

POLICY WATCH – October 2014

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In a pre-Election night speech in 1970, the late Senator Edmund Muskie spoke about the difference between the politics of fear v. the politics of trust. He said. “There are only two kinds of politics. They are not radical and reactionary . . . or conservative and liberal. Or even Democrat and Republican. There are only the politics of fear and the politics of trust. One says: You are encircled by monstrous dangers. Give us power over your freedom so we may protect you. The other says: The world is a baffling and hazardous place, but it can be shaped to the will of men. Ordinarily that division is not between parties, but between men and ideas.

“These attacks are dangerous in a more important sense – for they keep us from dealing with our problems. The true danger is that the American people will have been deprived of that public debate – that opportunity for fair judgment – which is the heartbeat of the democratic process.”

“Thus – When voting ... cast your vote for trust – not just in leaders or policies – but for trusting your fellow citizens . . . in the ancient traditions of this home for freedom . . . and most of all, for trust in yourself.”

We have seen the politics of fear in full view this election season. We have heard little about the serious issues confronting us at every level of government. How do we move from fear to trust? It starts with who we elect to represent us. A very low voter turnout is predicted. Please vote - a better future depends on it!

Best,



Cynthia

Who Can Solve the Problems of Our Times? Business!

“Millennials expect businesses to help solve the world’s problems,” says an article posted in the Market Pilgrim blog (September 16, 2014). And the Millennials aren’t the only ones who think that way. More and more, it is believed that the world’s big problems can and will be solved by business. Why? Because according to Alice Korngold in her book, [A Better World, Inc: How Companies Profit by Solving Global Problems ... Where Governments Cannot](#), “it's multinational corporations, and not governments or non-profits, that have the vast human and financial capital, advanced technology, international footprint, market power and financial motivation to solve the world's the world's most daunting problems.”

Korngold admits that while some businesses caused problems that need to be fixed, and still are culprits, many have seen the light and the benefit of being problem-solvers. She says, “many companies are starting to understand that energy efficiency, poverty reduction and access to healthcare, for example, are preconditions to their success and also offer rewarding business opportunities. Furthermore, customers, employees and investors are driving corporate accountability, transparency and adherence to labor and environmental norms.”

Korngold says companies ignore these problems at their peril. She says, “Future trends will magnify the challenges. The world population is on a trajectory to grow from seven billion today to more than nine billion by 2050. And with today's consumption of resources already equivalent to more than 1.5 Earths, we are on an unsustainable path to meet the demands of this growing population. But multinational corporations that lead the way recognize that finding solutions to economic, social, and environmental challenges will help them grow their companies' value, while also building a better world for all.”

Korngold says there are three groups driving global problem-solving:

1. Consumers looking at how corporations treat their employees and the environment
2. Employees who want their work to serve a larger purpose
3. Investors who want their money to work for a better world

Speaking of investors, Wall Street wants to be in on “the green rush.” According to Pilita Clark in “Growth and fighting global climate change not incompatible,” (Financial Times, September 16, 2014), “private capital has largely stepped into the path forged by public capital...Once projects are proven, Wall Street rushes in. Rolling out carbon-free energy, whether it is a solar system, or a wind farm, involves complex financial calculations. That means financial innovation is now as important to scaling up renewable energy as engineering innovation.” Green bonds are another financial innovation. Clark says, “These investments raise debt that is devoted to specific projects, which can be peddled to those who want to put their green money where their green mouth is.” In the first half of 2014, \$16.6 billion in green bonds had been raised. Clark points out that the investments are being made because money is being made. She says, “renewable energy, efficiency, and sustainability have become big businesses, with huge needs for capital. You can't crowdfund your way to stopping climate change.”

Back to the Millennials. They want to work for and purchase from companies providing solutions. MSLGROUP asked 8,000 millennials in 17-countries to [talk about business and citizenship](#). 83% said they wanted to see businesses get more actively involved in making the world a better place. In the blog, it said, “Millennials are demanding but they're also prepared to step in and join the fight. 79% said they wish it was easier to know which companies were doing good so they could support them. 89% said they want businesses to make it easier for consumers to get involved. For example, if a company donates a portion of their profits to charity, millennials are more likely to buy from that company.”

And that fact is an important one, according to Scott Beaudoin, global director of MSLGROUP's Corporate and Brand Citizenship. He says, “By 2018, millennials' earnings and spending power are projected to outpace those of baby boomers – little surprise that marketers are obsessed with them. The study findings demonstrate a clear path for corporations looking to engage with this influential generation: Business Citizenship is the new platform on which strong consumer, employer and stakeholder relationships can be established and built.



Student Debt: Bad for Students, Bad for the Economy



In the California Budget Bites blog (October 2, 2014), Phaelen Parker writes about “Student Debt: Ripe for Comedy, but No Laughing Matter.” Referencing a recent segment of *Last Week Tonight with John Oliver* which investigated why student debt has risen precipitously, Parker says the facts revealed were the same as highlighted earlier this year in *From State to Student*, the CBP report on higher education funding in California.

She says, “In California, as the state’s support for the California State University (CSU) and the University of California (UC) has deteriorated in recent decades and remains near the lowest point in more than 30 years on a per-student basis, after adjusting for inflation. This is even after accounting for the small state funding increases both CSU and UC have received in the last couple years. At the same time, tuition and fees have risen dramatically as state support has dwindled, remaining near historic highs at both CSU and UC, even after adjusting for inflation.” As a consequence, tuition has been rising so that the “total amount of student loan debt now exceeds \$1 trillion nationally after tripling in the past decade, surpassing all other forms of household debt except home loans.”

Parker concludes, “these trends have fundamentally altered how higher education costs are shared between the state, on one hand, and students and their families, on the other. Whereas the state once paid most of the cost of public higher education in California, years of budget cuts and tuition hikes have shifted more of the costs to students and families, especially at CSU and UC. This cost shift potentially puts the state’s economic future at risk, as a well-educated workforce is critical to California’s future prosperity. At current rates, California will not produce enough college graduates to meet the demands of the state’s economy in the years ahead.”



More than ever, the workforce needed to allow the California economy is jeopardized by the increased need to get post-secondary education and its extraordinary cost. The cost shift to the students and their families has reduced the ability of many students to attend college, and threatened the futures of students bearing high tuition loan debt. High debt makes it difficult for graduates to buy cars and homes, begin families and take risks like starting their own businesses. If we want a strong economy, we need to rethink how we fund higher education in California.

Remember to Vote – the Midterm Elections Matter!

North Bay Leadership Council supports candidates and ballot measures that will bring greater economic competitiveness, sound public policy and prosperity to the North Bay. We are proud to make the following endorsements for November 2014 election:

Santa Rosa City Council:

Tom Schwedhelm
John Sawyer
Ashle Crocker

Santa Rosa Junior College Board:

Bob Burdo
Don Zumwalt
Kathleen Doyle

Petaluma Mayor:

Mike Harris

Napa City Council:

Juliana Inman
Peter Mott

Petaluma City Council:

Chris Albertson
Dave King
Rohnert Park:
Amy Ahanotu
Pam Stafford

Previously endorsed in the June Primary:
James Gore, So. Co. Supervisor – District 4
Mike McGuire for State Senate – District 2
Mark Levine for Assembly – District 10
Bill Dodd for Assembly – District 4

Ballot Measures

Sonoma County Measure H (Santa Rosa Junior College Bond) – SUPPORT
County of Marin Measure A (MERA parcel tax measure) -- SUPPORT
Prop 1 (State Water Bond) – SUPPORT

Members in the News

Comcast Reducing Annual California Water Use by 10 Million Gallons

Comcast announced that it has introduced a number of water-saving efforts in California with the goal of reducing water use by 10 million gallons annually – or 25 percent - in response to California's growing water crisis.

PG&E Corporation Selected for Dow Jones Sustainability North America Index

Company Earns Distinction for Seventh Consecutive Year for Commitment to Customers, Communities, Employees and the Environment

Sonoma State University in Top 50 in National College Ranking

Sonoma State University has ranked 43 out of 539 colleges in the inaugural Social Mobility Index rankings released earlier this year.

Redwood Credit Union Offers Free Money Management Workshop Oct. 23

RCU Partners with State Controller's Office for First-Ever 'Manage Your Money Week'

Santa Rosa Junior College Awarded \$2.65 Million Dept. of Education Grant

Highly competitive Title V funding award will increase academic opportunity and attainment for SRJC's Hispanic and low-income students

Redwood Credit Union Exceeds United Way Campaign Goal

(RCU) completed its 2014 United Way workplace giving campaign this week, with total contributions of \$98,175, exceeding this year's campaign goal of \$98,000. The Credit Union raised \$96,000 for United Way last year.

Midstate Construction is Proud to Complete The Dino Ghilotti Motta Stadium

Midstate Construction Corporation is proud to have been a successful partner of the recently completed Dino Ghilotti Motta Stadium at Marin Catholic High School in Kentfield, CA.

Kaiser Permanente Gives \$1 Million to Help West Africa Fight Ebola

Kaiser Permanente has donated \$1 million to two international aid groups to support "direct medical care and safe clinical treatment practices" in West Africa, its first major donation to help halt the spread of the virus.

Redwood Credit Union Supports SchoolsRule-Marin With Transaction-Based Donation Program

Redwood Credit Union (RCU) announced today a unique partnership with SchoolsRule Marin, a nonprofit which provides funding for literacy, technology and arts programs to benefit each of Marin County's public school students. For every credit or debit card transaction made by RCU's Marin County Members, the Credit Union will make a donation to SchoolsRule.

Read more online at www.northbayleadership.org/news



Who We Are

Over twenty years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 45 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call

707.283.0028 / E-mail info@northbayleadership.org

www.northbayleadership.org