



Polluters get free ride with \$1.9 trillion in fossil fuel subsidies

A new report by the International Monetary Fund concludes that the best way to fight climate change is to get rid of \$1.9 trillion in global fossil fuel subsidies. All told, these subsidies amount to 8% of government revenues.

In addition to \$480 billion in direct subsidies for consumption, there's another \$1.4 trillion in subsidies in the form of "mispricing" fossil fuels; their price doesn't take into account the air pollution and climate damage they cause. As Robert F. Kennedy, Jr. has said, "Show me a polluter, and I'll show you a subsidy." The IMF estimates that for every ton of carbon that is emitted but not taxed, there's a \$25 implicit subsidy.



By failing to make fossil fuel companies pay for the damage they cause—for the true cost of fossil fuel production and use—taxpayers are subsidizing the fossil fuel industry's destruction of the planet.

Such pollution or damage is often called a "negative externality," a gobbledygook term that cloaks the costs being

foisted off on people who aren't a party to a particular transaction—in other words, the public. No one would tolerate someone who decided to save money by dumping his waste on his neighbor's property, but people tolerate companies that routinely save money by dumping waste into the public commons, whether the atmosphere, rivers, or oceans.

Last week the TEEB for Business Coalition released its study, "Natural Capital at Risk—The Top Environmental Externalities of Business," which estimates "the global top 100 environmental externalities are costing the economy world-wide around \$4.7 trillion a year in terms of the economic costs of greenhouse gas emissions, loss or natural resources, loss of nature-based services such as carbon storage by forests"

Fortunately, there's a growing movement to adopt corporate reporting reforms that will require companies to report environmental, social and governance risks. Last week, the International Integrated Reporting Council (IIRC) released its "Consultation Draft of the International Integrated Reporting Framework," which has been piloted among more than 80 multinational companies and is supported by more than 50 investment organizations.

Did you know?

- Ratio of growth in global water use to rate of population increase in the last century2:1
Percentage of Americans who want more emphasis on nuclear power37%
Percentage of Americans who want more emphasis on solar power76%
Increase in China's 2012 trade with Africa (\$198 billion) over 201119%



China and U.S. pledge large-scale cooperation on climate

In an unprecedented move, the U.S. and China have announced “large-scale cooperative action” on climate based on “the [urgent need to intensify global efforts](#) to reduce greenhouse gas emissions.” The two countries are the world’s biggest energy users and carbon emitters, and neither ratified the Kyoto protocol.

Their pledge comes none too soon. “The average unit of energy produced today is basically as dirty as it was 20 years ago” due to increased coal use and stalled efforts to curb pollution, according to a new [report](#) by the International Energy Agency, which called the data “a wake-up call.”

Disconnect between capital markets and climate reality

“The world could be heading for a major economic crisis as stock markets inflate an investment bubble in fossil fuels to the tune of trillions of dollars,” according to a new report from Carbon Tracker and the Grantham Research Institute at the London School of Economics, “[Unburnable carbon 2013: Wasted capital and stranded assets.](#)”

Commenting on the report, the renowned Lord [Nicholas Stern](#) who chairs the Institute said, “Smart investors can see that investing in companies that rely solely or heavily on constantly replenishing reserves of fossil fuels is becoming a very risky decision.” He also said, “I hope this report will mean that [regulators also take note](#), because much of the embedded risk from these potentially toxic carbon assets is not openly recognized through current reporting requirements.”

Bill McKibben and Jeremy Leggett discuss the new report in their *Guardian* post, “[How your pension is being used in a \\$6 trillion climate gamble.](#)”

U.S. business leaders urge strong climate policy

Thirty-three major U.S.-based companies, including eBay, Nike, Timberland, and Unilever, have signed a “[Climate Declaration](#)” urging U.S. policymakers to take action on climate change, asserting that a bold response to the climate challenge is one of the greatest American economic opportunities of the 21st century.

The campaign is organized by Ceres and its BICEP project (Business for Innovative Climate & Energy Policy). Last week the group [endorsed bipartisan energy efficiency legislation](#).

Cow power runs the farm

At one of the largest U.S. dairy farms, electricity generated from manure runs equipment to [milk about 30,000 cows three times a day](#). “For years,

the farm has used livestock waste to create enough natural gas to power 10 barns, a cheese factory, a



café, a gift shop” and a movie theatre, according to *The New York Times*.

Now it uses the other half of the five million pounds of cow manure it collects every day to power 42 natural gas tractor-trailers that haul its milk to market, saving about 2 million gallons of diesel a year. About 8,000 large U.S. dairy and pig farms could support similar biogas recovery projects.



Crackdown on tax evasion

A week after journalists released confidential information about [tens of thousands of secret offshore bank accounts and shell companies](#) used to avoid taxes, six European countries announced an agreement to clamp down on tax evasion by automatically sharing tax-relevant bank information across borders. Following widespread fallout and public outrage about the tax evasion, support for the initiative has since spread both within and beyond the EU. Last week, [the G-20 issued a call for adopting](#) such an automatic exchange as the global standard.

The tax evasion caused special indignation among taxpayers in Europe, where bank bailouts are still underway, with more looming. Taxpayers “have trouble understanding why the [euro countries are using their money to rescue banks, while the banks are simultaneously helping the wealthy shelter](#) their money from the tax authorities.”

Austerity mania exposed

Deficit hawks’ claim that fighting government debt is an urgent priority has been debunked by the demonstrated effects of extreme budget cuts in the UK, Greece, and elsewhere. The International Monetary Fund recently warned that Britain needs to be less aggressive about deficit reduction because its [severe budget cuts are preventing an economic recovery](#).

Claims that government spending should be slashed even in the face of mass unemployment have been further debunked by the discovery of errors in the academic study most often used to justify austerity measures. Paul Krugman’s recent column, [“The Excel Depression,”](#) explains the fiasco and how austerity has been sold on false pretenses.

If corporations are people ...

“Here’s an idea: why not tax corporations as if they were natural persons, in accordance with their newly discovered rights of free speech? That move would solve any impending fiscal crisis,” writes James Livingston in [“If Companies Are People..”](#)

He points out that during most of the 1950s, large corporations’ income was taxed at 52% and provided a third of the federal government’s revenue. Now the statutory rate is capped at 35% (the effective rate is about half that), and corporate taxes provide only about 9% of federal revenue. The U.S. has one of the lowest corporate income taxes of any developed country, according to [Citizens for Tax Justice](#).

“A tax system stacked against the 99%”

In his article, [“A tax system stacked against the 99%,”](#) Nobel Prize-winning economist Joseph Stiglitz describes what a fair tax system without special giveaways and offshore tax loopholes would look like.



Such a sensible system “could raise far more money than the current one —we wouldn’t

have to go through all the wrangling we’ve been going through with sequestration, fiscal cliffs and threats to end Medicare and Social Security as we know it. We would be in sound fiscal position, for at least the next quarter-century.”

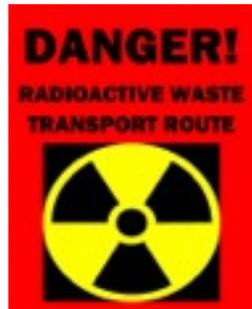


Former nuclear regulator states all U.S. nuclear reactors unsafe

All 104 nuclear power reactors now operating in the U.S. have [a safety problem that cannot be fixed](#), according to the former chairman of the Nuclear Regulatory Commission, Gregory Jaczko. He cited the fact that nuclear reactor fuel continues to generate vast amounts of heat even after a chain reaction is shut down. Such “decay heat” led to the Fukushima meltdowns.

No Mobile Chernobyl, No Fukushima Freeways

Later this year Congress will consider the first major overhaul of U.S. radioactive waste policy in a generation. The nuclear industry is pushing to get the waste off their property by transporting it to one or more temporary storage sites. The Nuclear Information Resource Service (NIRS) explains the danger:



“An ‘interim’ storage site would begin the transport of tens of thousands of casks of lethal high-level nuclear waste across the entire U.S., potentially affecting 100 million Americans who live within a mile or two of likely transport routes—our nations roads and railways. Each truck-sized container would hold up to 40 times the long-lasting radioactivity released by the Hiroshima atomic bomb. The much larger train/barge containers would each hold over 200 times Hiroshima’s long-lasting radioactivity.”

President Clinton vetoed a similar dangerous plan, and the Senate upheld his veto. It’s time to speak out again. Sign the NIRS petition, [“Stop Mobile Chernobyl—No Fukushima Freeways!”](#)

14 “near-misses” at U.S. nuclear plants in 2012

A Union of Concerned Scientists report details 14 “near misses” at U.S. nuclear plants in 2012. The scathing report, [“NRC and Nuclear Power Plant Safety in 2012: Tolerating the Intolerable,”](#) criticizes the NRC “for its failure to consistently enforce its own regulations, effectively leaving long-term holes in the safety net that is supposed to protect the public from the inherent hazards of nuclear power.”

The report states: “40 of the nation's 104 operating commercial reactors experienced a near miss between 2010 and 2012, with 12 reactors experiencing at least two near-miss events, and three...experiencing three or more.” About [111 million Americans live within 50 miles of a nuclear plant](#).

What did the world learn from Fukushima?

Akio Matsumura, holder of the [World Business Academy’s Akio Matsumura Chair](#), gave a vitally important speech at the conference “The Medical and Ecological Consequences of the Fukushima Nuclear Accident,” sponsored by the Helen Caldicott Foundation and Physicians for Social Responsibility at the New York Academy of Medicine.

His speech, “What Did the World Learn from the Fukushima Nuclear Accident?” described how ill-equipped Japan is to handle the ongoing nuclear and medical crises at Fukushima.

Akio continues to warn about the potential catastrophe from Reactor 4 and the other damaged reactors, the cancer crisis facing Japanese children, and the urgent need for an international independent assessment team and support from the United States. [Read his speech](#).



Super Brain: Unleashing the Explosive Power of Your Mind

Most of us aren't tapping the potential of our brain and don't know that we can use our minds to literally rewire our brains to transform our lives. In fact, "your brain is capable of incredible healing and constant reshaping, as explained in [*Super Brain: Unleashing the Explosive Power of Your Mind to Maximize Health, Happiness, and Spiritual Well-Being*](#), by [Academy Fellow Deepak Chopra](#), M.D. and Rudolph E. Tanzi, Ph.D., a world expert on the causes of Alzheimer's and a professor of neurology at Harvard Medical School.

Their wide-ranging book melds neuroscience and ancient spiritual truths to dispel common myths about the brain, and to explain how a person can use increased self-awareness and conscious intention to teach their brain to reach far beyond its present limitations.

The adult brain's neuroplasticity creates vast opportunities for change that can be seized by creating a new relationship with your brain. "Neuroplasticity is better than mind over matter. It's mind turning into matter as your thoughts create new neural growth," the authors write. The "brain is transforming itself constantly. ... The brain is a process, not a thing; a verb, not a noun."

Knowing how reality is made is key: "What is stronger than reality? Knowing that you are the reality maker. That is the pivotal point. Once you regain the clarity that comes from knowing how reality is made, you're free. You've invaded the workshop of the brain and declared that you are in control. The creator has returned."

Academy Fellow Daniel Goleman "Developing Emotional Intelligence"

In his article, "[Developing Emotional Intelligence](#)," [Academy Fellow Daniel Goleman](#) discusses how we can enhance our emotional intelligence using new insights into neurogenesis (how the brain generates new cells) and neuroplasticity (the way the brain continually reshapes itself according to the experiences we have). Learn more from his book, [The Brain and Emotional Intelligence: New Insights](#).

His book [Emotional Intelligence](#) was on *The New York Times* bestseller list for a year-and-a-half, with more than 5,000,000 copies in print worldwide in 40 languages, and has been a best seller in many countries. *TIME Magazine* named the book one of the 25 "Most Influential Business Management Books."

Academy Fellow Riane Eisler Congressional briefing on the caring economy

Last month [Academy Fellow Riane Eisler](#) headlined a U.S. Congressional briefing sponsored by the [Center for Partnership Studies' Caring Economy Campaign](#) on "[The Economic Return from Investing in Care Work and Early Childhood Education](#)." The well-attended briefing highlighted the CPS/Urban Institute report "National Indicators and Social Wealth" about going beyond GDP in measuring national economic success.

On March 21, she was honored as Distinguished Speaker for Women's History Month at the U.S. State Department. She spoke on "What's Good for Women is Good for the World: Foundations for a Caring Economy."