



Speech by Rip Rapson:

Our Shared Responsibility for Getting the Climate Question Right

Kresge president addresses Sustainable Endowments Institute summit on financing the future of energy efficiency.

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The Kresge Foundation is delighted to support the Sustainable Endowments Institute's Billion Dollar Green Challenge.

It's an innovative approach to addressing climate change and cost savings through facility renovation and energy efficiency at colleges and universities.

I am keenly aware that most of you are experts in managing complex institutions like universities and colleges.

And I know that I can't hope to tell you anything you don't already know about how climate change may affect the future of your institutions.

So I'll try to limit myself to talking about what I know – which is the philanthropic perspective about our shared responsibility to address climate change.

I'll structure my remarks into three parts:

- A few observations about Kresge's overall focus on improving opportunity for low-income people living in America's cities and why a foundation with that focus feels so strongly the imperative to address climate change;
- Some observations about the qualities of private national philanthropy that equip it to make a

significant contribution to the field; and

• Some reflections about how all of this may affect you.

I. Kresge's Urban Opportunity Frame: Cities and Low-Income People

So first, a word about Kresge.

In 1912, Sebastian S. Kresge opened his first five-and-ten-cent store and parlayed the concept into a chain of stores that were incorporated as the S.S. Kresge Co. Many years later, the enterprise became known as Kmart.

In 1924, Kresge established a foundation with the mandate of "promoting human progress." For more than 80 years, that mandate was realized through the support of fundraising campaigns to build capital projects.

This legacy includes facilities at institutions as diverse as our host, the University of San Diego, as well as thousands of colleges, libraries, hospitals, museums, community centers and other buildings across the country. I suspect that many of you have a Kresge-funded facility on your campus.

About a decade ago, we began encouraging environmental stewardship as a component of our bricks-and-mortar projects. We gave an early boost to the green building movement by making planning grants to nonprofits committed to improving the environmental responsibility of their new construction and renovation projects, and by awarding bonuses to challenge-grant recipients that achieved LEED certification. Many of the pioneers of this wave of sustainable design were colleges represented in this room.

We are deeply proud of the facilities we helped to build and renovate. Seven years ago, however, we sought to diversify both our aspirations and our methods. We sought to explore whether we could leverage our assets to have even more impact on the critical issues of our time.

We concluded that we could.

Today, Kresge seeks to contribute to the vitality of American cities to ensure that low-income people have full access to pathways of economic and social opportunity. Because we recognize that urban vitality depends on the presence of a fully functional, integrated and cohesive ecology of multiple systems, we have

program teams focused on community development, higher education, health, arts and culture, human services and the environment.

Just a particular word about our Education Program within that work.

In a globally competitive world, cities cannot truly flourish until their residents have the skills and talents to be part of a modern economy. We, like most of you, know that a quality postsecondary credential is the single most important factor in achieving economic success.

And we know as well that people of color, who represent the fastest growing portion of our nation, tend to have much lower college achievement rates and lower household incomes.

Our Education Program is accordingly grounded in the aspiration of ensuring that people who have traditionally been excluded from higher education have an opportunity to obtain one. Our work is guided by the fundamental principle that college degrees matter, and that educated citizens are the life blood of a vibrant democracy and civil society – and of thriving cities.

We have, therefore, focused our grantmaking on promoting postsecondary access and success for low-income, first-generation and underrepresented students, including African Americans, Latinos, Native Americans, Asian Americans and veterans. That, in turn, is divided into two strategies.

First, we support pathways to and through college, We promote a college-going culture, help students apply to college and secure financial aid and, once they get into college, help them successfully persist to get a degree or transfer.

The second strategy is building the capacity of institutions that focus on underrepresented and underprepared students, such as community colleges and minority-serving institutions like historically black colleges and universities. All colleges in America have underrepresented and first-generation students, but we want to support colleges that have made educating the underrepresented their primary mission.

The case for focusing on climate change

Given Kresge's commitment to strengthening low-income opportunity in America's cities, it's not self-apparent why we would focus on climate change. Indeed, at first blush, it may seem like an outlier – a

sidebar to seemingly more immediate threats to the well-being of low-income Americans. Nothing could be further from the truth.

We believe that climate change and society's response to it will profoundly shape the trajectory of America's cities. And we believe that climate change threatens fundamentally and disproportionately low-income people. For a foundation committed to enhancing the vitality of American cities and the low-income people who live in them, climate change is one of the great social issues of our day.

Let me take each of these propositions – the urban futures story and the social justice story – in turn.

Climate change as an urban futures story

So first, climate change as an urban futures story.

Climate change has set in motion forces that will forever change the nature of life in America's cities. In exactly what form, in what degrees of disruptive severity and over what period of time is not entirely clear. But what is clear is that none of us can ignore that dynamic.

Confronting that dynamic in turn requires that we do two things: avoid the unmanageable and manage the unavoidable.

Avoiding the unmanageable

Let's start with avoiding the unmanageable.

It doesn't seem too much of a stretch to assert that everything a foundation does should be predicated on the belief that the planet will remain fit for human habitation. The alternative is just not very attractive.

But a rather unpleasant fact intrudes into that ostensibly innocuous proposition. A unanimity of scientists has concluded that our planet's boundary of safety is no more than 2 degrees Celsius, or 3.6 degrees Fahrenheit, above historical global averages.

A change of just a few degrees Celsius may not sound very scary, but it's a big deal. One commentator encourages us to think of the human body as an analogy:

Think about when you get sick, and you get a fever. If your temperature rises by 1 degree, you feel a little off, but you can still go to work. You're fine. It rises by 2 degrees, and you're now feeling sick. In fact you're probably going to take the day off because you definitely don't feel good. ... You're getting everything from hot flashes to cold chills. At 3 degrees, you're starting to get really sick. And at 4 degrees and 5 degrees, your brain is actually slipping into a coma. You're close to death. ... That little difference in global average temperature, just like that little difference in global body temperature, can have huge implications.¹

Straightforward enough, one would think. But recalibrating policy and practice to the 2-degree-Celsius ceiling currently appears politically, perhaps even practically, unattainable.

If that's true, how about accepting a 5- to 6-degree increase? Wrong. That kind of temperature increase melts every patch of ice on Earth, creating a science fiction version of our planet that makes the movie "Waterworld" seem like a documentary.

This is the unmanageable, surely. The question is how to avoid it.

Because most greenhouse gases remain in the atmosphere for centuries or millennia, far longer than the age of civilization so far, PricewaterhouseCoopers warned last year: "The only way to avoid the pessimistic scenarios will be radical transformations in the ways the global economy currently functions."

I don't know about you, but I'm not sure that "radical transformation" is how I would describe our current policy environment in Washington. Given the policy gridlock we have endured for the past several years, we need to reconnoiter a different path, one that identifies leverage points across the political, technological, scientific and economic spectrum.

We believe that philanthropy can help find those leverage points. Through better policy. Through improved practice. Through innovation and entrepreneurship. Through greater public understanding of the stakes.

Increasingly, all our decisions as a body politic or a civic community have to begin with the Climate Question: How will this action help stabilize or further destabilize our climate?

And the question is most urgent for cities. That's where the nation's carbon emissions are concentrated. That's where the majority of U.S. residents live. And that's where the concentration of risk for low-income

people is highest.

Managing the unavoidable

Let me turn to the second imperative. Managing the unavoidable.

This speaks to the concept of adaptation: How will we adapt to the significant change that is now inevitable regardless of the degree to which society gets serious about reducing greenhouse gas emissions?

Forget about the 5-to-6-degree-Celsius doomsday scenario. A 2-degree warming commits Greenland to irreversible melting, eventually raising average sea level more than six meters. As Stephen Colbert recently observed: "We have no idea how disastrous that will be – because it's metric." So let's translate that: it's 20 feet.

As horrifically complicated as it will be to adapt to rising sea level – think every coastal city you've visited, including the one we're meeting in today, as partly submerged – it's only the beginning. Everything will change. Everything.

Let's start with our natural systems. Under a 2-degree-Celsius scenario, we will have to plan for recurring cycles of more violent and unpredictable storms. By one estimate, a tenfold increase in the frequency of storm surges within 50 years, which means a Katrina-size surge every other year.² Our adaptation challenge will, moreover, be compounded as ocean acidification threatens fisheries, as certain plant and animal species are eliminated – and we won't get to choose which ones – and as drought, heat and storms curtail crop production. The underpinnings of our food-production systems and attendant economy will change forever.

Beyond our natural systems, Katrina and Superstorm Sandy have provided preliminary sketches of just how complicated it will be to adapt our physical infrastructure to the new reality. We have witnessed the deep inertia that sets in when communities and decision-makers wrestle with whether relocation is preferable to rebuilding, with how to construct sea walls or engineer other precautions necessary to avoid the shutdown of subway and other transportation systems, with how to come up with the money to upgrade wastewater treatment infrastructure necessary to prevent the suspension of service for extended periods.

And we will increasingly face heightened social disruption and the need to humanely embrace those

affected. One study found, for example, that even four years after Hurricane Katrina, one-third of New Orleans' low-income mothers were still suffering post-traumatic stress symptoms.

This is a very large mountain of adaptation challenges. Managing the unavoidable turns out to be wickedly complex. But, at the risk of being hugely simplistic, let me suggest that the first step in preparing for these kinds of changes is to acknowledge that they will, in fact, occur.

The resistance to such a straightforward idea can take your breath away.

You may have read about North Carolina recently banning state scientists from considering climate science in their sea-level projections. The only way I can even think about this outlaw-the-science-you-don't-agree-with approach is to call again on Stephen Colbert. In a riff on how we might apply this way of thinking to other issues we're uncomfortable with, Colbert said: "For example, I don't want to die. The actuaries at my insurance company are convinced that it will happen sometime in the next 50 years. However, if we consider only historical data, I've been alive my entire life; therefore, I always will be."

Viewed charitably, these attitudes can be seen as symptomatic of a "pre-climate-change mindset." The luxury of that mindset is, however, no longer possible. We must adopt a second prong of the Climate Question: What does climate change mean for the effectiveness and longevity of the decisions we make? How will these decisions position our cities, our campuses, our staff, and our students over the long term?

As Wayne Gretsky advised, we need to skate to where the puck is going, not to where it is.

Climate change as an issue of social justice

All of what I've suggested underscores why climate change will shape the future form and function of cities. But climate change is equally a question of social justice.

Climate change poses threats to us all, but in almost every case those threats are borne most heavily by the disadvantaged: low-income people, the elderly, the house bound³ – and the institutions that serve them.

Just a couple of very concrete examples:

• About three-quarters of the people who died in Louisiana as a result of Katrina were older than 60 and nearly half were older than 75.

African American children are hospitalized for asthma at twice the rate of whites and die of asthma
at four times the rate of whites, trends that will be unforgiving as climate change worsens the
conditions that trigger asthma attacks.

More generally, low-income people have fewer financial resources to secure adequate property insurance or to ensure their ability to evacuate, rebuild or relocate following disasters. An historian of disaster response recently observed: "Disasters are not blind. We have this rhetoric of disasters affecting rich and poor equally and that's just not true. [In advance of Superstorm Sandy] people who evacuated from Battery Park took a cab – maybe to summer homes, maybe to hotels. People who took crowded city buses from public housing are now sleeping on the floor of a high school gym."⁴

Similarly, more than 80 percent of applicants for post-Katrina home loans were rejected because they didn't have incomes high enough or credit ratings good enough to qualify. This is the double whammy of passing along the hardship over time – the relative absence of resources not only obstructs near-term recovery, but also removes a foundation on which to build for the future.⁵

When we look at the world outside our borders, the injustice is magnified. The wealthiest 20 percent of the world's citizens are responsible for more than 80 percent of historic greenhouse gas emissions. And yet developing countries experience 94 percent of the world's natural disasters and suffer 97 percent of all deaths related to natural disasters.⁶

And that's only now. As climate change progresses, society will confront even more profound injustice. For example, what are the obligations of other nations to take in populations displaced by sea-level rise or drought or the desertification of farmland? More fundamentally, does one generation hold any legal obligation to ensure a habitable planet for its posterity? If so, how can the rights of these people be secured?

So that's the case for Kresge's interest. Climate change is inextricably interwoven with the future of cities. And climate change will disproportionately shape the future life conditions of low-income people.

The question remains whether Kresge, or philanthropy generally, can do anything about either issue.

II. Philanthropy's Role

I want to propose that philanthropy possesses four broad qualities that position us, hypothetically at least, to play a potentially valuable role in mitigating and adapting to climate change.

A first defining characteristic is philanthropy's ability to draw on a wide array of tools.

We lead with money, of course. Our sector controls a lot of it – U.S. foundations gave away almost \$50 billion in 2011. Nevertheless, our coffers pale in comparison to the financial heft of the public sector – consider that that \$50 billion represents less than 6 percent of the amount of money set in motion by the 2009 Recovery Act.

But although we don't have the kind of money that government brings to the table, our money is discretionary. This means that we confront critical problems as they emerge. Investing in places, and in ways, that create the on-ramp for the re-engagement of private markets in orphaned causes or places. Selecting forms of investments that invite other investors to join the effort.

Beyond the money, philanthropy can convene people to forge relationships, promote joint inquiry and foster collective action. We can pursue strategic communications to strengthen public understanding of an issue. And we can bolster nonprofit capacity – whether to spur innovation, engage citizens more effectively or pursue a policy-reform agenda.

A second characteristic of a large private foundation like Kresge is its privilege of seeing things whole, freed from constraints that act as blinders and brakes on the private and public sectors. Universities can do this as well, but foundations don't have to stand for elections, report our quarterly profits to shareholders or worry about enrollment numbers. And because our assets secure our survival, we can cultivate the kind of dispassionate intelligence that permits us to go deeply into an issue over a long period of time, methodically confronting seemingly insurmountable challenges, incrementally making a difference.

In his "Armageddon in Retrospect," Kurt Vonnegut deadpanned, "There should have been a Secretary of the Future." No sector is better positioned to heed Vonnegut's regret. Philanthropy is unusual in its ability to see beyond the fact that the benefits of work on climate change will be hard to quantify – in many cases hard even to recognize –and that these benefits will be greatest decades and centuries into the future.

The third distinctive quality of philanthropy is its ability to take risks – especially financial, but also political and reputational. Not just the modest risk entailed in individual grants, but also the larger, dicier bets on innovation and transformation. Philanthropy, if you will, acting as society's social venture capital.

One illustration is philanthropy's ability to support scientific and academic inquiry that raises novel questions, pioneers new ways of thinking, generates new institutions and disseminates the kind of knowledge that bears on our deepest problems.

The fourth distinctive quality of philanthropy is the ability to lend our power to the powerless and amplify the voices of the voiceless. Not all foundations do this, but a disproportionate piece of the philanthropic ecology is committed to supporting organizations that serve as our society's moral thermostats – organizations that activate in the presence of suffering, injustice or callous behavior. This corner of the ecosystem is so terribly important because these organizations – and the people they serve – have so very few resources to help them. This has always been the case, of course, but it is getting worse.

Kresge's approach: resilience

The question is whether philanthropy is taking advantage of these special qualities to address climate change in a compelling way. Unfortunately, too often the answer is no.

Philanthropy has often reinforced the notion that climate change is a technical problem requiring primarily technical solutions. The sector has largely failed to use its ability to help others see climate change as a complex problem that requires a change in mindset across all sectors and disciplines. Climate change is not like an infection cured with an injection. It is instead like a chronic disease requiring corrective treatment by a team of skilled healers working over many years.

We at Kresge are sensitive to this. We have accordingly crafted our Environment Program team's strategy to focus broadly on the concept of resilience. Simply put, resilience is the capacity of a system in all of its parts to absorb and adjust to disturbance while retaining its essential functions, structure and identity.⁸

In terms of cities, this translates into a place's ability to continually adjust to changing economic, ecological and political conditions. This means short-term adjustments – think energy reduction, renewables – together with longer-term adaptation – think heightened flexibility of response, intentional redundancies among backup systems and thorough disaster preparedness.

Let me mention three ways Kresge has sought to promote resilience.

First, we are seeking to build afield of practice in the climate-adaptation space.

Climate adaptation as a field is in its infancy. We hope to contribute to its emergence by encouraging it to bridge across disciplines, connecting leading thinkers in the fields of metropolitan policy and planning, architecture, civil engineering, natural resource management and law. Our approach includes providing support for experts who can assist practitioners working locally; using our convening power to bring thought leaders together to learn from one another; connecting those forming national policy with the lessons emerging from local experience; expanding the capacity of urban leaders to bring a different set of skills to the challenge; and using our communications resources to advance concepts critical to climate resilience.

A second way we're promoting resilience is by supporting promising innovation. We're investing, for example, in Portland, Ore., and other cities in what are called "ecodistricts." These are neighborhoods in which people from the private sector, government, academia, nonprofits and community-based organizations tackling problems by viewing the system whole, looking at the interplay between land use, building codes, stormwater management, neighborhood amenities and many other variables.

And third, we're seeking to strengthen the ability of critical anchor institutions, like universities and hospitals, to bend the full complement of their resources toward making their operations more resilient.

This includes, of course, support for the Billion Dollar Green challenge to create incentives for universities to reduce their energy use and model change for their communities. By converting what would otherwise be a single investment in energy efficiency into an evergreen revolving fund, the challenge serves as a flywheel to provide opportunity for institutions to orient themselves to a long-term resilience perspective. It's a clear opportunity, moreover, to use a relatively small amount of philanthropic money to leverage millions of dollars – already \$72 million at 39 institutions, and counting.

The brilliance of the Billion Dollar Green challenge is that it takes what is traditionally seen by colleges as a cost – increasing energy efficiency – and turns it into an investment that can pay dividends in additional savings and funds for future renovations.

The interaction with higher education

That describes Kresge's environmental resilience strategy. But the challenge is central as well to our Education team's work: because of its environmental benefits to be sure, but also because the challenge promises to help reduce the operating costs that are among the central drivers of rising college costs.

This is a particularly important consideration for institutions that focus on first-generation, low-income, and underrepresented students. Like many of their students, these institutions often have limited financial resources. As institutions with more assets embrace and benefit from green technology, we want to ensure community colleges, minority-serving institutions and other underresourced colleges are also able to do so.

And we want to make sure that relatively underresourced colleges and universities have the capacity to plan proactively to meet the disruptions caused by more variable and severe climate patterns. Take, for example, one of our long-term grantees, Dillard University, a historically black institution in New Orleans, which – even four years after the event – has still not been able to restore its enrollment to pre-Katrina levels.

Our Education team has accordingly funded the United Negro College Fund to support efforts at minority-serving institutions to address environmental sustainability on their campuses. We've also supported Second Nature to help underresourced institutions pursue green building practices. And we're working with the American Association of Community Colleges' SEED Initiative to support community colleges in educating for and building the green economy.

Finally, Kresge is seeking out ways in which all of our programs can cooperate to foster community attributes that will lead to greater resilience. Most notably, four of our grantmaking programs — Environment, Arts & Culture, Community Development and Education — have contributed to planning for the Oberlin Project, which seeks to improve the cultural vibrancy, social cohesion, economic prosperity and ecological sustainability of that college's community. It is a fascinating model, one that holds promise for many other college and university towns.

III. What This Means for You

Now – and you were kind to sit this long before I got to this question – what might this mean for you? At the meta level, it means three things.

First, we all have an obligation to proceed in our personal and professional lives armed with an awareness of the severity of the climate challenge – and the disproportionate impact it will have on the most vulnerable among us. This means making the link between the science of climate change and its very real lived consequences. Simply, we all need to ask the Climate Question.

Second, at the local, regional, state and federal levels, and in all sectors, we need a new cadre of professionals with fresh skill sets who understand the multiple dimensions of climate change – particularly as they relate to our social and economic fabric – and to teach the broader community habits of adaptive management.

Third, and far more challenging, most jobs will become climate jobs over the coming years, whether or not people describe them, or even conceive of them, that way.

That's where you come in. It may be a cliché, but it is no less apt to say that you have the critical responsibility of teaching the next generation of citizens to develop solutions to the problems that lie before us, not the least of which is climate change. You are developing the analytical skills, practices and resources to help the next generation navigate challenges we have never seen before.

This responsibility falls not just in the classroom, but on the university as an actor in society. By using your role as both literal and metaphorical anchors in your cities and in the nation as a whole. By modeling visionary, creative practices. By creating as a group of institutions a critical mass that begins to attract the attention of architects, engineers, planners and financiers. And by furnishing the intellectual leadership that is your hallmark – asking the hard questions, probing unconventional answers, precipitating balanced and reasonable discourse, furnishing an empirical basis for decision-making. In all these ways, and more, society is looking to you for leadership.

Conclusion

One of the great 20th-century advocates for social justice observed: "We are now faced with the fact that tomorrow is today. We are confronted with the fierce urgency of now. In this unfolding conundrum of life and history there is such a thing as being too late. ... If we do not act, we shall surely be dragged down the long, dark and shameful corridors of time reserved for those who possess power without compassion, might without morality, and strength without sight. Now let us begin."

Martin Luther King was not describing the challenge of climate change when he spoke those words. But he could have been. Ultimately and surely, if you care about the future of cities, the bedrock conditions within them and the opportunities they offer their most vulnerable members, you must care a great deal about climate change. Nothing poses a graver threat to our ambitions – as funders, but also as individuals, as parents and as posterity to the generations yet to come.

Kresge's responsibility, and our great privilege, is to help shape the future in a way that truly "promotes the well-being of humankind," as our donor desired. Thankfully, the philanthropic sector is not the only one with a particular role to play, and this charge to shape the future is not ours alone.

I believe today's meeting offers a tremendous opportunity for all of you to begin to ask the Climate Question, to wrestle with its implications and to let honest answers guide your actions. We thank all of you who have already committed to the Billion Dollar Green challenge, and encourage all of you who have not yet had a chance to do so, to think about the opportunity it poses as we all wrestle with our own role in ensuring a prosperous and healthy future.

I, for one, am thankful that all of you will be helping to answer the profound and unprecedented questions that climate change has introduced. We need your innovation and your enthusiasm, your intelligence and your vision, your passion and your compassion, to respond to the fierce urgency of now. Let's get to work.

Footnotes

other year."

¹Anthony Leiserowitz, director of the Yale Project on Climate Change Communication. He offered the explanation to Bill Moyers on his program, "Moyers & Company" (January 4, 2013). See the video.

²An article published in the Proceedings of the National Academy of Sciences in March 2013 found that a 2-degree-Celsius rise by 2050 would trigger a tenfold increase in the frequency of storm surges. According to lead researcher Aslak Grinsted, "this means that there will be a Katrina-magnitude storm surge every

³One article noted that in severe climate events, "The poor are more likely to die; suffer from injuries; have proportionately higher material losses; have more psychological trauma; and face more obstacles during the phases of response, recovery, and reconstruction." Masozera, M., Bailey, M., & Kerchner, C. "Distribution of Impacts of Natural Disasters Across Income Groups: A Case Study of New Orleans," *Ecological Economics 63*, pp. 299-306 (2007). The authors note: "Although the highest magnitude of economic damage is often born by wealthier populations, due to possessions of higher value, the relative impact is generally greater for low-income groups. For people who cannot afford the costs of repair, reconstruction or

relocation, it may take years to recover from the aftermath of disasters. In addition, the effects of a disaster may persist to the next generation because of a lack of resources to recover." *Id*.

⁴Interview with Jacob Remes in Edelson, J. "Disaster Capitalism Doesn't Work," *Salon.com* (November 2, 2012). See also Remes, J., *Disaster Citizenship: Urban Disasters and the Formation of the North American Progressive State* (forthcoming from the University of Illinois Press).

⁵Masozera *et al.*, *op cit*.

⁶Estimates of the World Bank.

⁷The metaphor is that of Paul Ylvisaker. Ylvisaker, P. "The Spirit of Philanthropy,' Address to the 38th Annual Conference of the Council on Foundations," Atlanta, March 1987, reprinted in Esposito, V.M. Ed., *Conscience & Community: The Legacy of Paul Ylvisaker* 346 (Peter Lang: 1999).

⁸See Hilling, C.S., Ed. *Adaptive Environmental Assessment and Management* (John Wiley & Sons: 1978).