

Business on Climate Change

Climate change is one of the most important issues facing the world. A changing climate has the potential to disrupt our current way of life and the potential to destabilize many regions of the world. (See, for example, Bangladesh, a nation of over 100 million people, the vast majority of whom live only a few feet above sea level.

Conservatives act as if only leftists and environmentalists believe in climate change, but the reality is that many major businesses not only believe that climate change is real, they are actively taking steps to do something about it.

Insurance companies are very worried about the impact of climate change since they will bear the brunt of paying for the negative impacts. They are convinced it is happening ó based on scientific data and historical trends in insurance payouts for natural disasters ó and they are working hard to address the issue.

Last summer, Franklin Nutter, President of the Reinsurance Association of America testified before the Senate Environment and Public Works committee, and said:

“The industry is at great financial peril if it does not understand global and regional climate impacts, variability and developing scientific assessment of a changing climate. We are committed to work with [Congress] to address the exposure of citizens and their property to extreme weather risk.”

See: <http://www.bloomberg.com/news/2013-07-18/insurance-industry-republicans-split-on-climate-change.html>

The Reinsurance Association of America (the trade group representing the Reinsurance industry, which insures the insurance companies) states that climate change is real, and having “a significant effect on the world’s social and economic risks.” For the full policy statement go here:

http://www.reinsurance.org/RAA/Advocacy/Climate_Change_Policy/RAA_s_Climate_Change_Policy_Statement-2147482387/

Here’s are two other interesting papers on Insurance companies policies towards climate change: <http://evanmills.lbl.gov/pubs/pdf/climate-action-insurance.pdf>

www.climateactionprogramme.org

There is a group called the U.S. Climate Action Partnership, which is a coalition of business and environmental groups that are working together to address climate change. See: <http://us-cap.org>

US CAP issued a Policy Paper called A Call For Action, which lists its concerns about climate change and recommendations for dealing with these issues. See, <http://us-cap.org/USCAPCallForAction.pdf>

The first page of the report is titled: "We Know Enough to Act on Climate Change."

"In June 2005, the U.S. National Academy of Sciences joined with the scientific academies of ten other countries in stating that "the scientific understanding of climate change is now sufficiently clear to justify nations taking prompt actions."

"Each year we delay action to control emissions increases the risk of unavoidable consequences that could necessitate even steeper reductions in the future, at potentially greater economic cost and social disruption. Action sooner rather than later preserves valuable response options, narrows the uncertainties associated with changes to the climate, and should lower the costs of mitigation and adaptation."

"For these reasons, we, the members of the U.S. Climate Action Partnership (USCAP) have joined together to recommend the prompt enactment of national legislation in the United States to slow, stop and reverse the growth of greenhouse gas (GHG) emissions over the shortest period of time reasonably achievable."

The report notes that, while addressing climate changes can impact the economy it can also produce economic benefits. That's why many of these companies have signed on to the policy. They understand that change means opportunity. They know that this could mean the creation of vast new clean energy industries, and they want to be on the ground floor. This is not to say that these companies' interests are primarily self serving. Most of these companies have deep roots in science and technology. They are run and managed by smart men and women, many with scientific and engineering backgrounds, so they know and understand the science behind climate change.

Members of USCAP include:

Alcan Inc.
Alcoa
American International Group, Inc. (AIG)
Boston Scientific Corporation
BP America Inc.
Caterpillar Inc.
ConocoPhillips
The Chrysler Group
Deere & Company
The Dow Chemical Company
Duke Energy
DuPont
Exelon Corporation
Ford Motor Company
FPL Group, Inc.
General Electric
General Motors Corp.
Johnson & Johnson

Marsh, Inc.
NRG Energy, Inc.
PepsiCo
PG&E Corporation
PNM Resources
Rio Tinto
Shell
Siemens Corporation
Xerox Corporation

So all three major American car companies are part of this group. See: <http://www.us-cap.org/>

Another business and non-profit group addressing climate change is Ceres (<https://www.ceres.org/>)

Ceres is a coalition of more than 70 companies, including AMD, Allstate Insurance, Bank of America, Baxter Pharmaceuticals, Brown-Forman, The Gap, and many others.

For a full list, see: <https://www.ceres.org/company-network/company-directory>

Ceres has issued a "Climate Declaration" that states that "Tackling climate change is one of America's greatest economic opportunities of the 21st Century (and it's simply the right thing to do).

Finally, there's the Chamber of Commerce. The Chamber's official policy does not specifically say that they believe in climate change, but does address the fact that green house gas emissions are increasing, and should be reduced.

Along with world economic growth, global greenhouse gas emissions are increasing. Regardless what this means for climate change, the private sector and Congress have expressed a very important common point of view, specifically: measures taken to address any stated climate change challenge—such as limiting greenhouse gas emissions to no more than double what they were in pre-industrial times—must not harm the United States economy.

See: <http://www.uschamber.com/issues/environment/climate-change>

The Chamber used to be a bit clearer on the reality and impact of climate change. In testimony before the a Senate committee in 2009, William Kovacs the then Senior Vice President for Environment, Technology and Regulatory Affairs at the US chamber of commerce nicely summed up the Chamber's views on climate change:

The Chamber supports climate policies that lower emissions of greenhouse gases in the atmosphere, promote energy efficiency, and ensures the development and deployment of "green" energy technologies. The Chamber does not categorically support or oppose approaches such as cap and trade or carbon tax, but rather

measures all climate legislation on a bill ó by ó bill basis against five core principles. Any legislation or regulation introduced must (1) preserve American jobs and competitiveness of U.S. industry; (2) provide an international solution that includes developing nations; (3) promote accelerated development and deployment of greenhouse gas reduction technology; (4) reduce barriers to the development of climate ó friendly energy sources; and (5) promote energy conservation and efficiency.

See: <http://www.uschamber.com/issues/testimony/2009/testimony-cap-and-trade-impact-jobs-west-and-nation>

So I am in good company when I say climate change is real. I am joined by the entire insurance industry, and significant players in most other industries. So this is not a fringe belief, or an idea shared only, or even primarily, by leftists and environmental groups.

As an engineer (by training) and a person involved in the development of new products and new companies, I agree with CERES that talking climate change is both vitally important for the future of our world, as well as a tremendous technological and economic opportunity.

Tackling climate change is one of America's greatest economic opportunities of the 21st century

(and it's simply the right thing to do).

What made America great was taking a stand. Doing the things that are hard. And seizing opportunities. The very foundation of our country is based on fighting for our freedoms and ensuring the health and prosperity of our state, our community, and our families. Today those things are threatened by a changing climate that most scientists agree is being caused by air pollution. We cannot risk our kids' futures on the false hope that the vast majority of scientists are wrong. But just as America rose to the great challenges of the past and came out stronger than ever, we have to confront this challenge, and we have to win. And in doing this right, by saving money when we use less electricity, by driving a more efficient car, by choosing clean energy, by inventing new technologies that other countries buy, and creating jobs here at home, we will maintain our way of life and remain a true superpower in a competitive world. In order to make this happen, however, there must be a coordinated effort to combat climate change—with America taking the lead here at home. **Leading is what we've always done. And by working together, regardless of politics, we'll do it again.**



www.climatedeclaration.us

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