

## MY WAY OF THINKING

## MARK CARWARDINE

The broadcaster and campaigner discusses the financial world's influence on climate change, and invites your thoughts on the subject.

What's the point in avoiding plastic bags, recycling, turning off the lights and walking instead of taking the car, if our hard-earned money is doing more harm than all these environmentally friendly endeavours put together?

While many banks, building societies, hedge funds and pension providers pay lip service to the environment, they are quietly financing the destruction of the planet. Their money – our money – is enabling oil companies to drill in the Arctic, agribusinesses to clear virgin tropical rainforest and governments to construct gargantuan dams across rivers.

But while the financial world continues to show either a staggering ignorance – or a reckless disregard for anything or anyone else – the rest of the world is waking up to the fact that there can be no more free passes for its unethical investment decisions.

WWF has just cited finance as one of the top three things it needs to influence in order to tackle climate change. Both Barclays and RBS have had their most recent annual meetings picketed by protesters outraged by their investment in fossil fuels. Greenpeace successfully persuaded HSBC to stop financing deforestation for palm oil production. And residents in Yorkshire have been campaigning for people to leave Barclays over the financing of local fracking.

The government, as always, is dragging behind. Despite all the scandals of the last 10 years, politicians tend to run scared of bankers and are

nervous of flushing the goose that (they think) lays the golden egg. Nevertheless, a cross-party group of MPs and Peers is now questioning the role of banks in society – something that was unthinkable even just a few years ago. And the Treasury Committee has launched an inquiry into the decarbonisation of the UK economy.

Even bank regulators are waking up to the risks of climate change (though, admittedly, they are more interested in the risk it poses to banks, rather than to life on Earth). The irony is that banks and other financial institutions don't need to have one iota of empathy for the rest of the world. Quite simply, they need to change in order to survive.

In the 2015 Paris Agreement, for example, world leaders pledged to keep global temperatures 'well below' 2°C above pre-industrial times and to 'endeavour to limit' them even more,

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to 1.5°C. To do that, we will have to stop using fossil fuels – which means that the value banks have placed on their fossil-fuel assets could be hugely over-inflated – creating huge instability in the financial system. Meanwhile, as efforts to protect the planet gather steam, being linked to global warming or deforestation, or any other issue for that matter, will severely damage a company's reputation and lead to losses for shareholders. Investing in renewable energy and low-carbon technology makes more financial sense.

We as individuals can also make a difference. We must ask where our pensions are being invested and investigate the environmental credentials of our banks. If we're not satisfied, we must switch to other companies and tell them why we are leaving. It may be hard to believe, but there are banks that use money for the greater good rather than for short-term profiteering.

It won't be easy. Bank of England governor Mark Carney recently admitted that meeting even the modest targets of the Paris Agreement will require a massive reallocation of capital to move to a low-carbon economy. But 'business as usual' is no longer an option. It's not about the costs of tackling climate change and other critical environmental issues – it's about the costs of not tackling them. 🗨️

**MARK CARWARDINE** is a frustrated and frank conservationist.

**WHAT DO YOU THINK?** If you want to support Mark in his views or shoot him down in flames, email [wildlifeletters@immediate.co.uk](mailto:wildlifeletters@immediate.co.uk)



Keeping a closer eye on your money could help combat climate change.