

Climate Capitalism

Sequel to the global bestseller *Natural Capitalism*

Summary:

Believe in climate change. Or don't. It doesn't matter.

But you'd better understand this: the best route to rebuilding our economy, our cities, and our job markets, as well as assuring national security, is doing precisely what you would do if you were scared to death about climate change. Whether you're a head of household or CEO of a multinational, embracing efficiency, innovation, renewables, carbon markets, and new technologies is the smartest decision you can make. It is the most profitable, too. And, oh yes, you'll help save the planet.

In *Climate Capitalism*, L. Hunter Lovins, coauthor of the bestselling *Natural Capitalism*, and sustainability expert Dr. Boyd Cohen prove that the future of capitalism in a recession-riddled, carbon-constrained world will be built on innovations that cutting-edge leaders are bringing to the market today. These are creating jobs, and driving innovation.

Climate Capitalism delivers hundreds of in-depth case studies of international corporations, small businesses, NGOs, and municipalities to prove that energy efficiency and renewable resources are already driving prosperity. While highlighting business opportunities across a range of sectors—including energy, construction, transportation, and agriculture technologies—Lovins and Cohen also show why the ex-CIA director Jim Woolsey drives a solar-powered plug-in hybrid vehicle—his bumper sticker says it all: “Osama bin Laden hates my car.”

Corporate executives, entrepreneurs, environmentalists, and concerned citizens alike will find profitable ideas within these pages. *Climate Capitalism* offers a clear and concise road map to the new energy economy and a cooler planet. In ten information-packed chapters, *Climate Capitalism* gives tangible examples of early adopters across the globe who see that the low-carbon economy leads to increased profits and economic growth.

These snapshots of the book's ten chapters, an exclusive opportunity for COP16 participants, show why this approach is the answer to failures in Copenhagen and Cancun. *Climate Capitalism* will be published by Farrar, Straus and Giroux and in bookstores by April 2011.

Table of Contents

Chapter 1: Entrepreneuring the Solutions

Entrepreneurs, companies and countries are prospering from climate protection even in challenging times. This book describes how you, your family, your community, your company, and the world can profit from Climate Capitalism. The first chapter presents the good news about how you can become a part of the solution. It shows that intelligent use of market mechanisms can solve the climate crisis not at a cost but as an investment, delivering enhanced profitability and a stronger economy as well as a better future for the planet. The best and fastest way to protect the climate is to reduce the unnecessary use of fossil energy. It is also the fastest way to achieve an immediate return on investment. Cutting waste saves money, whether you are a business leader or head of a household.

Chapter 2: Energy Efficiency: Low-Hanging Fruit That Grows Back

“The genie has finally escaped the bottle, ushering in a cleantech renaissance. In 2010, spending on clean energy technologies will rise 50% to \$200 billion, topping the 2008 high of \$155 billion,” declares the 2009 year-end review and 2010 forecast by *Progressive Investor*. There is no going back. Corporations, utilities, and governments are too far along, and investment for strategic and economic value will drive the field forward. For example, American Electric Power, one of the dirtiest, most coal-dependent utilities (and one of the biggest spenders lobbying against climate legislation), plans to buy 2000 megawatts of wind power by the end of 2011. This doubles its original goal and is driven by more than state renewable-energy requirements. As AEP senior vice president [Bruce Braine told Bloomberg](#), “You’re paying a premium relative to alternatives like coal or gas, but once you get them in place, particularly for wind or solar, the nice thing is that the energy is almost free.”ⁱ

Chapter 3: Both Are Better: Renewable Energy and Energy Efficiency Combine to Unleash the New Energy Economy

The combination of efficiency and renewable power is unleashing a new energy economy of clean manufacturing and good jobs in the United States.ⁱⁱ More than 43,000 firms in the United States today are manufacturing and assembling renewable energy technologies. A 2006 analysis of that market’s potential, “Renewable Energy Demand: A Study of California,” found that a nationwide program to develop renewable energy would create over [850,000 new high-tech](#)

[manufacturing jobs](#). It would also drive more than \$160 billion of investment into manufacturing companies.ⁱⁱⁱ

Chapter 4: Green Buildings, Green Neighborhoods —Where Climate Change Lives

This chapter describes the wealth of ways we can invest in our communities and our economy by fixing up buildings and supplying them with climate-protecting energy. It profiles the growing group of Climate Capitalists revolutionizing the construction trades, inventing ways of building that support more comfortable, affordable, and sustainable ways to live. It shows how they are transforming the construction industry into one of the biggest sources of climate protection and a driver of economic renewal. Buildings can't be outsourced or put on a boat and sent to China. The workers needed to fix them are in our cities already. The materials and equipment are in local stores waiting for the investments that will rebuild our communities, one house, one storefront at a time.

Chapter 5: Moving On

Transporting us and our stuff is both an opportunity and a huge challenge. The automobile industry will change or it will suffer. This chapter assesses the challenges it faces and the opportunities it is seizing, and explores new ways of moving people and stuff, and new ways to profit from providing this different future. Focusing on desired outcomes rather than on safeguarding last century's technologies offers innovation that can simultaneously enhance global prosperity and reduce our dependence on fossil fuels.

Chapter 6: World Without Oil: Staring Down the Barrel

The winners in the transportation sector will focus on efficiency, or more miles and freight moved at the lowest cost, and sustainability, or the lowest impact on the environment. The smart money, and the lion's share of opportunity, awaits those who creatively respond to the market incentive of price instability. Americans love their trucks, but unless the industry can smooth out the wild oscillations in oil prices, drivers will join Europeans in transferring their loyalty to car companies that make more fuel-efficient vehicles. Sales figures for 2009 bear this out: while the best-selling pickup trucks—the Ford F-Series, the Chevy Silverado, and the Dodge Ram—remain among the top ten best-selling vehicles, the other seven are cars and/or small crossovers, which are really cars with larger cabins.^{iv} And this is before the world runs out of oil, which now even the International Energy Agency warns could happen in just a few years. What will this mean for your family, your job, and the whole economy?

Chapter 7: Growing a Better World

Thomas Jefferson stated that “agriculture is our wisest pursuit, because it will in the end, contribute the most to real wealth . . . and happiness.”^v Were he alive today, President Jefferson would be sorely disappointed with the state of American, and indeed global, agriculture. According to the National Institutes of Health, four of the six leading causes of death in the United States are linked to unhealthy diets.^{vi} The way food is grown is unsustainable, what we eat today is less nutritious than it used

to be, and often it is even toxic. Exposure to pesticides, antibiotics, hormones and other chemicals laced throughout our food supply is increasingly linked to such conditions as ADD, ADHD, antibiotic resistance and early onset of puberty, as well as diseases such as cancer and diabetes.^{vii} Oh, yes, and all of this is contributing to climate change. But the new settlers in places like Detroit and the new malls in places like Cleveland are revolutionizing how food is grown and offering whole new ways to live in cities. All the answers are here.

Chapter 8: Carbon Markets: Indulgences, Hot Air, or the New Currency?

Critics dismiss offsets as just a way to assuage guilt. Is it cheaper to pay for offsets than to do “the right thing” by investing in energy efficiency and renewables?

The critics are wrong. Intelligent offsetting is a responsible thing to do in a time of climate crisis. If an offset drives the real reduction of existing direct carbon emissions, it is a legitimate way of cutting total carbon emissions. Guilt and shame may feel lousy, but combined with self-interest they are useful motivators. If the opinions of shareholders, investors, and the media matter to your company, offsets make good business sense. This chapter describes the wild world of carbon markets and shows you how to navigate the options of a rapidly evolving new world.

Chapter 9: Adaptation—Mitigate, Adapt or Suffer

Mitigation, or the actions—most of them profitable—that we can take to curb climate change, is the best and most cost-effective option. Adaptation, or figuring out how to deal with the growing consequences of climate chaos, is no less pressing,

however, and will be essential to preserving any quality of life in a world beset by climate chaos.

As Dr. John Holdren, U.S. Presidential Science Adviser and an eminent climate scientist, makes clear, “We basically have three choices: mitigation, adaptation and suffering. We’re going to do some of each. The question is what the mix is going to be. The more mitigation we do, the less adaptation will be required, and the less suffering there will be.” This chapter gives a wealth of opportunities for profit even as the climate changes.

Chapter 10: Climate Capitalism

Business as usual will not endure, and it would be a recipe for disaster if it did. Best practices are no longer sufficient to deal with the challenges facing the world. This chapter describes a whole new economy that is being born, and offers a guide to building a world that works for us all, even as it delivers greater prosperity and enhanced well-being for the world’s people. *Climate Capitalism* offers a vision all living things can share, and a call for the leadership needed to get us there.

Join two of the world’s leading capitalists and sustainability experts on a fun, fascinating, and profit-seeking tour of the brand-new world in *Climate Capitalism*.

| [Sign Up for Climate Capitalism News and Updates](#) |

ⁱ *Progressive Investor*, “2009 Review; 2010,” issue 68, January 2010 forecast; www.sustainablebusiness.com/index.cfm/go/progressiveinvestor.sample/id/92/sectionid/427.

ⁱⁱ Northrop, Michael, “The Clean Energy Gold Rush,” *Huffington Post*, February 16, 2010, www.huffingtonpost.com/michael-northrop/the-clean-energy-gold-rus_b_463888.html.

ⁱⁱⁱ Sterzinger, George, and Jerry Stevens, "Renewable Energy Demand: A Study of California," October 2006, p. 4,

www.repp.org/articles/static/1/binaries/Final_California_GSEXECSUMMARY2_Long3.pdf.

^{iv} Plouff, Tim, "On the Road Review: A shift in Small Car Thinking," *Fence Viewer*, March 1, 2010, www.fenceviewer.com/site/index.php?option=com_content&view=article&id=29540:On%20The%20Road%20Review:%20%20A%20Shift%20in%20Small%20Car%20Thinking&catid=982:auto&Itemid=167.

^v etext.virginia.edu/jefferson/quotations/jeff1320.htm.

^{vi} www.chefann.com/html/tools-links/Boulder.html.

^{vii} www.chefann.com/html/tools-links/Boulder.html.