

Climate Prosperity in Action

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By Don Knapp, ICLEI Communications Officer
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Part 1 of ICLEI's series on climate prosperity introduced and defined this term, and outlined a vision for how local governments can drive economic growth through climate protection. But does this theory hold up in practice? Absolutely, says Dr. Marc A. Weiss, Chairman and CEO of Global Urban Development, Chairman of the Climate Prosperity Project, and an internationally known expert on economic development and urban policy.

Below, Dr. Weiss shares a handful of powerful examples from the public and private sectors that illustrate the tenets of climate prosperity, and he describes how local leaders across the country are developing their own custom climate prosperity strategies.

Compelling Results: DuPont, Portland, and California

ICLEI: Now that you've introduced us to climate prosperity as a concept, can you speak to its track record in practice?

Marc A. Weiss: The regional climate prosperity strategies being developed around the country are just getting started, and it will be another year before we can point to real results. But that doesn't mean there aren't plenty of examples to prove that this approach works.

Climate Prosperity Resources

- Climate Prosperity Themes
- Proposed Delaware Climate Prosperity Strategy
- Draft Silicon Valley Climate Prosperity Strategy
- Silicon Valley Climate Prosperity Concept Paper
- San Jose/Silicon Valley Climate Prosperity Partnership
- Coming in April 2009: *The Climate Prosperity Guidebook*

[Source: Global Urban Development website]

The DuPont corporation is a great story. Back in the mid-1990s, it adopted an aggressive policy to maximize energy efficiency and lower its energy consumption. Over a decade, DuPont saved \$3 billion and reduced its greenhouse gas emissions 72 percent. It also transitioned from the production of petrochemical products to bio-based products. By becoming more sustainable, it expanded its revenues and market share and attracted a high-quality workforce.

ICLEI: Does a business sustainability model work at the local government level?

Dr. Weiss: Yes, and an excellent example is metropolitan Portland, Oregon. Back in 1980, an urban growth boundary was established around the Portland region, in order to prevent the loss of valuable agricultural land to suburban development, and this forced the city and the three counties to adapt their land-use and transportation policies. They promoted good urban planning and sustainable community design, created higher-density mixed-use development that was pedestrian- and bicycle-friendly, as well as a very popular light rail transit system.

The biggest result of this has been Green Savings. According to the recent CEOs for Cities report on Portland's Green Dividend, metropolitan Portlanders save \$1.1 billion annually on reduced transportation expenses, and an additional \$1.5 billion due to reduced commuting and travel time. And what happens is that they spend the money locally, reinvesting \$2.6 billion in the local economy instead of shipping it off to the Middle East to buy gas. Portland has a huge local food movement, and it ranks second highest per capita for people going out to eat in restaurants and bars.

Thanks to this culture of sustainability, the region offers a great quality of life and has become an incredible magnet for young and talented people. This in turn, has attracted businesses like Nike, IBM, Intel, Tektronix, and many others to locate in Portland and take advantage of this workforce. So in Portland we have examples of Green Savings, Green Opportunities, and Green Talent, the three keys to any climate prosperity strategy.

The final benefit is that as jobs, investment, and property values have increased in Portland—not to mention population—per-capita greenhouse gas emissions have been dramatically reduced to 1990 Kyoto levels, and vehicle miles traveled per capita have declined by more than 10 percent.

Every way you look at it, Portland got richer by becoming greener.

ICLEI: Portland's Green Savings bring to mind the results of the California Green Innovation Index.

Dr. Weiss: Yes! California is a great example of climate prosperity in action at the state level. The Innovation Index showed that Californians saved \$56 billion on electricity expenses over the past three decades through improved energy efficiency -- primarily from state and local government policies requiring higher standards for buildings and electrical appliances, and by providing financial incentives for utility companies and businesses and households to conserve energy and use renewable sources. Private consumers reinvested much of this savings in the state's economy, directly contributing to higher economic growth and greater prosperity: They generated 1.5 million new full-time jobs with total annual income of \$45 billion.

So DuPont, Portland, and California show the power of this paradigm, and I believe that by having a proactive climate prosperity strategy, other regions can go even further.

Climate Prosperity Strategies Taking Shape

ICLEI: How does that work? Will the Climate Prosperity Project’s pilot regions emulate Portland and California, or take a different approach?

Dr. Weiss: Every climate prosperity strategy will follow the same broad model—Green Savings, Green Opportunities, Green Talent—but each of our seven pilots [Silicon Valley/San Jose, King County/Seattle, the State of Delaware, metropolitan Denver, metropolitan St. Louis, Southwest Florida, and Montgomery County, Maryland] will have custom-designed strategies, built on the fundamental assets that make each place special.

For example, the state of Delaware has identified offshore wind power and electric vehicles as two Green Opportunities that take advantage of its natural resources and its expertise at the University of Delaware. Overall, Delaware’s four key strategies are:

- 1) to create an energy efficiency modernization service for Delaware’s businesses and homes
- 2) to help Delaware businesses participate in a global green supply chain
- 3) to foster “eco-knowledge clusters,” which means they want to attract green businesses and green talent in areas like marine energy, electric vehicles, life sciences, financial services, ecological tourism, and sustainable agriculture, and
- 4) to help develop competitive entrepreneurial and workforce skills through education and training via the Green Talent initiative.

In San Jose and Silicon Valley, the strategy is a bit different. They want to be the world’s manufacturer of renewable energy technology. Part of their strategy is to create 25,000 clean tech jobs as the “World Center of Clean Tech Innovation.”

ICLEI: Can other local governments view these strategies? Are there resources to help them craft their own strategies?

Dr. Weiss: Yes. If they go to the Global Urban Development website, click on “Climate Prosperity Project” and scroll to the bottom of the page, they’ll find a lot of key documents, including the draft climate prosperity strategies for Silicon Valley and Delaware.

In April 2009 the International Economic Development Council will publish *The Climate Prosperity Guidebook*, which will answer a lot of questions for people. Down the line, we also want to provide professional training, build a social network, and develop software to enable strategic planning decisions and ongoing metrics to measure results and show genuine economic and environmental progress.

This project has caught on faster than anything I’ve been involved with in 30 years of being a senior policy maker, and we’re running very hard to catch up with the growing demand from states, regions, and localities for climate prosperity advice and assistance.