



An Economic Summit?

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Written by **Rick Fedrizzi**, **Rick Fedrizzi**

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If there was one overriding theme of this year's **Greenbuild**, it is the power of green. And no, not that green. The other one. Green, as in the color of money.

I know I had tried to make a concerted effort to drive home the financial benefits of the green building movement in my keynote address. And it's a point that has not only moved front and center on my radar screen, but is drawing almost untold amounts of private equity dollars, economists, investors and average American citizens to our growing industry. Green does, as more and more people are starting to realize, make great financial sense.

But independent of my keynote speech, everywhere I turn **Greenbuild** appears to be a conference as much about investing as it is about the environment. In the opening plenary session, for example, one of my favorite people in the world, the incomparable Majora Carter, told moderator Joe Scarborough that even as she continues to sow the seeds of the green building movement in the heart of her beloved but impoverished South Bronx, she has started to "unleash her hidden capitalist." In fact, she even reiterated that the notion that doing good makes good business sense for people by saying in closing that "the quest for equality always leads to prosperity."

Then David Kohler, president and COO of Kohler, implored the industry to keep on innovating, and keep on pushing the technology envelope, telling the overflow crowd that wherever innovation and new technology goes, jobs and economic growth will invariably follow.

But the biggest clue that **Greenbuild** has developed into as much an economic summit as an environmental one, was the luncheon address of Tom Steyer, formerly of Farallon Capital, a private equity group dedicated to "absolute return investing." Steyer, an enormously wealthy capitalist, investor and political activist who, like Bill Gates and Warren Buffet, has announced he intends to donate half his fortune to charity, told a small gathering of invited guests and industry insiders that, when it comes to the cost of energy, how we do our accounting has to change.

As a guy who has spent his entire 30-year career studying corporate balance sheets and analyzing prospectuses, he says that when it comes to such traditional forms of energy as oil or coal, we must learn how to make an accounting of their true costs. Why isn't the cost of the Iraq War or other defense costs added to the cost of producing one barrel of oil?, he asked. Or for that matter, the hurricane damage that results from climate change caused by the burning of that one barrel of oil or a metric ton of coal?

Those costs are real, he told us, they're enormous and they must be factored in when analyzing the real cost of unlocking the energy in traditional fossil fuels.

He also told the rapt crowd that according to one Danish insurance company's analysts, the number of hurricane and weather related losses worldwide has risen five times in the last ten years. That, he said, cannot be simply a matter of coincidence.

As Steyer quipped, "(Americans) want the cheapest possible gasoline - and we don't care what we pay to get it."



Rick Fedrizzi
CEO & Founding Chairman
U.S. Green Building Council



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