

# NATURAL CAPITALISM SOLUTIONS' E-LERT 30 MARCH 2008, VOLUME 10



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#### Natural Capitalism Offers Economic Turnaround

Natural Capitalism offers not just a better way to do business, but also the path to a dramatic turnaround. The current environmental and economic crisis offers the clear imperative to implement the principles of Natural Capitalism. This is no longer just a good idea — it's now critical to our children, our communities, our economy, our environment, and our way of life.

As prior issues of this E-lert have described, crony capitalism — the driver of unparalleled environmental destruction, growing disparities in wealth, and now a deepening economic collapse — has turned out to be unable to sustain even itself. In 2008, 2.6 million jobs were lost in the United States alone — 584 thousand lost in November and a similar number lost in December. In 2008, 40 percent of stock value vanished — a \$9 trillion loss in the United States. Add in the \$5 trillion 2008 real estate loss and over \$14 trillion of the American dream was foreclosed upon. In March 2009, the *Financial Times* reported that loss in value of all assets worldwide exceeded \$50 trillion — more than the annual U.S. GDP and equal to the total value of all real estate worldwide. Meanwhile, the aggregate value of speculative, "derivative" investments is more than 10 times that amount — over \$600 trillion!

In this time of economic crisis, Natural Capitalism offers a better way to do business. Efficient, effective, redesign of products, processes, and systems will bring forth truly regenerative communities, companies, and countries, based on the "integrated bottom line." It is time to integrate the values of people and natural systems, as well as the liabilities of damaging these systems, as part of the annual balance sheet by which success is measured. In a variety of papers, presentations, and consultations, Natural Capitalism is working with governments around the world, with companies large and small, and with communities to implement an economy that can deliver genuine wealth and well-being.

We invite you to join us.



#### Welcome Paul Sheldon

After many years as an advisor to Natural Capitalism Solutions, Paul Sheldon joined the full-time staff at the end of November. Paul previously co-taught with Hunter at Presidio School of Management. He is a former senior manager of policy and research for Ecos, and a former senior underwriting consultant for California's State Workers' Compensation Insurance Fund. Among his many credentials, Paul assisted in the founding of Rocky Mountain Institute where he wrote the first fund raising plan; he is a former staff member of TreePeople and a former advisor to Friends of the Los Angeles River and many other community organizations. Paul holds B.A. and M.A. degrees in Human Development from Pacific Oaks College in Pasadena, California, and holds a lifetime community college teaching credential in business and industrial management. Paul works closely with Jeff Hohensee, Hunter, and the rest of the staff on development and delivering services to Natural Capitalism's clients. Paul's experience in fund raising and program-related services is a welcome addition to Natural Capitalism Solutions. He recently moved with his wife to Longmont, Colorado, where he will be able to walk to Natural Capitalism's new headquarters building.

#### A Late Welcome to Emily Evans

Emily Evans, who joined the staff as a project manager late last summer, was selected by the U.N. Industrial Development Organization to work with Hunter to write the background paper on reinventing industry, which will frame a ministerial meeting in Manila in September, 2009. Emily's other work includes researching the latest trends in international sustainability issues, including but not limited to: industrial energy use, green building, upcoming and current legislation, government efficiency improvements, and industrial and sustainable agriculture. She also is helping to define sustainable agriculture practices for a major domestic food manufacturer.

Looking back at her first six months, Emily said she has learned, "how the three principles of Natural Capitalism can be used to create direction and provide a vision of sustainable and restorative practices for businesses and communities. Natural Capitalism helps government and corporate leaders demystify sustainability, outlining a pragmatic approach for accomplishing sustainable change."





Prior to coming to Natural Capitalism Solutions, Emily worked with Brown and Caldwell, in Golden, Colorado, as a consulting environmental engineer. She created and led the internal sustainability office program and was a key player in developing and marketing the external environmental sustainability and performance service line, focusing on industrial energy efficiency, green building, and optimized design and operation. During this time Emily became a LEED Accredited Professional. She was the assistant coordinator for two non-profit watershed groups and helped oversee and manage water quality studies for Brown and Caldwell. Emily also has worked as an engineering consultant with the Boulder-based Cameron-Cole, specializing in the remediation of hydrocarbon plumes and industrial wastewater treatment design. In addition, she assisted with the development of the corporate social responsibility group that consulted to several leading international manufacturing companies.

Emily completed her B.S in environmental engineering from the University of Colorado (CU) in 2002, and after traveling in Southeast Asia and the South Pacific with her husband, went on to complete her M.S. in environmental engineering at CU in 2005. She lives in Boulder with her husband.

#### **Transforming Industry in Asia**

At the request of the U.N. Industrial Development Organization (UNIDO), Emily Evans and Hunter Lovins journeyed in early March to the headquarters of the United Nations Environment and Social Commission for the Asian Pacific (UNESCAP) in Bangkok, Thailand. Ministers, secretariats, and representatives from essentially all Asian nations met there to plan the U.N.-sponsored International Green Industry Conference in Asia to be held in Manila, Philippines, September 2009. The United Nations staff asked Hunter to present the need for sustainable, green growth to rescue Asian economies, preserve the natural environment, and build social cohesiveness. Over several days, various presenters reiterated Hunter's call for the urgent need to alter the trajectory of fundamentally unsustainable businesses with speed and decisiveness.

Hunter and Emily presented the draft outline of a blueprint for transforming the industrial future of Asia. Focusing on rethinking and redoing the way that businesses manufacture and deliver goods and services, the paper will present the business case for sustainable change and the future of industry in Asia.

The well-received presentation initiated a discussion about the intricacies of sustainable change among U.N. staff and government representatives. Using the feedback from the meeting, Natural Capitalism will draft a major paper for UNIDO that will set forth a roadmap to provide Asian businesses with the tools necessary to shift their operations toward more sustainable modes of production.

The paper will address how resource-efficient and low-carbon manufacturing can lift people out of poverty within Asia. After the paper is presented in Manila this summer, final comments will be incorporated and the paper will be published as an official U.N. report. A final presentation will be given at UNIDO's Annual General Assembly in Vienna, Austria in late 2009.



#### Presidio Students Win Big at Walmart Challenge

Congratulation to the Presidio School of Management team that beat out teams from Stanford University and University of California-Berkeley's Haas School of Business to win the Western Regional competition of Wal-Mart's second annual Better Living Business Plan Challenge. The Challenge gives business students around the world the opportunity to invent sustainable products and business solutions.

Sandra Kwak, Kendall Laine, and Elizabeth Stuart from Presidio will compete against seven other teams in the semi-finals in Bentonville, Arkansas, in April. Three finalist teams will present to an executive panel, including former Wal-Mart CEO Lee Scott, and executives from leading companies and non-governmental organizations. Wal-Mart will present the winning team with a \$20,000 prize that can be used as seed money to fund their venture.

"We are thrilled to have the opportunity to compete and incorporate everything we are learning in our Sustainable Management MBA program into our business plan," said Stuart. "The judges were impressed with the innovative Presidio approach to making a strong business case for sustainability."

The Presidio team wrote its plan for an easy-to-use, smart-energy product called a Powerzoa, a plug that meters and controls energy use as it connects to a Web site displaying energy use information. The students business plan incorporates sustainability principles throughout, in a compelling, integrated bottom-line approach. Along with three other classmates, the students, who will complete their MBA degrees this May, developed the product idea last semester in a class on sustainable products and services.

The team will develop a product prototype of Powerzoa and research product viability as they explore starting a company to develop and market the product.

Hunter continues consulting with and teaching at Presidio School of Management, one of the first schools in the country offering an MBA in Sustainable Management. With an emphasis on whole systems, the school's curriculum teaches "integrated bottom line" sustainability principles that serve as the foundation of a strategic commitment to sustainability.



#### Paul Sheldon Addresses Loudoun Water

On February 27, Natural Capitalism's Senior Consultant Paul Sheldon gave the keynote presentation at the Strategic Planning Meeting for Loudoun Water, the water agency providing water supply and treatment for 175,000 people in Loudoun County, Virginia, in the area around Dulles Airport. Loudoun Water is a leading role model for responsible water treatment, water supply, and water-efficiency education. Their newly-completed educational "Aquiary," which occupies the reception area of their regional headquarters, will provide hands-on education to thousands of visitors each year. Loudoun's senior staff and management warmly received Paul's presentation on "Sustainable Solutions for the Next Resource Crisis" and reiterated their commitment to responsible water planning.

#### Green Jobs Training Program for Inmates

With generous support from PortionPac, Natural Capitalism Solutions is developing an innovative green jobs training program for inmates approaching release from correctional institutions. This exciting program is being developed in collaboration with Melissa Bradley-Burns of Green for All Capital Access Program and David Johnston of What's Working. We also will seek further collaboration from vendors, community colleges, workforce investment boards, and other institutions to ensure that individuals re-entering mainstream society will receive the skills they need to fill green jobs in weatherization, retrofitting, and/or solar and wind technologies, so that the green wave can enable them to re-join their families and communities in productive ways.

Natural Capitalism's Christopher Juniper, Robbie Noiles, and Paul Sheldon also are exploring green jobs training programs for military personnel approaching their honorable discharge.





#### **Update on PCAP**

The Presidential Climate Action Project (PCAP) completed its final report in November 2008. Designed to help the 44th President of the United States and the 111th Congress develop a strong, timely, and credible domestic program of climate action, as well as educate and serve other climate policy organizations, PCAP already has had substantial success in meeting those goals.

Executive Director Bill Becker reports that PCAP recommendations already implemented by the Obama administration include:

A substantial increase in funding for research, development, demonstration, and deployment of renewable energy technologies.

A major increase in funding for federal programs to weatherize the homes of low-income people. New investments in clean energy infrastructure, including funds to develop a smart grid and to

extend transmission to stranded renewable energy resources.

An increased emphasis on mass transit and intercity rail projects.

Beginning the effort to restore funding and status to federal climate science.

Conducting a "second campaign" immediately after inauguration to win support for an energy/climate protection agenda among career federal employees.

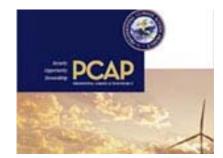
Ongoing assessments of the national security implications of global warming.

While these accomplishments are applauded, Bill explains that much more work is needed to achieve a green, post-carbon economy by 2020:

- We need to better anticipate the research and collaboration needed to implement effective climate action.
- A national conversation a national "visioning exercise" would help the American people more fully understand the benefits of a green energy economy and of early climate action.
- Credible quantification of the costs of doing nothing is lacking.
- The costs and benefits of climate action must be expressed in many different ways that resonate with the values and concerns of key audiences. Key votes on climate action in Congress have been won not by talking about climate science, but by showing what climate change means for hunting and fishing in the West and South, or for the future of sugar maple production in the Northeast.

Environmental and other stakeholder organizations must work closely together.

Climate adaptation for regions most vulnerable to climate change and climate policy is needed. We need to develop resilient and adaptive designs for infrastructure.



#### National Teach-In Update

The National Teach-In on Global Warming Solutions, with fiscal sponsorship from Natural Capitalism Solutions, activated over 800 campuses, congregations, civic organizations, and businesses across the country on February 4 and 5. The Teach-In focused on the action plan developed by the Presidential Climate Action Project to provide a roadmap for the first 100 days of the Obama administration.

Teach-Ins featured symposia, simulation games, lectures, debates, theater performances, art shows, and technology fairs. Working with House Speaker Nancy Pelosi's office and SightSpeed® (an Internet video chat and conferencing provider), the Teach-In offered a historic, direct video dialogue between the Capitol and campuses. Twenty-five campuses engaged their members of congress. The Chronicle of Higher Education reported:

"Rep. Bob Inglis, Republican of South Carolina, used the visual medium...by bringing a prop: a decalcified egg floating in a jar of vinegar. 'As carbon sinks into the ocean, it increases the acidity of the ocean, and that acidification causes the shells of calcium-based organisms to dissolve,' Mr. Inglis explained to students at Wofford College, Furman University, Lander University, Clemson University, and the University of South Carolina Upstate. 'You don't want to open up a hole at the bottom of the food chain'."

The Teach-In's webcast, "Solutions for the First 100 Days," was viewed by over 4000 audiences in the first week. The webcast is still <u>available on-line</u>, and continues to be watched across the country.

Eban Goodstein, co-director of the Teach-In, said the Teach-In network — faculty, staff, student, faith, and civic leaders across the country — will continue educating and promoting civic engagement.

This fall, Goodstein, as the incoming Director of The Bard Center for Environmental Policy, will lead an ongoing educational initiative: The National Climate Dialogue. The Dialogue will feature top climate scientists, analysts, and policy-makers in a twice-monthly, national seminar series via conference call. These seminars — an intellectually exciting arena — will be open to anyone: classrooms of students, individual students, faculty or staff, and citizens. In April 2009, an Education for Leadership conference will be held at Bard. The last day of the conference will be



devoted to brainstorming about these proposals and the direction for The National Climate Dialogue over the next few years. Join us there!

Goodstein also plans to sponsor 250 campus-to-congress SightSpeed® video-dialogues, this time directly from the desks of the individual members of Congress. These conversations will be especially important given the climate legislation likely to be debated in Congress during the spring of 2010.

A third massive Teach-In, a partnership with Earth Day Network, will be explored to provide content for an International Teach-In on Global Warming Solutions, to be held in conjunction with the 40th Earth Day celebration on 22 April 2010.

#### Natural Capitalism Continues Work with Colorado's Governor's Energy Office

Natural Capitalism Solutions recently assisted the state of Colorado's Governor's Energy Office (GEO) in creating a workbook for local governments across Colorado. The workbook, built upon Natural Capitalism Solutions' previous work with the *Climate Protection Manual for Cities*, walks local governments through 13 key ways to implement effective sustainability initiatives and climate solutions. It highlights case studies of what other communities are doing and provides resources to help communities on their path towards sustainability.

Natural Capitalism Solutions is honored to work with the governor's office to develop this practical, easy-to-use sustainability tool, especially as Colorado Governor Bill Ritter was one of the first leaders to call for "unleashing the new energy economy," supporting business, residents, and municipalities in implementing climate protection.

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View the workbook here.

#### Natural Capitalism Solutions' Intern Program

Natural Capitalism Solutions' thriving intern program, facilitated by Rachel Hohensee, helps students, graduates, and individuals position themselves for a career change. Current interns, four of whom are returning from the fall semester program, include:

Lily Thaisz: returning intern, University of Mary Washington graduate, environmental science.

Ryan Long: returning intern, currently attending the University of Colorado (CU), majoring in international affairs.

Lynsey Engle: returning intern, CU graduate, business.

Peter Manetta: returning intern, Colgate University graduate, philosophy.

Brayden Hass: currently attending CU, majoring in engineering physics.

Jen Scheurer: Middlebury College graduate, MA in French.

Daniel White: University of Wisconsin-Madison graduate, economics.

Interns come with diverse backgrounds and experience levels, and each works with a primary project manager to develop an individualized program by:

Engaging in small group discussions, training sessions, and presentations on all aspects of sustainability.

Acquiring work skills or further refining skills to increase effectiveness.

Supporting all aspects of Natural Capitalism Solutions' work.

As a leading organization in the field of sustainability, Natural Capitalism Solutions frequently supplements its own thought leaders with world-class experts from a variety of business backgrounds to provide training for interns and staff. Recent presenters included:

- Bob Dunham, of Institute for Generative Leadership, works closely with executives and management teams to design competitive enterprises. He has trained hundreds of executives and managers, and has authored numerous papers on business and management. In addition to executive and management development, Enterprise Performance also mounts projects with client companies for operational performance improvement based on its body of practice.
- Julie Van Domelen is a co-task team leader, facilitator, senior economist, and senior private sector development specialist for the World Bank.



David Johnston is the founder of What's Working Inc., a green building consultancy that provides socially and ecologically responsible guidance to businesses, agencies, and communities around the world. He has authored several books on green building and is a leading thinker in the green building movement.

Fostering sustainability leaders is the goal of the internship program. While some Natural Capitalism interns will go on to positions with "sustainability" in their title, no matter what the position, Natural Capitalism interns use the mentorship they receive to become drivers of change within their organizations. Buckminster Fuller is often cited for his use of trim tabs — tiny devices on the rudders of massive ships that break the otherwise impervious laminar flow so that the rudder can be deployed to turn the ship — as a metaphor for leadership and personal empowerment. As the "trim tabs" in companies all over America and the world, former Natural Capitalism interns are transforming capitalism on a world-wide level.

#### Life Beyond Internships: Kate Curl's Adventures

Kate Curl leveraged her internship at Natural Capitalism in summer 2007 to become our operations and development officer until she joined the Peace Corps. Now stationed in The Gambia, West Africa, Kate is working with a Gambian non-governmental organization (NGO) called Agency for Village Support (AVISU). She recently shared her experiences with Hunter via email:

"I arrived in The Gambia in September 2007 with no idea of what the country was like and no idea of what kind of life I would be living for the next 26 months. Eighteen months later, I can say I've come a long way. I live in a small town called Kaur and I work with a local NGO called Agency for Village Support (AVISU). The mission of the organization is to empower poor communities, especially by reaching out to women, who are the most disenfranchised group. AVISU has three program areas: adult literacy, micro-finance, and environment, and they work with more than 30 communities.

"I run the Environment and Agriculture program, and in the past year we've given support to community gardens, started five tree nurseries, held trainings, and established a beekeeping project. This year, I hope to establish a community woodlot, work on reforestation with some community forest groups and the Department of Forestry, get my local schools to establish tree nurseries, and establish live-fencing at the community gardens with which we work. But my main



job at the office generally is supporting the staff and training them on things that to us in the West have become second nature: using Microsoft Word, writing reports or grant proposals, running meetings, typing on a keyboard, troubleshooting when the printer won't work. It can be very frustrating work, and I've learned to have a great deal more patience. As they often say here, "Slowly, slowly you catch the monkey's tale in the bush," meaning with patience and persistence you can reach your goal, and "It's not easy," which means, well, it's not easy.

"In my spare time, I coach a girls soccer team, run a club at the middle school to teach kids about the world outside of The Gambia, chat with women at the local market, go on walks to the river with my dog, or just sit under a mango tree with friends drinking the local sweet tea, called *attaya*, and wait for the heat of the day to pass.

"Despite the fact that I've gotten used to so many things here, one thing that never ceases to amaze me is the "leap-frog" technology that I see all around. For example, in The Gambia, as in all of Africa, land phone lines were never really prevalent and electricity still is found only in a few places, yet in the past few years, mobile phones have become commonplace — mobile phone technology leap-frogged the old phone-line technology.

"In the same vein, my town got electricity two years ago, with the construction of a diesel-powered power plant. It's not the most environmentally-friendly technology, but I was impressed with their pre-pay cash power system here. When you are running low on power, you go to the power station, purchase some kilowatts and add them to your power meter. You can look at your power meter at any time and see how much power you have left, and figure out how fast you use it. Also, at any local bitik (corner store), you can buy compact fluorescent light blubs right next to the regular light bulbs. They're twice the price, but people know they last a lot longer, don't heat up as much, and they can see on their power meters that they are using a lot less energy. People buy CFLs because it's the economically sensible thing to do. Similarly, the power is only on 11 hours a day, scheduled for the only times you really need power: at night and for a few hours in the morning. The system works great. Refrigerators still keep things cool and you can have your lights and fan running at night. The power schedule does make it difficult to run an office on normal hours, though, so AVISU is run entirely on solar power. It never ceases to amaze me that some things that are commonplace in The Gambia are still too revolutionary to be mainstream in America, despite the fact that most people here still get around on donkey carts, use pit latrines, and cook their food over open fires. In a place without the vast infrastructure and entrenched systems of the United States, people in The

Gambia are doing what makes the most economic sense.

"At the same time, there are still a lot of barriers to development in The Gambia. One of the biggest is simply lack of capital. The Gambia is still one of the poorest countries in Africa and the world. The country does not produce nearly enough food to feed its own population, let alone to export. There are other serious challenges the country faces too, like over-population, deforestation/desertification, and dependence on foreign aid.

"I worry what will happen to the people I live and work with in The Gambia, the people who have become my second family. Gambians are already living on the edge. At the moment, people make and grow just enough food to survive (and chronic malnutrition is still a serious problem). One bad year of drought could push many people over the edge.

"I have just eight months left in my Peace Corps service, and it doesn't feel like nearly enough time to do all the things I want to do. I often wonder if the work I'm doing matters at all in comparison to the big global issues affecting The Gambia. I know what the answer is, but I also believe that we all have to do our part. And I know that what I am getting out of my experience here is much more than I could ever hope to give back."

#### **Natural Capitalism Solutions Moving Soon!**

After seven years of renting a wonderful space in Eldorado Springs just south of Boulder, Natural Capitalism Solutions is purchasing a home just north of Boulder. The 100-year-old historic house, zoned commercial real estate is a phenomenal opportunity for us. The move should take place around the middle of May. The house, which is about 2300 square feet and twice the size of Natural Capitalism's current building, will give us much needed space. The house already has been evaluated by Ecofutures Building Inc. of Boulder to identify needed energy efficiency measures.

We'll let you know as soon as we're ready to host an open house!



#### On the Road with Hunter

At last writing, Thanksgiving, I was grateful that a blown engine on my flight from Stockholm didn't scatter our airplane over the north Atlantic and I was home to actually spend some time in Colorado.

It went to writing on our about-to-emerge, "<u>Solutions at the Speed of Business</u>." This Web-based manual, which should be released within the next few weeks, is eagerly awaited by utilities, chambers of commerce, economic development agencies, and others because it will help small businesses cut their carbon emissions profitably. The manual will get a first workout as Natural Capitalism Solutions helps the city of Boulder cut its carbon emissions. The city, the first in the United States to implement a carbon tax, has been dismayed to find its carbon emissions still going up. Given that small businesses are half of the national economy, and far more than that in towns like Boulder, helping them cut their energy use and thus their carbon emissions cannot only help protect the climate, but also rescue the economy.

Time at home lasted about a week; then it was west to keynote the Green California Schools Summit. It was cool to hear various California officials announce the state's commitment to make schools net-zero (producing at least as much energy as they consume). Schools frequently are some of the least energy-efficient buildings. Including good green features like daylighting, which saves energy, also can dramatically increase learning, raising test scores by 20 to 26 percent. The first speech of the day done, I screamed across Los Angeles to give another at Cal State Northridge, before flying north to teach. Los Angeles has to be one of the least sustainable cities in the world, but I guess it was good to get a reminder of what those freeways are like.

At <u>Presidio</u>, I finished up the semester teaching the class on implementation, another on the principles of sustainable management, and the class on business, government, and civil society. Interestingly, the guest speakers all were, in one way or another, working to protect the climate. They included former students who have founded EOS, a company to destroy as ozone-depleting substances. The Montreal Protocol banned the production of any more ozone-depleting substances, but forgot to include provision for destroying the ones in existence. The chlorofluorocarbons like refrigerants are vastly more damaging to the climate than carbon dioxide



Solutions at the Speed of Business

— and some 11,000 times worse for the climate than CO2. As stronger climate regulations loom, companies that hold these substances are highly incentivized to simply open the tubes and let 'em go, thereby endangering the climate even worse. EOS has developed a proprietary way to destroy the chemicals, enabling their owners to be paid in carbon credits — a brilliant strategy and a way of using markets to achieve environmental protection that is not being done by regulation.

In between Presidio duties, I spent a day filming with Dr. Jim Thompson of <u>Cogbooks</u>, getting some of the video parts for "Solutions at the Speed of Business" in the can. While in San Francisco, I attended a board meeting of <u>The Regeneration Project</u>, an organization founded and run by my friend, the Rev. Canon Sally Bingham. The project, on whose board I serve, helps communities of faith implement energy efficiency and renewable power. Anyone wishing to purchase energy efficient equipment can go on their <u>Web site</u> and get efficient refrigerators or appliances at a discount. For a bonus, part of your purchase price goes to The Regeneration Project.

Flying home I made it in time to have drinks with Brianna Buntje who has left Natural Capitalism to get an MBA at the University of Colorado (CU). Joining us were Bill Shutkin, the new head of sustainability in CU's business school, and Mark Lewis, another Natural Capitalism intern, who left to help found a company making biodiesel and to work with Etown, the National Public Radio (NPR) environmental radio show.

The last short days of December went to working on a variety of papers, including one on climate protection and one on sustainability as a turnaround strategy. I gave an interview on these subjects to <u>MIT Sloan Management Review</u>, a quarterly research journal for business leaders. They wanted to know the sustainability implications for corporate management through the eyes of global thought leaders. It was very satisfying to end the year telling one of the establishment business magazines how such environmental zealots as Goldman Sachs, the Economist Intelligence Unit, and AT Kearney are all showing that the companies that are the sustainability leaders have 25 percent higher stock value than their competitors, that the worst performing companies are most likely to have no one in charge of sustainability, and that even in the economic collapse, these companies remain on an upsurge.

January found our Natural Capitalism team meeting with the Boulder City Climate Smart staff, helping them figure out ways to implement the ideas that are contained in our climate protection manuals. With any luck, we will be working with the city of Boulder to help them move forward in



The Presidio in San Franscisco

cutting local carbon emissions.

I also attended the board meeting for the <u>National Teach-In</u> on Global Warming: Solutions for the First 100 Days, an organization founded by Dr. Eban Goodstein and sheltered under Natural Capitalism. Eban and his staff have gathered over 800 colleges, universities, high schools, faith organizations, and civic groups to call for an end to the fossil-fuel era and action to build a sustainable global economy on a clean energy foundation. Jeff Hohensee and I spent an evening in the city of Golden talking with the mayor, the city council, and a room full of Golden citizens about climate change, peak oil, and what the implications of these are for citizens living along the Front Range of Colorado.

Afterward I flew out to New York to team with Oliver Tickell of Oxford University and author of *Kyoto* 2, and Adam Werbach, founder of Saatchi Saatchi S. The three of us took on Bjorn Lomborg, Peter Huber, and Phillip Stott in the NPR/ BBC America's <u>Intelligence Squared</u> debate about whether it is worth spending significant money to protect the climate. I argued that in the affirmative, not only because it's true, but also because it is what companies like Wal-Mart *already* are doing and they are doing it for very good business reasons.

The debate, however, appeared to have been rigged. Audience vote before and after the debate determined the winners. Before we started, an amazingly large part of the audience, people who wanted to pay \$40 to come hear us fight, declared themselves undecided. I say amazingly because judging from the cheering as the different sides made points during the fight, opinions really ran about 50/50. And that's how the final vote came out, giving the "win" to our opponents. The audience included a large number of students invited by the foundation that put this thing on, most of whom were rabidly against any form of climate protection. Afterwards these students were chortling about how they shifted their vote following the debate supposedly having changed their minds. In truth, I doubt either side changed any minds at all, but hopefully somebody learned something in the process. I sure learned that it's worth knowing who's organizing an event before agreeing to what smelled remarkably like a setup.

Next morning I flew to San Francisco to welcome a whole new cohort of MBA candidates beginning the new semester at Presidio. I also met with Erik Rasmussen, publisher of <u>Monday Morning</u>, the largest weekly magazine in Denmark, who'd hosted me in Copenhagen. Last fall, he asked if I would be interested in helping a project sponsored by the Copenhagen Climate Council entitled,



National Teach-In

"One World, One Year, One Life — Climate Life" The multi-media project (film, book, and media campaign) will be launched at the World Business Summit on Climate Change this May, preparatory to the United Nations' Conference of Parties (COP 15) in Copenhagen in Denmark later in 2009. It will tell the story of the power of humanity to implement sustainable solutions across the world to tackle climate change. It will express the urgency of the crisis, the potential of the solutions, and the need for action in such a way that inspires and mobilizes people across the globe. I'll write a chapter for the book, which is being co-published by the National Geographic Society.

Participants will include Robert F. Kennedy, Jr.; Shai Agassi, founder of a Better Place; leading climate scientists like Steve Schneider; Billy Parish, co-founder and coordinator of the Energy Action Coalition; Bill McKibben; and others. Given that Natural Capitalism produced the *Climate Protection Manual for Cities*, the city of Copenhagen invited me to keynote a meeting of the world's mayors held at the same time as the COP meeting. The city of Copenhagen believes, and rightly so, that cities have a unique role in implementing climate protection.

After a day at home, I headed back to New York to keynote the Voluntary Carbon Market Conference and meet with Antuan Cannon, co-founder of Envirolution, a group of young people, mostly in their 20s, who work during the day and then come together at night to volunteer on environmental protection initiatives. Their motto: "Live it — Lead it" describes their work. They run a green jobs training program, going business by business, implementing energy audits and energy efficiency measures. It is one of the best such training programs in the country and I'm honored to serve as an advisor to them.

From New York it was down to Washington D.C. to help a gathering of the Woodrow Wilson Scholars Program, meeting with people from the U.S. Agency for International Development (USAID) to talk about the future of Asia. I also was pleased to talk with some of the staffers at USAID now freed from the last eight years approach to international development that has cost a lot and hasn't worked very well. They are now keenly interested in the paper I wrote on "Development as if the World Mattered." I suspect I'll be having more conversations with folks in the development community and, indeed, in the larger Department of State, of which USAID is part.

After D.C., I grabbed a day or two at home before heading to Reno to keynote the Western Fairs Association — the meeting of the people who bring you county fairs and agricultural expositions in the western states. They seemed pleased with my talk about resource productivity, ways they can

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reduce the impact of people traveling to these events, how they can showcase more sustainable approaches to growing food and living in rural communities, and how to reach out to people who live in urban communities. I was thrilled to meet one of my heroes, Cotton Rosser, the rodeo stock contractor who runs the Flying U Rodeo Company.

Then on to San Francisco to work with a group of our students who have entered the Wal-Mart Challenge — a business plan competition for sustainable business. A team of business people who have served on the Presidio Board and several faulty selected one of the various Presidio teams to advance to the regional competition. A month later I joined the team at the San Francisco offices of Environmental Defense. A team of a venture capitalist, a utility executive, an Environmental Defense representative, and a gentleman from Wal-Mart heard presentations from teams from various western business schools. Our team presented brilliantly, an opinion, it turned out that was held by more than me — the team won! In April I will journey with them to Bentonville, Arkansas, to lend a hand as they take on teams from across the country. It is truly hard to tell you how proud I am of our students. Win, lose, or draw, they beat the teams from Stanford and Haas (University of California at Berkeley). The business schools people ask us how Presidio compares. Pretty dern well.

After a few hours sleep I headed out for Maui to speak as part of a series on climate change hosted by the Dowling Company, a major developer on the island. Dowling is interested in building green resorts, and so I described the advantages of green development, integrating ecology and real estate, and, as buildings are responsible for at least 40 percent of greenhouse gas emissions, I also discussed how green building is an essential part of climate protection.

The time in paradise was filled with meetings, radio and TV interviews, and filming a spot to help out a company building bamboo houses and meetings. Chatting with some of the leaders of <u>Maui</u> <u>Tomorrow</u>, the group that has labored for years to keep Maui a paradise, it was very cool to discover that some work I did with them 10 years ago succeeded in killing a coal plant. I thought we'd failed. The plant had been permitted and I'd assumed we had given it a good shot and lost. But the plant was never built. The arguments we made led the regulators to put sufficient conditions on the project that its proponents decided it was not a good idea. I woke to a lovely sunny morning looking to the west ridge of Maui at a beautiful line of windmills marching up the ridge. More are planned. The company Pacific Biodiesel is developing renewable fuels in Hawaii and elsewhere....Every now and then you realize that you've made a difference.



Wal-Mart Challenge

I crawled home to recuperate from a respiratory bug that caught me on the plane. Continuing to fly when your lungs are filling is a real bad idea, but I'd little choice. But by the time I was home, it'd become pneumonia. Believe it or not, that even slowed me down —for a couple of days.

Reemerging in early February, with the help of docs and drugs, I flew to Beverly Hills to speak at an Urban Land Institute conference as a favor for a friend with Field Paoli, the big San Franciscobased architecture firm. It turned out to be the first of what has now become a commonplace experience: people from a group that traditionally opposed environmental protection are all discussing the imperative to go green. It's almost not a debate any longer. In this case, everybody on the panel, from a company that leases big developments to folks who do sales and marketing within the real estate business, all were calling for sustainable building practices. The industry, as a whole, still has a long way to go, but no one in the room was arguing the basic principles. They were asking: "How do we do it? What are the first steps?"

This is a sea change. For years I have been going around all these events and getting in fights with folks. I take a provocative position that sustainability is the imperative, then get a lot of push back. Now, except for a few sponsored students at the New York debate, I'm not getting much push back.

From Beverly Hills, it was back to San Francisco to teach all day in Presidio's executive program, and to spend a couple of hours on a phone call with the <u>World Business Council on Sustainable</u> <u>Development (WBCSD)</u>. Last fall I spent two days with WBCSD in Seattle, working with a group of the Fortune 500 companies to set forth a positive vision of the future in 2050. Honchoed by scenario planning expert Ged Davis, who helped invent the discipline of scenario planning with Royal Dutch Shell, the companies now are writing up their visions for such topic areas as energy, forestry chemicals, etc. Incumbent industries, however, have a predictable tendency to write a future that looks very like their present world, so WBCSD asked a number of outside experts look over the results and comment. Mine ran to suggestions that so-called "clean" coal and nuclear are hardly a prescription for economic prosperity and a sustainable future.

Back at home, Jeff Hohensee and I spent a morning on the phone briefing the sustainability staff at JohnsonDiversey, a large cleaning products company. I'd worked years ago with their original parent company, SC Johnson, and been impressed with their attitude of responsibility. JohnsonDiversey came to my attention when they joined the EPA's Climate Savers program, committing \$19 million to cut greenhouse gas emissions eight percent below 2003 levels, and



Windmills in Paridise

recognizing that doing this would save them \$31 million over the next five years. The company plans to switch its global shipping fleet to fuel efficient and alternative energy vehicles, install on-site alternative energy sources, and enhance the efficiency of its manufacturing plants. This is just the sort of company we like to work with — they've already got the concept, and are seeking ways to step up their efforts.

Toby Russell and I then did some video filming with Nancy Clanton of <u>Clanton and Associates</u> — one of the world's leading firms in energy efficient lighting. Nancy graciously has agreed to serve as the video guide for the lighting section of our new "Solutions at the Speed of Business" manual. She guides small businesses in what they need to cut the costs of providing superior quality light while reducing their carbon emissions.

I then did a fabulous thing: woke up in my own bed, had breakfast in my own kitchen, cuddled my mom cat, drove a few minutes down the road to University of Colorado-Boulder, and sat in front of a videoconference rig to keynote the Green Meetings Industry Council's conference across the country in Pittsburg, Pennsylvania. Seemed a good way to talk about how to "green" meetings. Afterwards in a Q&A session with the audience, they asked how I liked doing a keynote by videoconference.

"You've got to be kidding," I replied, "I love it." Nick Sterling, who is on our staff, had calculated that I'd saved 1200 pounds of carbon because I didn't climb on an airplane and fly to Pennsylvania and back. I then asked the participants, "How did *you* like this? Did this work for you?" The green meeting participants cheered loudly. Thanks to a most gracious gift to Natural Capitalism from <u>City</u> <u>IS</u> of a video conferencing rig, we'll be using this technology frequently now as a way of cutting our carbon footprint.

A couple weeks later I was in conversation with somebody who said they now have a way of doing virtual trade shows, where rather than climbing on an airplane and flying to the expo, you go to a Web site and virtually walk around the trade show, but without having to bump into all the crowds. You come to a booth and you look at the stuff displayed. A virtual person answers any questions you may have, explaining what they are selling. If there is a brochure you want, you hone in on it, and read it. If you want it, you click on it and it downloads to your computer. It's a true Web 2.0 experience of being at a trade show, only nobody has to go anywhere. This whole field is just advancing dramatically.



Nancy Clanton

Then south to Savannah, Georgia to speak at Georgia Southern University. The good folks at the University took pity on this tired nomad and gave me a morning to wander the botanical gardens with a local guide, learning the southern Georgia's hardwood and long-leaf pine ecosystem. Then came the whirl-wind of meetings with faculty, departments, and students, and a big public speech. It was heartening to see the level of interest in cross-disciplinary, multi-disciplinary program combinations to enable their students to incorporate sustainability into their studies.

After a whole week at home, I returned to California to wrap up the five-months of the Presidio Executive Program — woof, that went fast! Bidding farewell to the inaugural class, now busily organizing themselves to stay involved with the school and me, I flew back to Colorado to speak at a meeting in my own hometown of Longmont. A local group has decided to make Longmont what is called a transition town — a town implementing sustainability. They convened a festival celebrating local agriculture, energy efficiency, solar, and all of the other aspects of a more sustainable city, and asked me to keynote it. Couldn't say no to my home, though it meant getting up at 3:30 a.m. and flying into the dawn to get there.

But some things are still better in person, so I climbed on an airplane once more and flew off to Santa Barbara to spend an evening visiting Betty Williams, the marvelous woman who, when I was at my lowest after RMI fired me, kept me and Natural Capitalism alive. It was sure a pleasure telling her how we have used her invaluable support. Being in Santa Barbara also gave me the chance to have lunch with Estelle Foster and her colleagues who together have led the fight against oil drilling in the Santa Barbara channel, while promoting organic agriculture and sustainable community. We'd never met, so it was a great opportunity to sit by the Pacific Ocean watching whales frolicking along. Estelle was convinced they'd come to wish me happy birthday.

The reason I was in that part of the world was to spend a day with the faculty and trustees of Pomona College, who were meeting in Ojai to consider how to promote sustainability at the college. On the drive south, I met with a green architect who is rebuilding some of the houses that burned in the Montecito fire, making it to the Ojai Inn just in time to have supper with the president of Pomona. The next day went to speaking on panels discussing various world issues and then giving the keynote talk that evening on the business case for colleges going green.



Santa Barbara channel

Night found me back up the coast in a Santa Barbara motel because I had to climb on an airplane 6 a.m. next morning to make it to New York to speak at the *Financial Times* meeting on sustainable business and responsible investing. As a surprise snowstorm blew sideways outside (dunno why anyone was surprised — it *was* winter in the Northeast), I argued that the unsustainability of the way business is now done was part of what drove the economic collapse, and that if we want to avoid repeating this, it is time to recognize the business case for climate protection and more sustainable practices. It is time for those at risk from such volatility to shift how we define profit and abandon such meaningless measures as whether the stock market jumped yesterday or the GDP went down, and instead implement ways of doing business that enhance human and natural capital, as well as financial and manufactured capital. Anything less, I suggested, is just bad capitalism.

The snow let up enough to let me fly out of JFK to Frankfurt, then on to Bangkok, landing at 6 a.m. in time to meet Emily Evans (as she reported earlier in this e-lert) and head for the United Nations meeting on how to reframe industry for Asia. That done, she and I flew back to Tokyo together, then parted as I headed to San Francisco to teach the Presidio executive program. It struck everyone as completely daft that I had just gone around the world in two or three days and was back in California.

They were right. Somewhere over the Pacific I caught the mother of all colds. I know, I should take seriously the recommendation to not fly with a head cold — it can blow your eardrums. I got by gobbling decongestants as soon as the pilot said we are beginning our descent. It might have been better to declare a breakdown and stay home, but I turned around and headed for Seattle to speak to a meeting of corporate strategists. I once again found myself in a roomful of people who were not arguing over the nature of the crisis or the solution — just how to go about solving the challenges.

Then south to teach at Presidio; and east to keynote a World Wildlife Fund conference on climate and shoot a PBS special; and the spring looks very like the winter and the fall before that.... On a plane to somewhere, I picked up a *Wall Street Journal* article on how to Twitter. Check it out. Some time in the next month or so, this tedious tome will go away, and I'll be tweeting to all who want to tune in to, "Where in the world is Hunter Lovins."



UNESCAP in Bangkok

## **Upcoming Events**

Where you will find NCS staff in the near future.

9 April	Eco-Struction Film Project	Boise ID
7 May	Great Valley Center's annual conference	Sacramento CA
7 May	Climate: Everybody Profits V	Sacramento CA
18 May	Renewable Energy Alaska Conference	Anchorage AK
11June	2009 Green by Design Conference	Minneapolis MN

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