



1. Some say divestment from fossil fuels is a waste of time. Is it?

Divesting your personal bank accounts from fossil fuels has not, thus far, had financial impact on the fossil fuel industry. It will make you feel better about where your money is, but it doesn't create enough pressure for change. Private, individual divestment is a tiny drop of water in the big sea.

[Many see divestment as a powerful tool against climate change](#) when it is made public. When large foundations, educational institutions and pension funds divest from fossil fuels, they get media attention. In this way, just as divestment from tobacco punished that industry for lying to the public about cancer rates and killing people, media attention on divestment takes away the social and political license for a toxic industry to keep destroying our planet.

The Banking for Climate initiative brings together powerful individuals to pressure our banks. Collectively, along with our planned media campaign, we take away the banks' social and political license to fund the expansion of that toxic fossil fuel industry.

When big banks commit to stop funding fossil fuel expansion, it will certainly damage the economics of the industry.

It's not okay to fund a business that's destroying everyone else's.

2. Instead of divestment, shouldn't we invest in more high-tech low carbon technology?

The challenging thing about climate change is that it has so many sources and even more ways to mitigate it. [Bill Gates](#) says we need high-tech carbon capture technology. However, there is no viable, cost-effective Carbon Capture and Sequestration (CCS) technology in use at present. Eating less meat, raising less cattle, restoring forests - all imperative. [But all of the above will take time to catch on at scale, especially as global trends currently move in the other direction.](#)

We need to stop feeding the beast. That means, stop expanding the fossil fuel drilling, mining, burning and transportation infrastructure - that will keep us stuck on fossil fuels well into the future.

For side reading, we include here a [Bill McKibben critique on Gates' view of how to solve the climate crisis](#). Gates is a very influential thinker in our society. He's very smart, of course, and worthy of admiration. But he doesn't know everything.

3. Won't banks lose money if they don't lend to fossil fuels?

The Banking for Climate initiative is different because it's directed at the funders of fossil fuels, not the industry itself. [These banks will not only survive, they will do better if they stop funding fossil fuel expansion.](#) We aren't trying to destroy or even regulate an industry. We are asking to direct it in a responsible way that takes into account global humanitarian needs as well as their own financial future. We are asking banks to have a longer view of resource preservation and capital creation.

4. I am angry that my bank funds fossil fuels and I want to pull my money out. If I divest from my banks, where do I go?

The Banking for Climate Initiative is, at this point, a messaging and pressure campaign. Our power lies in speaking up to our banks about the urgency of the climate crisis. We are not focused on divestment from the banks at this time.

The banks are already responding to pressure, albeit slowly and somewhat superficially. In the past few months the big banks have committed to reaching net zero financed emissions by 2050 and that is the result of public pressure. We ask that they take immediate steps to reach those commitments and stop funding fossil fuel expansion projects NOW.

Ultimately, if needed, we may focus on moving our money and going to a different bank. As part of this initiative, we are having conversations with some banks that are fossil free.

5. What about nuclear energy?

It's not our position here to argue for or against nuclear energy. Our goal is to stop the growth of high carbon-emitting fossil fuels. Fossil fuels have the advantage of being a fully established industry and technology. Unfettered and unchallenged, they will continue to stifle the growth of all carbon free technologies.

Whether you prefer renewables or nuclear, fossil fuel expansion hurts them both.

6. Shouldn't we be advocating for a carbon tax instead? Won't that be more effective?

Carbon taxes, fees and dividends, cap and trade are all variations on taxing greenhouse gas emissions. The logic here is that in order to avoid these taxes, industries and citizens will be encouraged to find their own ways to reduce their carbon emissions.

Many countries have carbon taxes, at different rates. Thus far, these conversations in the U.S. are at a stalemate. While corporations like Exxon Mobil say they would support a carbon tax, they would only do so if all environmental regulations are lifted, (regulations on mercury, sulphur dioxide, acid rain and other toxic emissions). These regulations that have worked phenomenally well in removing those poisons from the air and water. They also want indemnification from any and all litigation for their role in denying climate change, and knowingly creating more of it, to the detriment of all humanity. Theirs is a tough bargain.

Additionally, an effective carbon tax/price would need to be high enough to cause companies to rapidly seek new ways to reduce their emissions. There will be lots of haggling over that tax number. There is

also disagreement as to whether a carbon tax would drive companies to produce high carbon emitting products in other countries.

Given all of these many issues, an effective price on carbon in the U.S. is not likely to be created in the next several years. The climate crisis is a Crisis, we need to pull all the levers we have, now.

7. What difference does it make if the U.S reduces its carbon footprint? China and India have so many people - shouldn't they go first?

The United States has been leading the world since we freed Europe from the Nazis in 1946. Leading is an honor and a privilege and someone has to do it. It's good for us, and great for everyone else. "Shouldn't they go first?" is subtly predicated on the belief that it will "cost us" to reduce our carbon emissions. That is an inaccurate belief - climate disasters cost and will continue to cost way more than the cost of mitigation and transition off of fossil fuels.

Here are the facts: The United States is the second largest carbon emitter in the world and the number one carbon emitter per capita, excluding tiny oil producing nations like Qatar or the Arab Emirates. We are second only to China in overall carbon emissions and more than double those of India. In other words, the United States produces so much carbon that reducing our national carbon footprint will be meaningful and make a difference.

Let's say you have three kids. You ask your eldest son to clean his room. He refuses, saying his sisters' rooms are messy too. What do you do? You tell your kid to step up and be a leader. Stop worrying about his sisters, just clean his room.

SUPPORTING REFERENCES

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*It's up to our banks
to lead the way.*

We envision a financial sector that fully harnesses its power to promote a just,, prosperous and livable planet for all.