



CURRENTS IN COMMERCE

Chinese power surges ahead

When Chinese President Hu Jintao spoke at the first UN Summit on Climate Change this week, he made no bold commitments or proposals. He spoke of cutting China's "carbon intensity," its emissions as a percentage of economic output, by an unspecified "notable margin."



market grew six-fold from 2004 to 2008 and Chinese companies are aggressively moving into new markets. A solar PV startup from Oregon, Centron Solar, which sells Chinese solar products under an American brand, has landed prominent deals with Nike, a California wind farm, and others. Centron plans to become a one-stop solar shop by expanding into

But no one should underestimate the far-reaching economic and geopolitical implications of China's vast foreign reserves and its desire to diversify them, its skill in deploying its hard and soft assets, and its determination and ability to seize the lead in renewable energy manufacturing and technology. Most of all, no one should underestimate the Chinese government's resolve to do whatever is necessary to maintain its grip on political power.

installation and project development.

China is increasing its own use of green power. Two years ago, China imposed a [renewable energy standard](#) on large utilities that required them to produce 8% of their power from renewable energy (not counting hydropower) by the end of 2020.

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China is rapidly restructuring its economy around renewable energy. It is managing its currency, subsidizing key industries, using export controls to protect its lock on the rare minerals market, and making shrewd deals with foreign companies to acquire green technology. It is apparently about to mandate the feed-in-tariffs that made Germany a leading producer and exporter of wind and solar power and components.

[Join the World Business Academy](#) and receive its quarterly publication, *EconForecast*, to get the in-depth news and analysis you need to prosper in a socially responsible way in the new multi-trillion dollar energy technology and energy efficiency global economy. Member benefits also include free participation in Academy teleconferences. This story about China is a condensed version of our September 21 *EconForecast* coverage of China's growing lead in green energy.

Chinese manufacturers' share of the global solar cells

Did you know?

Per capita healthcare spending in France, which is ranked #1 in the world in healthcare.....	\$3,601
Per capita healthcare spending in U.S., which is ranked #37 in the world in healthcare	\$7,290
Percentage of residents of La Crosse, Wisconsin who have advanced health care directives.....	90%
U.S. share of global weapons sales, 2008.....	68%
Increase in California gun sales in the first 7 months of 2009, year over year.....	26%



Markets and the Economy

Curbing speculation in commodity markets

Last week, the [House passed a bill](#) 283-133 intended to crack down on financial speculators who cause “unjustified” swings in oil prices. Congressman Bart Stupak (D-MI), who has been leading an investigation into excessive speculation in the energy markets, states that the new bill will strengthen position limits on regulated markets while protecting physical hedgers, and improve the information available to the Commodity Futures Trading Commission.



A bi-partisan group of U.S. Senators have introduced a bill to increase transparency in the oil, gas, and mining industries. The bill would require SEC-registered energy and mining companies to [open their books](#) and include information in their filed financial statements about how much they pay to foreign countries and the U.S. government for oil, gas, and other minerals.

Bosom buddies

Not everyone wants “to profess bosom buddies on social network sites like Facebook.” About 48% of bosses surveyed don’t want to be “friended” by employees they manage. So far this year, “8% of employers sacked someone for their behavior on a social network site like Facebook or LinkedIn.”



Social Entrepreneur API

Fellowship and award programs have collaborated to make data about social entrepreneurs more accessible. Civic Ventures, the Schwab Foundation, the Skoll Foundation and others “have pooled their data to create an open database of information about social entrepreneurs.”



“The Social Entrepreneur API (Application Programming Interface) is the [first open data base](#) of information about social entrepreneurs who have won fellowships and awards from social enterprise funders,” according to a release upon the project’s launch at the Social Capital Markets Conference (SOCAP09). “The open database allows philanthropists, investors, press, and fellow entrepreneurs to find social entrepreneurs based on keyword, location, cause area, population served, and a variety of other factors.”

“Overcoming short-termism”

A new Aspen Institute report makes recommendations to counter the “the ‘short-termism’ that has now become hard-wired into the culture of Wall Street and corporate America,” depriving the economy of “the [patient capital](#) it needs to produce sustained and vigorous economic growth.”

Its recommendations fall into three areas: (1) market incentives: encourage more patient capital; (2) fiduciary duty: better align interests of financial intermediaries and their investors; and (3) transparency: strengthen investor disclosures.



eBay for patents?

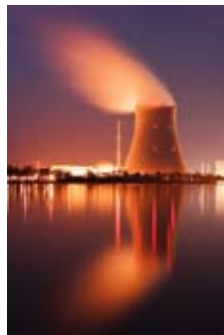
New companies and investment groups have “sprung up to buy, sell, broker, license and [auction patents](#),” and private capital is starting to pour in to get the job done.



Energy and Sustainability

Dim future for world nuclear power

Nuclear power is on a downward trend worldwide, as shown by the September [World Nuclear Status Report 2009: With Particular Emphasis on Economic Issues](#), commissioned by the German Federal Ministry of Environment.



The report states that “there is as yet no obvious sign that the international nuclear industry could eventually turn the empirically evident decline into a promising future.” Perhaps the biggest obstacle to growth of the industry is the “lack of a trained workforce and massive loss of competence” due to upcoming retirements and too few nuclear graduates. The report also analyzes many other obstacles, especially the failed economics of nuclear power and the need for public subsidies of the industry.

Potential nuclear newcomers face extreme challenges. It “will be practically impossible to maintain, let alone increase the number of operating nuclear power plants over the next 20 years.... None of the potential new nuclear countries has proper nuclear regulations, an independent regulator, domestic maintenance capacity, and the skilled workforce in place to run a nuclear plant. It might take at least 15 years to build up the necessary regulatory framework in countries that are starting from scratch.”

The race to build new nuclear plants in the Middle East and North Africa (MENA), Central and Eastern Europe, and elsewhere has led to a race by other countries to get the contracts. Argentina and Jordan have just struck a deal, as have Russia and Venezuela. Russia also has a contract with notoriously corrupt Bulgaria and is negotiating one with recent-pariah Belarus. Italy, hardly a paragon of good government, is competing with the Czech giant power group CEZ to teach Central and Eastern Europe the nuclear ropes.

Some coal-industry mercury with your fish?

Scientists found mercury contamination in [every single fish tested in 291 streams](#) across the U.S., even in rural areas. [Coal-fired power plants’ emissions](#) are the largest single source—40%—of U.S. mercury contamination.



About 25% of the fish tested had mercury levels unsafe for people who eat fish regularly, and 66% had levels unsafe for other fish-eating mammals such as mink and otters.

\$5 million geothermal prize

Two West Coast foundations are offering a [\\$5 million prize](#) in 2015 and an advance \$75 million order for next-generation geothermal pumps that can withstand extreme heat and pressure. The competition is intended to help expand geothermal production through enhanced geothermal systems (EGS).

A 2008 report by the U.S. Geological Survey concluded that EGS could provide half of all U.S. current generating capacity. A seminal 2007 MIT report said EGS could power half of U.S. homes by mid-century.



Recent concern over the possible connection between geothermal drilling and earthquakes in Basel, Switzerland and in northern California from the Alta-Rock Energy project doesn’t appear to be giving investors tremors. Last month the U.S. Bureau of Land Management said it had received \$9.1 million from a competitive auction of leases for geothermal projects in California, Nevada, and Utah.



Energy and Sustainability

Green tech venture capital bounces back

Green and high-tech investment is coming back to life. Early this month, Khosla Ventures announced it had raised \$1.1 billion for investments in renewable energy and high-technology, including a \$275 million seed fund for what are essentially "[science experiments](#)," to "take risks that nobody else will take."

"I like to call it '[main tech](#),' not 'clean tech,' Khosla said. 'We're doing bioplastics, lighting, engines, water and air conditioning—almost anything that can be made renewable, sustainable, more efficient and cheaper.'"



It was the biggest capital raise for a venture fund since 2007, and if it's counted as a first-time fund, it's the biggest first-time fund since 1999. It's actually Khosla Venture's third and fourth funds, but the first with outside money. Billionaire Vinod Khosla has invested hundreds of millions of dollars of his own in green technology. CALPERS, the California

pension fund for state employees, invested \$260 million, including \$60 million in the high-risk fund.

In the first half of this year, green tech investment totaled \$513 million, down from \$2 billion year over year.

Ocean warmth breaks record

Summer ocean surface temperatures were the warmest since record-keeping began in 1880, one degree above the 20th century average of 61.5°F, due to a combination of global warming and El Niño. Land temperatures in the Southern Hemisphere broke their previous record. All of the 10 hottest years on record have occurred since 1997.



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"Chinese power surges ahead"

In his UN address, President Hu spoke of upping that target to 15%. There is strong opposition in the U.S. Senate to a national renewable energy standard that would require utilities to produce a specified percentage of their power from renewable sources, although the energy and climate bill that the House passed in June has such a standard, as do many states.



At the beginning of 2008, China's target for installed wind capacity at the end of 2010 was 5,000 megawatts (MW), but it now appears that it will have 30,000 MW installed by then—previously its goal for 2020. By the end of the year, China will have [more installed wind capacity](#) than the U.S. and a third of global new capacity. Six large wind farms under construction dwarf any others in the world and will each exceed the capacity of 16 large coal-fired power plants.

The Chinese government has just signed an agreement with the American company First Solar to build the [world's largest solar photovoltaic plant](#), a 16,000-acre plant in the Mongolian desert that in its final phase would power about 3 million homes.

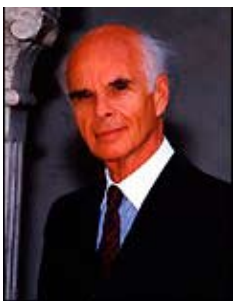
China is set to overtake Germany and France to become third in the world in installed capacity from Geothermal Heat Pumps, according to the Climate Change Group's report, "[China's Clean Revolution 2.](#)"

To compete with China's command economy, the United States and other western democracies need to put a high enough price on carbon to stimulate investments in clean energy and energy efficiency. This is a difficult political challenge given the political power of coal and oil interests, especially in the U.S. Senate.



Dr. Ervin Laszlo and *WorldShift 2012* October 17 in Ojai, California

Academy President **Rinaldo Brutoco** will lead a conversation with Professor Ervin Laszlo, Ph.D. and **Academy Fellow Barbara Marx-Hubbard**, Ph.D., about Dr. Laszlo's new book, [*WorldShift 2012: Making Green Business, New Politics, and Higher Consciousness Work Together*](#), on October 17 at 7 pm in Ojai, California.



Dr. Laszlo's book explains why we are in a state of global emergency and how cross-impacts among accelerating global trends are likely to reduce the time for effecting meaningful change. "Humankind is approaching a critical instability—a moment of truth. We can continue without decisive change and face disaster, or we can wake up and begin to transform." The decision-window may close "by the end of 2012, coinciding with the famous Mayan prophecies that predict if not the end, then the transformation, of our world." Nothing short of a profound change in global consciousness can save us.

Dr. Laszlo is the Founder and President of the Club of Budapest, President of the [WorldShift Network](#), and the author of more than 70 books translated into at least 22 languages.

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Dr. Hubbard will discuss how "evolutionary convergence" is the appropriate response and balance to the various potential tragedies that Dr. Laszlo outlines. She is the Founder and President of the [Foundation for Conscious Evolution](#) and author of five books.

The evening will conclude with a question and answer dialogue with the audience followed by a book-signing by Dr. Laszlo. [Register online!](#)

Maestro Month: October 7 teleseminar with Rinaldo Brutoco

Maestro Month features free personal development trainings with over 80-world renowned luminaries, including one with Academy President



Rinaldo Brutoco on October 7, 3:30 pm PT, "**Your Choice: Your Children and Grandchildren—or Big Coal, Big Oil, and Big Nuclear?**"

The free interactive teleseminars last throughout October and include various categories: business, health, personal growth, societal change, spirituality, and a special track for both entrepreneurs and facilitators. Other speakers in the business series include **Academy Fellow Lance Secretan**. Find out more or register on the [Maestro Conferences website](#).

Dickson Buxton on immaculate succession

Academy Member Dickson Buxton is the Senior Managing Director and co-founder of [Private Capital Corporation](#), which prides itself on "Immaculate Succession" planning.



Dick and his firm pioneered the use of employee stock ownership plans (ESOPs) and have designed and installed over 1,000 of them in the past 30 years. Privately held companies frequently use ESOPs as a vital liquidity and perpetuation planning vehicle. "In selling to an ESOP, owners can maintain partial or complete control of the company, retain equity, and invest the sale proceeds in a diversified portfolio of stocks and

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Men Who Stare at Goats

Thirty years after the U.S. Army made **Academy Fellow Jim Channon** the commander of the First Earth Battalion, Hollywood has made "Men Who Stare at Goats," a comedy satire with George Clooney, Jeff Bridges (who plays Jim), Ewan McGregor, and Kevin Spacey, based on tales about the First Earth Battalion and the evolutionary tactics manual that Jim wrote.



Jim Channon

You can get the flavor of this tale about a band of would-be psychic supersoldiers by watching the



Jeff Bridges

movie trailer or reading the review that followed its debut this month at the Venice Film Festival. After Jim saw a directors' cut that Overture Productions brought to show him, he wrote, "Folks, as Martin Luther King said, 'We have overcome! We have been roasted by the film world's Jedi Warriors. Nothing could be a higher honor in my book.' A production crew filmed an hour-long interview with Jim that will be added to the DVD. The film hits movie theatres this November.

Alan Lurie and Rinaldo Brutoco Oct. 22 teleconference

Join us **October 22, 2009 at 11:00 a.m. PDT** for an hour-long conversation with **Academy President Rinaldo Brutoco** and **Academy Member Alan Lurie** about Alan's book, [*Five Minutes on Monday: Finding Unexpected Purpose, Peace, and Fulfillment at Work*](#), a collection of thirty weekly messages that he wrote for the New York business community, addressing such topics as authenticity, balance, honesty, happiness, humor, and how to understand difficult times.



Alan is a Managing Director at Grubb & Ellis, a national real estate firm, who had a 25-year career as a licensed architect. He is also a nondenominational ordained Rabbi. This unique background gives him valuable insight into how to meet the demands of the business world while attending to the needs of the spirit. Members, watch your email for your invitation. Non-Members, register [online!](#)

San Francisco Fundraising Summit

The [Center for Nonprofit Success](#) will hold its San Francisco Fundraising Summit on October 27-28. Attendees can register for selected seminars or the entire event. The Center has released its new [Board Development webinar](#) about how to build an effective and successful Board.

Members and Fellows: tell us your news

so we can include it in *Connections!*
Write Academy Vice President
Madeleine Austin at
madeleine@worldbusiness.org



Monthly Member Call moves to Blog Talk Radio

Our monthly member call, New Business Paradigms, has a new paradigm of its own. Beginning with our next call on October 8, 2009 at 11:00 am PDT, we will broadcast through [Blog Talk Radio](#), which gives us the ability to offer both public and member-only programming more effectively.



We'll continue to offer you the options to dial-in live or listen to the program via live audio streaming over the web, and to listen to our archives as well. We welcome **Academy Member Stuart Zimmerman**, the host of the ["Anything Is Possible!" radio program](#) who will co-host our calls going forward.

On October 8, we'll discuss how to sort through the confusing signals emanating from the stock market and identify green sector financial opportunities. Stay tuned because our world is rapidly changing and so are we!

Visit our Timeless Wisdom store!

Since its founding in 1987, the Academy, its Fellows, and its Members have sought to understand the most pressing issues of our time. This collection of audio CDs, now available to the public through our [Timeless Wisdom Store](#), captures the essence of the Academy's work and offers timeless insight into Sustainable Enterprise, Spirit at Work, Transformation of the Workplace, and more! Whether you're seeking to enhance your personal well-being or your business, be sure to drink and benefit from this deep spring of wisdom.

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"Dickson Buxton"

bonds without incurring a capital gains tax, all the while rewarding the loyal people who helped build the business," as Dick explains in his article, ["ESOP: A Four-Letter Word?"](#)

Without such careful planning, a lifetime's work and legacy can be destroyed when an owner of a private company dies or retires if the new owners if the new owners make poor business decisions or key employees leave and compete with the company.

Dick's July 2009 article, "Navigating through Tough Times with the Aid of Employee Ownership," in the *Journal of Financial Service Professionals*, explains how an ESOP and a management stock ownership plan (MSOP) "can assist companies in temporary economic distress to increase cash flow and survive until conditions improve."

Dick's articles and his two books make good reading on several levels, particularly in today's economy. *You've Built a Successful Business: Now What?* is a guide to perpetuation planning. *Lessons in Leadership and Life: Secrets of 11 Wise Men* consists of two parts. In the first, Dick communicates the insights of his Wise Men through a novella about a professional between jobs and in crisis who is making the transition from employee to entrepreneur. The second part's stories about the Wise Men themselves reveal the traits and guiding principles necessary for business success.