

Prince Charles: We need a new economic model or the planet will burn

By [Mark Thompson](#) and [Max Foster](#), [CNN Business](#)

Updated 1721 GMT (0121 HKT) January 22, 2020

Davos, Switzerland (CNN Business) Only a revolution in the way the global economy and financial markets work can save the planet from the climate crisis and secure future prosperity, Prince Charles warned on Wednesday.

"We can't go on like this, with every month another record in temperatures being broken," he told CNN in an exclusive interview at the World Economic Forum in Davos, Switzerland. "If we leave it too long, and we have done, just growing things is going to become difficult."

The heir to the British throne and lifelong environmentalist was speaking to CNN after he threw down a challenge to the global business and finance elites in Davos to lead a "paradigm shift, one that inspires action at revolutionary levels and pace" to avert the approaching catastrophe.

"Do we want to go down in history as the people who did nothing to bring the world back from the brink in time to restore the balance when we could have done? I don't want to," he told the audience at the WEF's 50th annual meeting.

"And just think for a moment — what good is all the extra wealth in the world, gained from 'business as usual,' if you can do nothing with it except watch it burn in catastrophic conditions?"

Just this year, huge forest fires exacerbated by climate change have devastated vast areas of land in Australia and killed millions of animals. Recent research shows that the world's oceans are absorbing as much heat as that generated by five atomic bombs every second. Toxic smog continues to choke India's cities despite repeated promises of cleaner air from the government, and the last decade was the warmest in recorded history.

The climate crisis stole the headlines on the first full day of this week's meeting in Davos. Teenage activist Greta Thunberg on Tuesday admonished the business and political elite for doing "basically nothing" to reduce the carbon emissions that are fueling global warming.



Bushfires have destroyed huge areas of Australia in recent months.

Speaking later, President Donald Trump — who has pulled the United States out of the 2015 Paris Climate accord — signed up for a global initiative to plant 1 trillion trees, but dismissed climate activists as "perennial prophets of doom" and the "heirs of yesterday's foolish fortune tellers." He said breakthroughs that result from the dynamism of market economies were able to solve any problem.

Prince Charles, who discussed climate change with Trump last summer, met Thunberg for the first time after his speech.

"She's remarkable, she represents one of the main reasons why I've been trying to make all this effort all these years," he told CNN. "I've always worried about the fact that so often, in terms of humanity, we leave things too late so you have to hit a brick wall and experience a catastrophe before anything happens."

The Prince of Wales used Wednesday's address to launch his "Sustainable Markets Initiative." He said urgent action was required to reconfigure markets to put people and the planet "at the heart of global value creation."



Prince Charles met climate activist Greta Thunberg for the first time on Wednesday.

Britain's next head of state, who gave his first speech on the environment in 1968, said bold and imaginative action was needed to tackle the greatest threat humanity has ever faced. He outlined a 10-point plan to put the natural world at the heart of the business world.

"Nature's contribution to the global economy is estimated to be worth \$125 trillion annually," he said. "Nature is, in fact, the lifeblood of our financial markets and, as such, we must — rapidly — realign our own economy to mimic nature's economy and work in harmony with it."

The steps advocated by the prince include reversing damaging subsidies, investing in technological innovation, creating new sustainable products and services, and giving consumers much greater transparency about supply chains.

Last year's global climate summit in Madrid saw some progress in tackling the crisis, but fell far short of what many climate activists and scientists had expected and failed to finalize the rules of a new global carbon market — a key element of the Paris accord.

There have been eye-catching promises by some of the world's top companies in recent weeks. Microsoft (MSFT) said it planned to become emissions "negative" by 2030 as a step towards eradicating its entire historic carbon footprint. And BlackRock (BLK), which manages \$7 trillion in assets, promised to ditch investments it considers a risk to sustainability.

Prince Charles said he would be convening a series of discussions across a range of industries with innovators, investors and decision-makers to help design a new course and form a global alliance to mobilize the trillions of dollars needed to put the economy "on the correct path."

"I intend to do my utmost to ensure that the message of urgency, systemic change, collaboration and integration is heard," he said. "We simply cannot waste any more time — the only limit is our willingness to act, and the time to act is now."

Top US bankers don't want to lead the climate fight

By [Julia Horowitz](#), [CNN Business](#)

Updated 1345 GMT (2145 HKT) January 22, 2020

London (CNN Business)America's most powerful bankers don't want to lead the way in tackling the climate crisis.

While professing deep concern about global warming, top executives at the World Economic Forum this week expressed reluctance to act as referees in financial markets to reduce global emissions of greenhouse gases.

That, they said, is not their role, despite calls from activists to stop funding carbon-intensive industries.

"What I say to our clients is: I don't want to be the sharp end of the spear, meaning I don't want to have to be the [one] telling you, or enforcing standards in your industry or in your business," Citigroup (C) CEO Michael Corbat told a panel at WEF's annual

meeting in Davos, Switzerland. "You should set those."

Corbat said companies and governments were "on a journey" towards greater sustainability that the banking system should help facilitate. But he emphasized that Citi should not be the one picking "winners and losers."

"A bank's job is to support the communities in which it operates," he said. "It's not to dictate outcomes."

Goldman Sachs (GS) CEO David Solomon, speaking on a separate panel, also pushed back on the idea that the investment bank should decline to work on deals with certain companies because of their lack of green credentials.

"Should we draw a line and say we will not raise money for a company that is a carbon company, a fossil fuel company? And the answer to that is, we're not going to do that, we're not going to draw a line," he said. "However, we are trying to allocate capital to businesses that help the transition to a more carbon-neutral world."

Wall Street is coming around to the idea that the climate crisis is not just a moral concern but also a huge financial risk. But there's still dissent over when that risk will materialize, and how far financial institutions should go in the meantime.

BlackRock (BLK), after facing considerable pressure over its position on climate, last week tried to get in front of the issue. In a letter to other chief executives, CEO Larry Fink said the massive firm will ditch investments that it considers a risk to sustainability, including thermal coal producers.

It's part of an effort to put sustainability at the center of its approach to managing the \$7 trillion in assets it oversees.

"Awareness is rapidly changing, and I believe we are on the edge of a fundamental reshaping of finance," Fink said.

Fink predicted that significant changes to how capital is allocated globally are coming, and "sooner than most anticipate."

Wall Street leaders in Davos voiced support for Fink, but didn't speak with the same urgency. "My view is, this is going to be a multi-decade transition," Solomon said.

Should we draw a line and say we will not raise money for a company that is a carbon company, a fossil fuel company? We're not going to do that, we're not going to draw a line."

DAVID SOLOMON, GOLDMAN SACHS CEO

Ceres, a nonprofit that lobbies for companies to take action on climate change, applauded BlackRock's decision, particularly its intention to direct clients towards sustainable investment funds by default.

CEO Mindy Lubber told CNN Business that BlackRock's announcement should encourage others on Wall Street to make bigger commitments. "The bottom line is small actions don't matter anymore," she said.

BlackRock could go further. It remains a top investor in oil and gas companies such as ExxonMobil (XOM) and Chevron (CVX), as well as mining giant Glencore (GLCNF).

Banks have said they'll put hundreds of billions of dollars toward addressing the issue — promising to fund positive action, even if they're hesitant to withhold services from polluters.

Citi has committed \$100 billion in financing for environmental projects by 2023, and issued the bank's first green bond one year ago. Bank of America (BAC) said last year it will provide \$300 billion in finance for low-carbon business activities by 2030, adding to a previous \$145 billion commitment. It says it has reduced its exposure to coal mining companies since 2011.

In December, Goldman Sachs followed with a pledge to invest \$750 billion in projects that focus on the climate transition over the next decade. The firm also became the first US bank to say it won't finance new oil projects in the Arctic. JPMorgan Chase (JPM), which Greenpeace labeled this week as the "world's worst funder of fossil fuels and fossil fuel expansion," has previously said it will commit \$200 billion in clean financing through 2025.

These are "substantial commitments" and a sign that banks are moving in the right direction, according to Lubber.

But at Davos, Wall Street indicated an unwillingness to spearhead the transition they acknowledged is coming.

"One place that each of these banks [has] not moved to ... is to not finance high fossil fuel or high carbon projects or firms," Lubber said.

Mnuchin says Greta Thunberg can explain US economic policy after she studies economics in college ... and Greta's response

By [Devan Cole](#), CNN

Updated 1450 GMT (2250 HKT) January 23, 2020

Washington (CNN)Treasury Secretary Steven Mnuchin on Thursday dismissed climate activist Greta Thunberg, saying [the Swedish teen](#) and Time [Person of the Year](#) should first go to college and study economics before she weighs in on US policies and how they relate to the climate crisis.

The remarks came during a press briefing by the secretary during the World Economic Forum in Davos, Switzerland, where the world's political, business and financial elite turned their attention to the climate crisis and sustainability.

"Greta Thunberg has called for a public and private sector divestment from fossil fuel companies. Does that pose a threat to US economic growth?" a reporter asked Mnuchin.

"Is she the chief economist, or who is she? I'm confused," the secretary replied. "It's a joke. After she goes and studies economics in college she can come back and explain that to us."

Thunberg responded to Mnuchin on Twitter later Thursday.

"My gap year ends in August, but it doesn't take a college degree in economics to realise that our remaining 1,5° carbon budget and ongoing fossil fuel subsidies and investments don't add up," she said. "So either you tell us how to achieve this mitigation or explain to future generations and those already affected by the climate emergency why we should abandon our climate commitments."

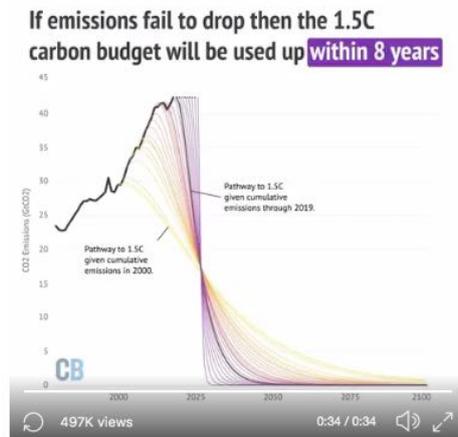


Greta Thunberg



@GretaThunberg

My gap year ends in August, but it doesn't take a college degree in economics to realise that our remaining 1,5° carbon budget and ongoing fossil fuel subsidies and investments don't add up. 1/3



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Thunberg has repeatedly criticized top industrial nations for not doing enough to address the crisis. Earlier this week at the conference, [Thunberg admonished world leaders](#) for doing "basically nothing" to reduce carbon emissions despite evidence of a looming climate catastrophe.

"Immediately end all fossil fuel subsidies and immediately and completely divest from fossil fuels. We don't want these things done by 2050, or 2030 or even 2021 -- we want this done now," she said.



Greta Thunberg labeled a 'brat' by Brazilian President Jair Bolsonaro

Mnuchin's comments add to mocking remarks President Donald Trump has made toward Thunberg. Last month, he tweeted that Thunberg -- who has been open about her diagnosis of Asperger's, calling it a "superpower" that helps her activism -- has "anger management" issues. In September, he called her a "very happy young girl" after she sternly castigated world leaders over the climate crisis.

Trump didn't address Thunberg by name when he spoke at Davos earlier this week, though he did call for the rejection of "the perennial prophets of doom and their predictions of the apocalypse."

Asked by a reporter at the conference whether he spoke to other leaders and CEOs about Thunberg and her policies which many of them have supported, Trump said: "No, I didn't actually. But I would have loved to have seen her speak." He also said that she should "start working" on other countries that he claimed are contributing more to the climate crisis.

Angela Merkel also hailed the contribution of young activists, as she warned that the cost of inaction would be hugely higher than the cost of action.

LIVE ...

Mnuchin slaps down Thunberg's fossil fuel concerns

Q: Does Greta Thunberg's call for an end to fossil fuel investment threaten US economic growth?

"Is she the chief economist...that's a joke" says Mnuchin sarcastically.

After she goes and studies economics in college, she can come back and explain that to us, he adds.

Updated at 8.39am GMT



Heather Long



@byHeatherLong

In #Davos this morning, Sec. Mnuchin is asked about @GretaThunberg's call to divest from fossil fuels.

Mnuchin: "After she goes and studies economics in college she can go back and explain that to us." #WEF50

Mnuchin adds that people who call for fossil fuel divestment should remember there are significant economic issues, issues with jobs.

Many economies are transitioning to a lower-emissions economy.

Eugene Scalia says that pensioners could suffer if there is a sudden divestment of fossil fuel assets.

Mnuchin: It's complicated....

After trying to clip Greta's wings, US treasury secretary Steven Mnuchin argued that there are no easy choices when it comes to the environment.

He told reporters:

When I was allowed to drive I had a Tesla. I drove in California. I liked it.

But nobody focuses on how that electricity is made, and what happens to the storage and the environmental issues on all these batteries.

The environmental issues are clearly complicated.

Mnuchin also argues that America is taking a lead -- but through its companies.

If you look at the US from a leadership standpoint - driven by private industry not government control, we've been a leader.

And he says that people who call for fossil fuel divestment (such as Thunberg this week) should realise there are significant economic issues, and potential job losses.

Many economies are transitioning to more efficient and cleaner energy. That doesn't have to be all renewables.

Economist Jonathan Portes isn't impressed by Mnuchin's swipe at Thunberg.



Jonathan Portes

@jdportes

Coming from @stevenmnuchin1, who made the self-evidently absurd claim that the Trump tax cuts would "pay for themselves", this is hard to take seriously...

<https://>

twitter.com/EdConwaySky/status/1220263970428399616

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Ed Conway
@EdConwaySky

Of. US Treasury Secretary @stevenmnuchin1 here in Davos on @GretaThunberg's calls to decarbonise the economy: "After she goes and studies growth and economics in college she can come back and explain that to us."

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9:41 PM - Jan 23, 2020 · Lambeth, London

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[See Jonathan Portes's other Tweets](#)



Greta Thunberg and anthropologist and primatologist Jane Goodall Photograph: Benedikt von Loebell/Benedikt von Loebell/World Economic Forum

Photograph: Gian Ehrenzeller/EPA

Greta Thunberg: 'Nothing has been done' to tackle the climate crisis

By [Hadas Gold](#), CNN Business

Updated 1751 GMT (0151 HKT) January 21, 2020



Davos, Switzerland (CNN Business) Greta Thunberg took the stage at the World Economic Forum Tuesday to admonish world leaders for doing "basically nothing" to reduce carbon emissions despite evidence of a looming climate catastrophe.

Speaking just hours before President Donald Trump's appearance at the annual gathering of the world's political, business and financial elite, the teen activist said awareness of the climate crisis had shot up but in other respects, not much had changed.

"Pretty much nothing has been done since the global emissions of CO2 has not reduced," Thunberg said. "[I]f you see it from that aspect, what has concretely been done, if you see it from a bigger perspective, basically nothing ... it will require much more than this, this is just the very beginning."

Asked what she wanted to see in the future, Thunberg said "that we start listening to the science and that we actually start treating this crisis as the crisis it is."

Thunberg said she's spent a year trying to publicize the findings of a 2018 Intergovernmental Panel on Climate Change report that shows countries can only release another 420 gigatons of carbon dioxide in order to have the best chance at keeping the rise in global temperatures to under 1.5 degrees. At current levels, that amount will be emitted within roughly eight and a half years.

"I don't think I have seen one media outlet or person in power communicating this or what it means," Thunberg said. "I know you don't want to report on this. I know you don't want to talk about this. But I assure you I will continue to repeat these numbers until you do."

Since appearing on the sidelines of last year's Davos meeting, Thunberg's profile has taken off and she was named Time's "Person of the Year." Conference participants lined up to get into the discussion Tuesday, with many holding phones aloft to take pictures as she took the stage.

Thunberg acknowledged the attention but said that wasn't nearly enough.

"I'm not the person who can complain about not being heard — I'm being heard all the time," she said during a panel with other youth activists.

Sustainability and climate change are top issues at this year's Davos meeting. On Tuesday, Thunberg repeated her call for all companies, banks, institutions and governments to abandon the fossil fuel economy.

"Immediately end all fossil fuel subsidies and immediately and completely divest from fossil fuels. We don't want these things done by 2050, or 2030 or even 2021 — we want this done now," she said.

In his speech, Trump announced that the United States would be joining an initiative to restoring a trillion trees by 2050, but said that "to embrace the possibilities of tomorrow, we must reject the perennial prophets of doom and their predictions of the apocalypse."

Speaking again shortly after Trump, Thunberg said "planting trees is good" but nowhere near enough.

"Let's be clear: we don't need a low carbon economy; we don't need to lower emissions. Our emissions have to stop if we are to have a chance to stay below the 1.5 degree target," she said.

"Our house is still on fire. Your inaction is fueling the flames by the hour," Thunberg added. "We are still telling you to panic, and to act as if you loved your children above all else."



Greta Thunberg at the World Economic Forum in Davos. Photograph: Michael Probst/AP

Soros is also concerned about President Xi, and his attempts to control Chinese society.

With the climate crisis a growing threat too, 2020 and next few years, may determine the fate of both Xi and Trump and the whole world, he adds.

George Soros says there is now a torrent of protests from people around the world against closed societies.

The biggest is Hong Kong, he says, which "may well destroy the city's economic prosperity."

Onto economics and marketsSoros warns that Trump has pumped up an already overheated economy through tax cuts.

That's why the markets have risen so high — high enough to guarantee Trump's re-election, Soros says, except there's still 10 months to go.

Plenty of time for things to change, in a revolutionary time

Soros: Conman Trump is ultimate narcissist

George Soros now turns his guns on Donald Trump, saying that the US president's "impetuous actions have heightened the risk of a conflict in the Middle East" (*he's thinking of the assassination of Qasem Soleiman*)

Then he really wades in:

Trump is a con man and the ultimate narcissist who wants the world to revolve around him.

When his dream of the presidency came true, his narcissism took on a pathological dimension, Soros continues.

And it's now become a malignant disease, because Trump has build a following who believe him.

Soros then gives a searing assessment of the global situation.

The strongest powers - the U S, China and Russia - have all ended up in the hands of would-be or actual dictators.

And the battle against Brexit, which will be bad for the UK and the EU,

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ended in “a crushing defeat”, Soros adds.

He also criticises India’s Modi for trying to create a Hindu state.

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Soros speaks in Davos

Hello again. George Soros, the billionaire philanthropist is speaking at an event in [Davos](#) now.

He starts by warning that open societies (Soros’s big cause) is under threat, and Climate crisis is threatening our civilisation.

It is easier to influence events than understand what’s going on, he warns.

This is leading to widespread unhappiness in the population, which populists have taken advantage of, he says.

The Revolution Comes to Davos

At the anti-capitalist capitalist event, radical sentiments erupt in unexpected places.

By **Tim Wu**
Contributing Opinion Writer
Jan. 23, 2020



The 50th annual meeting of the World Economic Forum in Davos, Switzerland ends on Jan. 24.
Credit... Fabrice Coffrini/Agence France-Presse — Getty Images

Everyone at Davos this year really wants you to know that the corporate world is cleaning up its act. Yes, O.K., maybe they’ve said things like that before, but this year they mean it. Walking around, I thought, at times, that I had mistakenly wandered into a business-casual Bernie Sanders rally: unrestrained capitalism has gone too far; corporate greed has endangered the planet; the time has come for radical change. On the train into Davos, a representative of Philip Morris told me that the company is “dedicated to a smoke-free future.” I blinked; she said the company has “a duty” to millions of addicted smokers.

Woke capitalism, in short, was the dominant motif at Davos 2020. Its visual symbol was a group of teenage girls and boys who were invited to Davos as “change-makers,” a gang of Greta-Thunbergs-in-training. They provided a visual contrast to the great masses of aging men in bluish suit jackets, and they were a particular delight to photographers, who stalked them like rare animals, which in a way, they are. “The forum used to be made up of a lot of old, rich white men,” explained Naomi Wadler, a 13-year-old anti-gun advocate, who perhaps was unaware that it still is. Though, to be fair, a record 24 percent of the participants this year were women.

At an anti-capitalist capitalist event, revolutionary sentiments can erupt in unexpected places. [Will. I. Am](#), the musician, interrupted a fancy private concert co-hosted by a billionaire, Marc Benioff, to explain that he has come to see “talentism” — in which human ability is the dominant resource — as the replacement for capitalism. Benioff himself declared the next day that “capitalism as we’ve known it is dead,” and [called for higher taxes on the wealthy](#). The range was broad: At an event entitled “2030,” Lucian Tarnowski and his cohort predicted a new golden age of human thriving following various radical changes, such as the overcoming of material wants and broader use of psychedelics for emotional health. And in an official nod to the revolutionary spirit, the World Economic Forum itself, which runs the show, released a new [“Davos Manifesto.”](#) for the “fourth industrial revolution.”

That Davos Manifesto is, I hasten to say, good stuff (as is the forum’s [new “ESG” metric](#), designed to complement profit as a measure of corporate success.) Companies, the manifesto says, must pay their fair share of taxes; treat suppliers and workers well; accept fair competition; and have “zero tolerance for corruption.”

Unfortunately, there’s no particular requirement that Davos attendees actually sign or adhere to it. Donald Trump appears to have personally violated nearly every one of its dictates, yet he was a warmly welcomed opening speaker. Nor have the corporate attendees consistently endeavored, as the Davos Manifesto demands, to pay their “fair share” of taxes, continuously improve the “well-being” of employees, or treat “executive remuneration” responsibly.



A panel of teenage activists, including Greta Thunberg, second from right, at the World Economic Forum on Tuesday.
Credit... Denis Balibouse/Reuters

It is true that good intentions are better than their opposite. Yet if Davos truly wants to redirect the ship of global capitalism, it should find some way to better reward actual do-gooders, as distinguished from the posers. It is just too easy to free ride at Davos: to talk the talk, adopt a few cute pet projects, and let that be it.

So why not make future attendance at Davos limited to those companies who pledge agreement to the Davos Manifesto, and lean harder on miscreants? Why not, for a start, suspend all members convicted of bribery or other serious ethical offenses? The major cigarette companies were quietly disinvited from speaking at Davos: Should the American sellers of opioids really be showcased at an event committed to “improving the state of the world?”

The forum’s traditional response is that Davos needs to be a neutral platform, open to contending views, and even to those who are resistant to its goals. As Klaus Schwab, the founder of the forum, [says in a new documentary](#), “If you were a priest in a church, you would want to make the sinners come visit you on a Sunday.”

To give Mr. Schwab fair credit, it is true that, for all but the most corrupted of institutions, real change usually comes from within. For the corporation, the virtue and character of its leadership, the internal culture and upward ethical pressure from employees can make all the difference.

What the World Economic Forum promotes is a process of joint self-realization — a kind of group therapy for chief executives — that, in theory, leads companies on the path toward more responsible approaches to doing business. And what, you might ask, is so bad about having the rich and powerful come together, pledge to clean up their acts, and hopefully go home and sin no more?

The problem is, it leaves behind one big hole. Why make hard changes if you can just get away with saying you mean well — “virtue signaling”? For every Microsoft, which made an expensive [pledge](#) to eliminate all of the carbon it has ever produced, there’s a Johnson & Johnson, claiming that it strives to “create healthier communities,” despite being [recently fined](#) over \$450 million for fueling the American opioid crisis. (The company is appealing.) In a CNBC interview at Davos, Ericsson’s chief executive made the far-fetched claim that adopting 5G telecom technology (of which it is a leading provider) will help fight climate change. And as Greenpeace has pointed out, the banks in attendance, while pledging to help save the planet, have, since the Paris Accord, [invested more than a trillion dollars in fossil fuel](#).

This is why, without some way of distinguishing real change from cheap talk, cynics will continue to see it as a grand exercise in hypocrisy. Or, perhaps, an excuse for governments not to do their job, because, hey, I was at Davos and the private sector told me they’ve got it all taken care of. The remaking of capitalism is an important and fragile undertaking, because it is hard to be the nice guy if your competitor is still playing by the old rules. That’s why, without some carrots and sticks, stakeholder capitalism will always be at risk of being a fad, an appeasement, as opposed to the deeper transformation it might become.