

Doris Duke Going Green

Joan Spero, President of the Doris Duke Charitable Foundation (DDCF), and **Andrew Bowman**, Director of DDCF’s Climate Change Initiative, broach the battle against global warming.

NYRAG Why did the foundation decide to develop an initiative aimed at combating climate change?

Joan Spero In 2005, our board challenged us to identify what we believed to be the most pressing issues for society outside of the areas we already were funding, but within the bounds of Doris Duke’s will. We were well aware of what was happening, and what was predicted to happen, with global climate change, and knew immediately that this was one of the issues we wanted to investigate.

Andrew Bowman To explore how DDCF might fill a useful niche not yet addressed by existing climate change philanthropy, we conducted an extensive review of the scientific literature and consulted with dozens of outside experts—scientists and policy experts, academics and activists, as well as staff at other foundations. What was remarkable was how quickly a consensus emerged around the importance of supporting what we generally refer to as “technology policy.”

NYRAG What exactly does the term “technology policy” encompass?

JS In order to create a clean-energy economy, we will need to accelerate the development and deployment of new energy-saving technologies. Foundations do not have the resources to directly make that happen, but they can help design and promote pragmatic policy solutions that can speed this transition. These policies essentially put low-carbon technologies on a fast track to becoming affordable norms, rather than expensive

alternatives. Ultimately, these technology policies allow us to become more efficient so that we need and use less energy, and they also allow us to produce the energy we need with fewer greenhouse gas emissions—such as by using cleaner, renewable energy sources like wind and solar technologies.

AB It will be absolutely necessary for society to place a price on greenhouse gas emissions, which will internalize the costs to the environment and society from burning fossil fuels. This alone, however, will not be sufficient, as a price on carbon by itself will not achieve emission reductions at the necessary pace and in enough sectors of the economy for us to avoid catastrophic climate change. We will need to take additional steps, which is why we use the shorthand of describing our strategy as “price-plus.” By this we mean



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Researchers from MIT’s Center for Energy and Environmental Policy Research (CEEPR) have been working with leading European scholars under a grant from DDCF’s Climate Change Initiative to assess the European Union’s carbon dioxide Emissions Trading Scheme, and the lessons that can be gleaned for U.S. policy design.

that we will need specific policies to correct market failures and other barriers to technological innovation in particular sectors of the economy, as well as to provide incentives for a shift to clean-energy technologies. A good example of such policies are well-designed building codes that require that energy use and efficiency be carefully considered at the time a building is designed and constructed.

NYRAG How are these principles reflected in the strategies you ultimately adopted?

JS We went back to our board with a recommendation that we focus on pricing policies as well as policies that help less polluting technologies become more widely and quickly adopted across the economy. The board decided to devote \$100 million above and beyond our other grantmaking programs to the creation of a new, five-year Climate Change Initiative. We launched the initiative early in 2007, and moved quickly in order to approve more than \$30 million in grants by the end of that year.

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The Environmental Grantmakers Association’s 2007 “50 Largest EGA Funders by Environmental Grantmaking Program” list includes the following NYRAG members:

- Beldon Fund
- Geraldine R. Dodge Foundation
- Doris Duke Charitable Foundation
- Ford Foundation
- Henry Luce Foundation
- New York Community Trust
- Overbrook Foundation
- Rockefeller Philanthropy Advisors
- Surdna Foundation
- Tides Foundaion

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AB The grants approved so far under the Climate Change Initiative all fall under the pricing and technology policy strategies that Joan mentioned. To give a little more background, the first strategy supports the development of optimal pricing policies for carbon dioxide and other greenhouse gases. These policies are surprisingly complicated, and plenty of design work is needed to work out all of the details so that the policies are effective at helping society efficiently achieve emission reductions in an amount and on a schedule that science indicates is necessary. The policies must also be designed with an eye toward what is politically possible. One of

“Foundations can help design and promote policies that speed the transition to a clean-energy economy.”

— Joan Spero

our pricing policy grants supports the Harvard Project on International Climate Agreements, which strives to attain all of these goals in the design of an international climate accord that will replace the Kyoto Protocol once it expires in 2012. The second strategy is to support the development of policies that will bring already available clean energy technologies, as well as new technologies, to market more quickly, and this is especially true of those technologies related to energy efficiency, renewable energy, and low-emission uses of coal, such as carbon capture and storage technologies.

NYRAG To what extent did you take into account what other funders were doing? And how is what you are doing unique?

JS We spoke with a number of other funders about the work they were doing in this realm, their funding priorities, and how they thought we could add value. In this way we learned that many of them have been and remain focused on what we refer to as “constituency building”—working to inform and inspire the public, and generate support for political action on climate change. The fact that many other funders were taking this approach influenced our decision to fund the design of specific policies to promote clean-energy technology, which is complementary and essential work that we learned was not being funded at an adequate level. We want to be sure that when society does decide to take action, the best possible policies are there, on the shelf, fully vetted and ready to be implemented.

AB One area where DDCF is unique, even among the relatively small group of funders that focus on energy technology policy, is in trying to ensure that tomorrow’s clean

energy technologies emerge on an accelerated timeline. Our work in this area focuses on how energy technology innovation occurs and how it can be improved and stimulated through government policy. Another area where DDCF intends to break new ground is climate change adaptation. We recognize that climate change is occurring and some additional amount of climate change is in the pipeline due to emissions that have already occurred. Given DDCF’s long-standing commitment to wildlife conservation through habitat protection, we will likely begin our adaptation work by focusing on how biodiversity conservation can best be achieved in an era of climate change. ▲



Andrew J. Bowman joined the Doris Duke Charitable Foundation in January 2005 after practicing law in various capacities, including for Defenders of Wildlife and at the law firm Perkins Coie. Since arriving at the foundation, Mr. Bowman has helped

administer program activities related to wildlife habitat conservation. He is now the Director of the foundation’s Special Initiative on Climate Change—a five-year, \$100 million effort that focuses on technology policy as a means to mitigate climate change.



Joan E. Spero has served as President of the Doris Duke Charitable Foundation since 1997, and also serves as President of two operating foundations supported by DDCF: the Duke Farms Foundation and the Doris Duke Foundation for Islamic

Art. Ms. Spero served in the U.S. Department of State as Undersecretary for Economic, Business, and Agricultural Affairs (1993-1997) and as Ambassador to the United Nations for Economic and Social Affairs (1980-1981). She was a corporate executive at American Express Company (1981-1993) and an Assistant Professor at Columbia University (1973-1979). Ms. Spero has authored several books and articles in professional journals and is active in professional associations in foreign affairs and economics. Ms. Spero recently announced that she will step down from her position as President of DDCF in December 2008.

“Design to Win”

Commissioned by a number of prominent climate change funders (including DDCF), **this report** provides a well-researched, accessible menu of philanthropic investments that can make a significant impact on the climate change problem. “Design to Win” is especially strong in assessing and prioritizing the options for philanthropic investments in the short term (the next ten years). It makes clear that there is literally no time to lose for the philanthropic sector to increase its investments around climate change, and that the battle may be essentially lost if aggressive policy changes are not enacted over the next decade. The positive message that it brings is that a targeted set of philanthropic interventions, carried out at a significant scale, can indeed have a profound impact and lead to success. It also makes clear that there is plenty of room for more funders in this area, and that additional philanthropic resources are very much needed.