi and the Web of Interbeing

In Hindu thought, the Earth is not merely a resource—it is Bhūmi Devi, the divine Mother, sacred and alive. Reverence for the Earth is woven throughout Vedic and epic texts, which describe nature not as property to be exploited but as manifestations of the Divine—the rivers as goddesses, the trees as sages, the mountains as abodes of deities.

- **Atharva Veda 12.1.1** – “Mātā bhūmi putro’ham p thivyā – The Earth is my mother, I am her child.”

This relationship is not metaphorical—it is spiritual and existential. To harm the Earth is to harm ourselves.

Hinduism teaches the deep interdependence of all beings through the principle of *ta* (cosmic order) and the vision of Vasudhaiva Kutumbakam—“The world is one family.” Every act ripples across this sacred web. Economic systems that degrade the land and exploit the vulnerable violate this unity.

- **Hindu scholar Dr. Anantanand Rambachan** writes: “True liberation (moksha) cannot be separated from our commitment to justice in this world. To love God is to serve all beings.”

To uphold Dharma is to live in harmony with all creation. Fossil fuel subsidies, which fuel climate injustice and ecological harm, break this sacred trust. A truly Dharmic society honors Bhūmi Devi not with destruction, but with protection, gratitude, and care.

2. Dharma and the Right Use of Wealth

Wealth (*artha*) gains meaning when guided by Dharma. Hoarding or misusing wealth to damage the environment or deepen inequality leads to spiritual and societal decay.

- **Bhagavad Gita 3:12** – “Whoever enjoys the gifts of the gods without sharing with others is a thief.”
- **Atharva Veda (12.1.35)** – “Whatever I dig from thee, O Earth, may that have quick growth again. May we not injure your vitals or your heart.”
- **Taittiriya Upanishad 3.10.1** – “Relieve the poor, the fatigued, the ailing, the distressed, and the hungry.”
- **Hindu social activist Swami Agnivesh** declared: “Hinduism teaches that wealth must be used as a means of service. Greed is a form of violence against society.”

Public money must be directed toward upliftment and community welfare—not used to enrich destructive industries.

3. Ahimsa and Ecological Restraint

Ahimsa, or nonviolence, is not just avoidance of physical harm but a holistic ethic of care for all life. Subsidizing fossil fuel industries—which drive pollution, climate change, and suffering—is an institutional form of violence.

- **Rig Veda 1.160.3** – “Do not cut down trees that offer shelter and nourishment.”
- **Bhagavad Gita 18:45–46** – “One attains perfection by performing one’s duties in a spirit of reverence for the Divine present in all.”
- **Indian social activist Medha Patkar** has said: “Development must not mean displacement, destruction, or devastation. True progress respects the Earth and empowers the people.”

Ahimsa calls us to reorient public policy away from harm and toward renewal and care.

4. Lokasangraha: The Welfare of the World

Lokasangraha, the welfare of all beings, is a central aim of righteous action. Climate change and environmental collapse—fueled by fossil fuel dependence—undermine this ethic.

- **Bhagavad Gita 9:26** – “If anyone offers me with love and devotion, a leaf, a flower, a fruit or water, I will accept it.” This text exemplifies the Hindu teaching of para-dukha-dukhi: or feeling the pain of other living beings as their own.
- **Yajur Veda 36.17** – “May the Earth be free from suffering; may trees, waters, and herbs bring prosperity to all.”
- **Thirukkural 323** – “A ruler must ensure that future generations prosper, not only the present one.”
- **Hindu author and activist Dr. Vandana Shiva** states: “To forget that the soil is alive and sacred is the root of the violence of our times. We must reclaim the sacredness of the Earth in all our choices—including economics.”

Tax structures must shift from extraction to restoration, from corporate profit to planetary care.

5. Rājadharmā: The Dharma of Leadership

Hindu tradition holds that leaders are not masters of wealth or territory, but stewards of justice and ecological balance. They are called to practice Rājadharmā—governance rooted in fairness, compassion, and sustainability.

- **Bhagavad Gita 2:47** – “You have a right to perform your duty, but not to the fruits of your actions.”
- **Mahabharata 12.90** – “A righteous ruler acts with foresight, fairness, and balance.”
- **Manusmriti 7.144** – “Distribute wealth fairly; do not allow any to suffer hunger or injustice.”

Public funds must reflect Dharma—supporting clean energy, equity, and ecological balance, not subsidizing industries that desecrate the Earth and deepen inequality.

Indian social activist Medha Patkar:

“Development must not mean displacement, destruction, or devastation. True progress respects the Earth and empowers the people.”



Buddhist Teachings: The Path of Compassionate Interdependence

Buddhism offers a powerful ethical framework rooted in the principles of *karunā* (compassion), *ahimsā* (non-harming), *śīla* (ethical conduct), and *patīcasamuppāda* (interdependence). These values call for policies that reduce suffering, protect all beings, and support right livelihood and collective well-being. The Buddha taught that greed and delusion are causes of suffering—systems that enrich the powerful while harming the poor and the Earth contradict the Dharma.

As Thich Nhat Hanh taught:

“We are the Earth. We carry her within us.”

This insight makes clear that fossil fuel subsidies—government support for an industry that pollutes, extracts, and exploits—are a violation of compassion and ecological responsibility.

Buddhist teacher Stephanie Kaza:

“Buddhist ethics begin with refraining from harm and extend into positive action for justice.”

1. Right Livelihood and the Moral Use of Wealth

The Buddha emphasized that wealth should serve the community, not be hoarded or used for harmful purposes. Tax policy should reflect this ethic of generosity and communal responsibility.

- **Sigalovada Sutta (Dīgha Nikāya 31):** “The householder should distribute wealth in four parts: one part to support oneself, two parts for business and investment, and one part for those in need.”
- **Stephanie Kaza:** “Buddhist ethics begin with refraining from harm and extend into positive action for justice.”

Subsidizing the fossil fuel industry concentrates wealth and power while imposing environmental harm and economic injustice—undermining the very basis of right livelihood and ethical use of resources.

2. Non-Harming (Ahimsā) and Climate Responsibility

Fossil fuel development causes widespread harm—to air, water, land, and life. Government support for such industries contradicts the core Buddhist commitment to *ahi sā*.

- **Dhammapada 129:** “All beings tremble at violence. Life is dear to all. Seeing this, one should not kill or cause others to kill.”
- **Joanna Macy:** “We are all capable of suffering, and therefore all responsible for transforming systems that perpetuate suffering.”

Subsidies that fund environmental destruction and climate instability are rooted in *moha* (delusion) and result in immense *dukkha* (suffering), particularly for the poor and future generations.

3. Interbeing and Collective Care

Buddhist wisdom teaches that all life is interconnected. Economic policies must reflect this truth by supporting the flourishing of all beings—not privileging the few at the expense of the many.

- **Majjhima Nikāya 28:** “All things are interconnected, like the web of life. What affects one, affects all.”
- **Thich Nhat Hanh:** “We are here to awaken from our illusion of separateness.”

Climate change, fueled by fossil fuel subsidies, is a profound violation of interdependence. A society rooted in interbeing would end these subsidies and invest in systems that heal and sustain life.

4. The Bodhisattva Path: Compassionate Governance

Leaders have a sacred duty to govern with wisdom, fairness, and compassion—to reduce suffering and promote harmony.

- **Cakkavatti-Sīhanāda Sutta (Dīgha Nikāya 26):** “A righteous ruler provides for their people, ensures environmental balance, and does not exploit the land for greed.”
- **Pema Chödrön:** “Compassion becomes real when we recognize our shared humanity.”
- **Roshi Joan Halifax:** “We need both a strong back and a soft front, lived equanimity and compassion, to keep ourselves aligned with our values and abiding in the strength of wise hope.”

Governments should redirect fossil fuel subsidies toward clean energy, community resilience, and the care of future generations. This is the path of wise and compassionate governance—governance in accordance with the Dharma.

Cakkavatti-Sīhanāda Sutta (Dīgha Nikāya 26):

“A righteous ruler provides for their people, ensures environmental balance, and does not exploit the land for greed.”

Section 6: Using Faith in Bad Faith

The Misappropriation of Religion to Support the Fossil Fuel Industry and its Subsidies

Over the years, the fossil fuel industry and its supporters have selectively drawn on religious teachings, almost entirely from a Christian vantage point, to justify fossil fuel extraction and the government support that underpins it. These arguments often frame fossil fuels as a divine gift, oil and gas exploitation as a moral good, and local economic growth as a sacred responsibility. This section reviews and rebuts these religious claims.

Divinely Provided? One of the most commonly invoked religious themes is the idea of divine provision. Industry supporters frequently describe oil, coal, and gas as “resources that God placed in the Earth for human use.” This theology of extraction casts fossil fuels not as a danger but as a blessing to be gratefully harnessed—an interpretation especially prevalent in conservative Christian communities in states like Texas, Oklahoma, and North Dakota. Lawmakers in these regions have argued that to leave these resources untapped is to waste a divine inheritance and to reject the tools God has given for prosperity.

Dominion or Destruction? Another theological frame used in support of fossil fuels is a “dominion” approach, drawn from certain interpretations of Genesis 1:28, which calls on humans to “have dominion over the Earth.” In this reading, humanity is authorized—even mandated—to control and extract the planet’s resources for the good of society, without regard for ecological limits.

Rebuttal: It is a fundamental religious teaching that God’s gifts are meant to sustain life, not to poison the air, water, and climate in a manner that destabilizes global ecosystems and human civilization. The true divine inheritance is a living Earth, not corporate profits. The Bible, and indeed all faiths, teach that gifts from God must be used wisely, and never in ways that sacrifice the vulnerable or destroy the environment.

Rebuttal: A deeper and more faithful reading of Genesis reveals that “dominion” refers not to exploitive domination but rather to mature responsibility. Biblical stewardship means caring for creation as God’s garden, not exploiting it as a disposable mine. True dominion is rooted in service, humility, and protection of the poor and future generations. For example, Genesis 2:15 calls humans to “tend and keep” the Earth.

“God’s gifts are meant to sustain life, not to poison the air, water, and climate in a manner that destabilizes global ecosystems and human civilization. The true divine inheritance is a living Earth, not corporate profits.”

Looking out for who? Some political leaders, particularly in regions economically dependent on fossil fuels, frame continued extraction as an ethical duty to workers and communities. They argue that restricting fossil fuel development would devastate local economies, harm working-class families, and amount to a betrayal of the people they represent.

Rebuttal: Defending jobs is a moral imperative (see next section) but tying workers' futures to a dying industry is a false promise. In addition, while the fossil fuel industry does provide good paying jobs to a number of unionized workers, it has a track record of under-delivering on promises of jobs in local communities where its facilities are located. Keeping faith with workers demands investing in a just energy transition, creating good, union jobs in clean energy, infrastructure, and environmental restoration. It is immoral to protect corporate subsidies while abandoning communities to pollution, economic decline, and climate disaster.

By using these themes of divine provision, dominion and care for workers, fossil fuel interests have built a religious narrative of legitimacy and righteousness, positioning themselves not as polluters but as faithful stewards of God's bounty, protectors of the American way of life, and defenders of the poor, despite clear evidence to the contrary. Religious leaders must respond to this misappropriation of faith. Spiritual traditions across the world proclaim that the Earth is sacred, and the poor must be protected. A faithful future requires not subsidizing harm, but lifting up justice, healing creation, and building an economy that works for all.

Section 7: Phasing Out Fossil Fuel Subsidies the Right Way

Public investments in clean energy and green jobs training are an important part of a just energy transition. Credit: US Dept. of Agriculture

Justice, Jobs, and a Livable Future

Eliminating fossil fuel subsidies in the U.S. is a critical step toward addressing the climate crisis, but it poses significant challenges for working-class communities. These subsidies currently keep fuel prices artificially low and support employment in several states across the country. Faith communities are responsible for supporting thoughtful planning and justice-centered policies so that a rapid phaseout does not harm the very people least responsible for the climate crisis.

For households outside fossil fuel-producing areas, the most immediate impact of eliminating subsidies would likely be rising fuel and energy costs. Low-income and working-class families already spend a disproportionate share of their income on gas, electricity, and home heating. As subsidies are removed, oil and gas companies would be likely to pass higher costs on to consumers, especially in rural areas with limited public transit. Without targeted assistance, this could deepen energy poverty and economic hardship.

In fossil fuel-dependent regions—such as parts of West Virginia, Texas, North Dakota, and Louisiana—the stakes are even higher. Entire communities rely on oil, gas, or coal industries for jobs, tax revenues, and economic activity. Eliminating subsidies could accelerate layoffs and facility closures, devastating local economies where few alternative employment opportunities exist. Historically, energy transitions have left behind mining towns and manufacturing hubs, contributing to long-term poverty, population decline, and political disenchantment.

Subsidizing Ruin is Wrong

However, this outcome is not inevitable. A just transition is possible if the phaseout of fossil fuel subsidies is paired with robust policies that protect and uplift working people. Key responses should include:

1. **Direct economic support** for displaced workers and communities through wage replacement, early retirement options, and healthcare coverage.
2. **Massive public investment in clean energy jobs**, particularly in the same regions affected by fossil fuel decline, with strong labor standards and local hiring requirements. The Inflation Reduction Act represents a concrete and substantive step in this direction.
3. **Job retraining and education programs**, tailored to local economies and aligned with high-growth sectors like renewable energy, building retrofits, and environmental remediation.
4. **Targeted energy rebates or utility assistance** for low- and middle-income families facing higher fuel or electricity costs.
5. **Community-led economic development grants** to diversify regional economies and reduce long-term dependence on extractive industries.

“A just transition is possible if the phaseout of fossil fuel subsidies is paired with robust policies that protect and uplift working people”

Paying for the Transition

Funding these programs will require a mix of federal and state government resources and financial contributions from the fossil fuel industry itself, which has long benefited from public subsidies and tax breaks. Portions of the revenue freed up by ending fossil fuel subsidies, estimated at \$20–50 billion annually at the federal level, could be directly reinvested into transition programs. States can similarly redirect tax expenditures or tax breaks currently granted to oil, gas, and coal companies.

In addition, policymakers should consider a polluter-pays framework that holds fossil fuel corporations financially accountable for the environmental and health damages they have caused. This could take the form of a carbon fee or windfall profits tax on oil and gas companies, directing proceeds toward energy affordability and job creation in frontline communities.

By aligning public funding with moral and economic responsibility, the U.S. can deliver a transition that is not only environmentally necessary, but socially just.

It is vital that society support such a transition for workers whose livelihoods currently depend on the fossil fuel industry. For over a century, this industry has caused enormous and widespread harm to the Earth and to human communities—especially the poor and marginalized. That harm must stop. This is not the fault of working people who took jobs to support their families. These workers deserve respect, security, and opportunity—not abandonment.

At the same time, the fact that an industry provides jobs cannot justify allowing it to continue when its core operations threaten planetary stability and public health. We must not confuse the dignity of workers with the legitimacy of the industry itself. A compassionate and clear-eyed society will invest in new opportunities for fossil fuel workers, while drawing a firm line: the fossil fuel era must come to an end.

“Policymakers should consider a polluter-pays framework that holds fossil fuel corporations financially accountable for the environmental and health damages they have caused.”

Section 8: Conclusion

Fossil fuel subsidies in the United States are vast, entrenched, and deeply unjust. Through a complex web of tax breaks, royalty discounts, and public spending and other giveaways at the federal and state levels, the fossil fuel industry receives tens of billions of dollars annually in direct and indirect support. These subsidies prop up an industry that is both financially powerful and environmentally destructive, an industry whose business model depends on continued pollution, carbon emissions, and harm to vulnerable communities.

Religious and ethical teachings from across faith traditions clearly reject this arrangement. The consistent message from the world's religions is that public resources should serve the common good, not enrich the already wealthy while destroying the environment and vulnerable communities. Sacred texts and spiritual wisdom call us to care for the Earth, protect the poor, and ensure that systems of governance uphold fairness and justice. Handouts to polluters violate all three of these principles. Subsidizing fossil fuels while millions struggle with energy insecurity, job instability, toxic pollution and climate disaster is a betrayal of faith.

Religious arguments in favor of fossil fuel expansion, framing oil, gas, and coal as divine blessings or jobs as justification for endless extraction, collapse under scrutiny. True religion does not sacrifice the Earth or the poor. An economy that reflects religious values is not one that chains workers to a dying industry, but one that offers new life through just transition, job creation in clean energy, and support for communities long exploited and left behind.

As this report shows, ending fossil fuel subsidies is a moral imperative - and it must be done fairly. The phaseout must be accompanied by robust protections for working families, investments in clean energy jobs, and policies that center justice for those most affected.

We call on all people of faith and religious leaders across the U.S. to raise their voices now—to oppose current plans to expand fossil fuel subsidies and to support an equitable, ethical end to these destructive and unjust giveaways.



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