

# Sustainable innovation for international growth: student capital is the future



## Keynote Address

Politecnico di Milano

21 November 2011

Woodrow W. Clark II, MA<sup>3</sup>, PhD  
Qualitative Economist

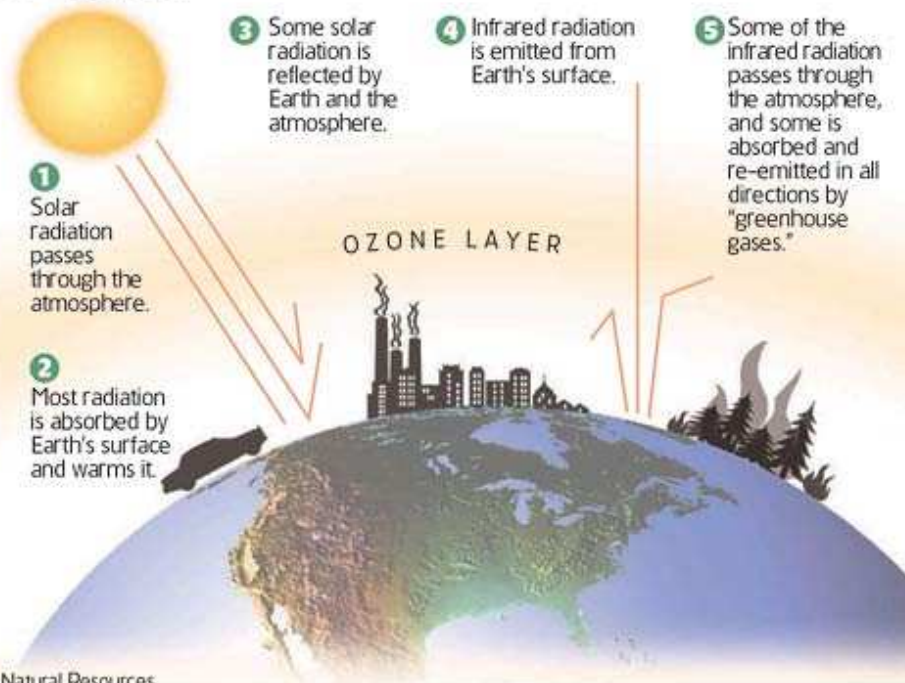


**POLITECNICO  
DI MILANO**

# THE WORLD IS ROUND

## The “greenhouse” effect

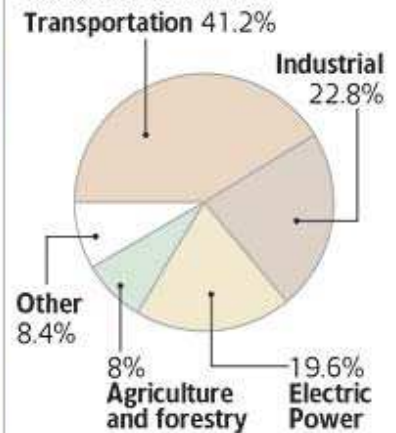
Carbon dioxide does not pose a direct threat to human health, but it absorbs Earth's reflective radiation from the sun, retaining heat like the glass panels of a greenhouse. This and other heat-trapping gases from vehicles, power plants and other sources of fossil fuel combustion help form a thermal blanket around the globe. This has the effect of artificially raising temperatures and changing climate.



Sources: California Energy Commission, Natural Resources Defense Council, U.S. Environmental Protection Agency

## California's emissions sources

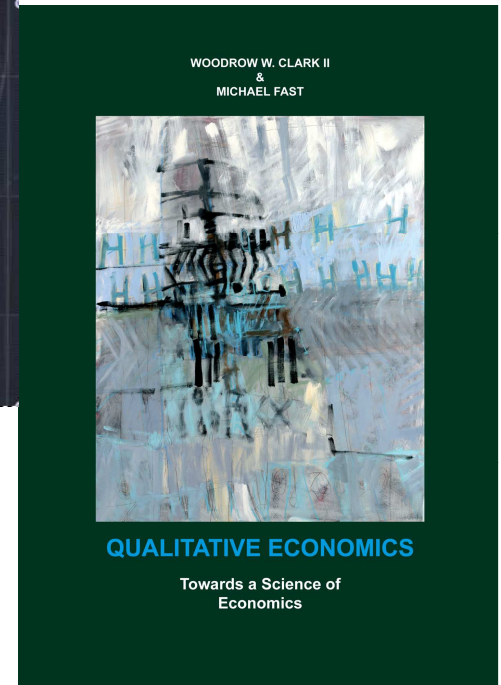
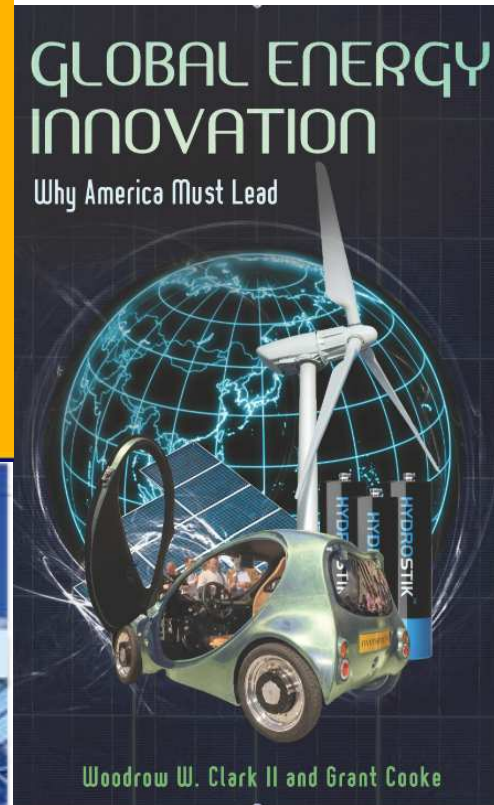
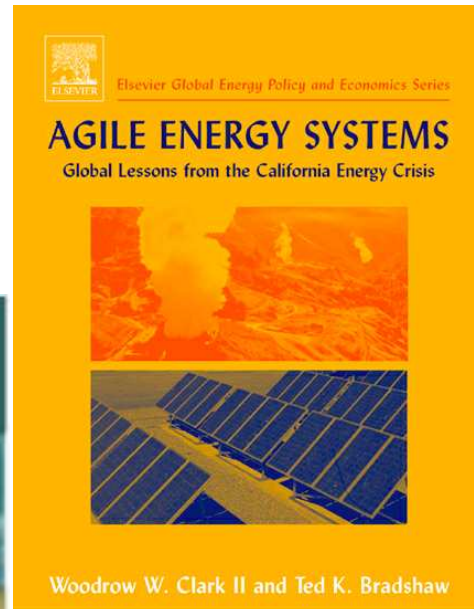
Vehicle exhausts are the single largest source of California's climate-changing emissions, followed by releases from industrial and power plants, most fueled with natural gas.



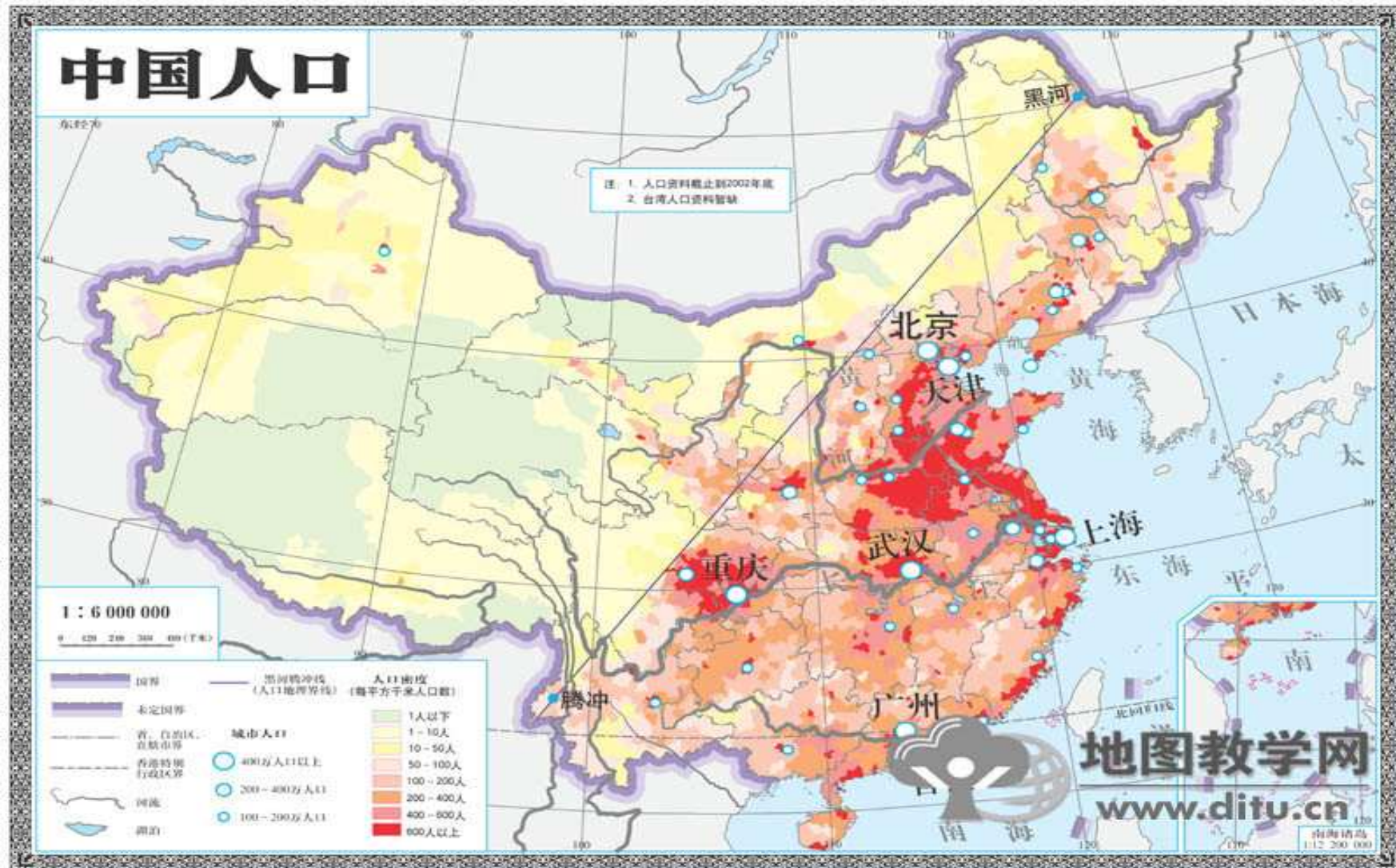
Sacramento Bee/Olivia Nguyen and Nathaniel Levine



# Sustainable Green Communities



# CHINA POPULATION DISTRIBUTION



# Five-Year Plans

- Chinese government determined to de-emphasize quantitative
- Growth and focus on the quality of economic growth
- Plan provides for increased expenditures for education and
- Healthcare, especially in rural areas, environmental protection,
- and air and water pollution control
- Transformation of the Chinese economic growth model
  - From export-oriented to domestic demand-oriented
  - From input-driven to innovation-driven



### III. Speed up growth in inland provinces

- Central and Western China are entering a take-off growth period
- Huge infrastructure investment, including a 7,531 km high-speed rail network to date, is connecting inland provinces to the national market
- Strategic designation of Chongqing Liangjiang New Area as a new development zone (similar to Shanghai Pudong) will help create a West China economic hub on the western stretch of the Yangtze river
- Preferential policies in Central and Western China for foreign investors are expected, especially in favored industries



# Climate change is at the local level: Mayors know it Best and what to Do



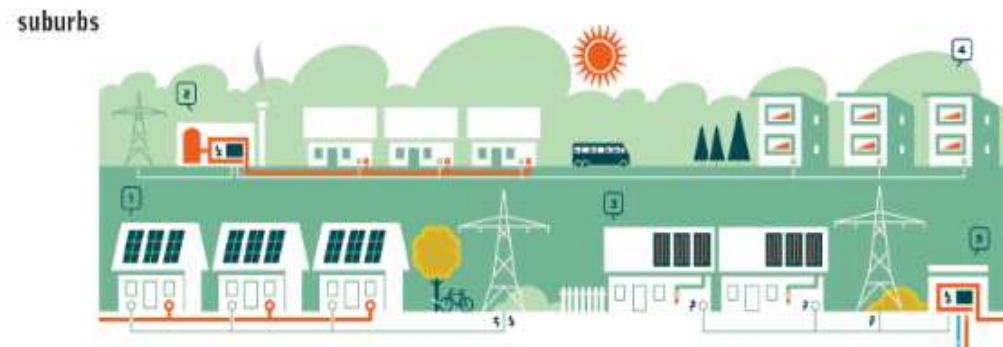
# Green Industrial Revolution

**figure 6: a decentralised energy future**

THE CITY CENTRES OF TOMORROW'S NETWORKED WORLD WILL PRODUCE POWER AND HEAT AS WELL AS CONSUME IT. THE ROOFS AND FAÇADES OF PUBLIC BUILDINGS ARE IDEAL FOR HARVESTING SOLAR ENERGY. 'LOW ENERGY' WILL BECOME THE STANDARD FOR ALL BUILDINGS. GOVERNMENTS COMMITTED TO TIGHT CLIMATE-PROTECTION TARGETS WILL HAVE TO IMPOSE STRICT CONDITIONS AND OFFER INCENTIVES FOR RENOVATING THESE BUILDINGS. THIS WILL HELP TO CREATE JOBS.



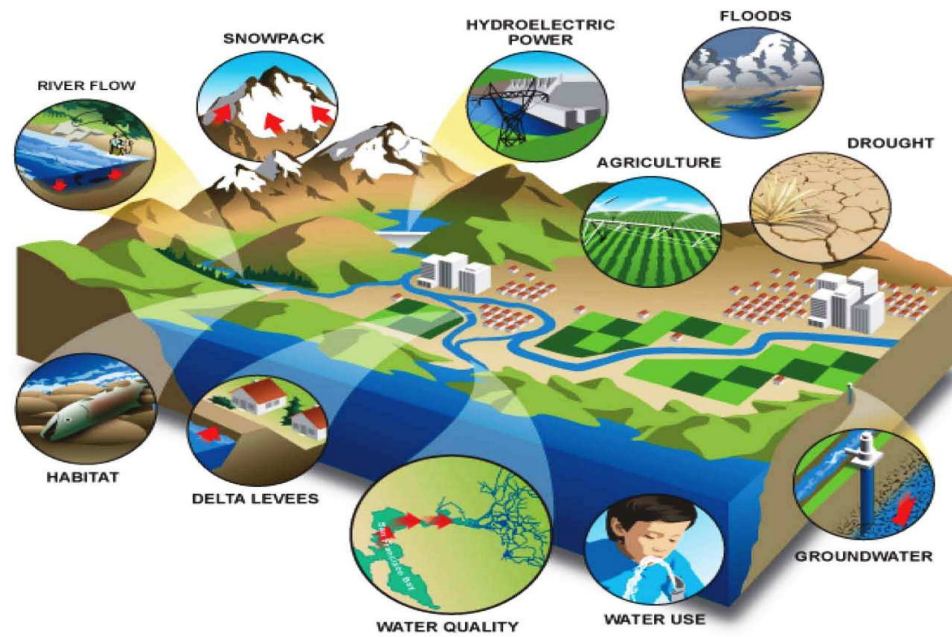
1. PHOTOVOLTAIC; SOLAR FAÇADES WILL BE A DECORATIVE ELEMENT ON OFFICE AND APARTMENT BUILDINGS. PHOTOVOLTAIC SYSTEMS WILL BECOME MORE COMPETITIVE AND IMPROVED DESIGN WILL ENABLE ARCHITECTS TO USE THEM MORE WIDELY.
2. RENOVATION CAN CUT ENERGY CONSUMPTION OF OLD BUILDINGS BY AS MUCH AS 80% - WITH IMPROVED HEAT INSULATION, INSULATED WINDOWS AND MODERN VENTILATION SYSTEMS.
3. SOLAR THERMAL COLLECTORS PRODUCE HOT WATER FOR BOTH THEIR OWN AND NEIGHBOURING BUILDINGS.
4. EFFICIENT THERMAL POWER (CHP) STATIONS WILL COME IN A VARIETY OF SIZES - FITTING THE CELLAR OF A DETACHED HOUSE OR SUPPLYING WHOLE BUILDING COMPLEXES OR APARTMENT BLOCKS WITH POWER AND WARMTH WITHOUT LOSSES IN TRANSMISSION.
5. CLEAN ELECTRICITY FOR THE CITIES WILL ALSO COME FROM FARTHER AFIELD. OFFSHORE WIND PARKS AND SOLAR POWER STATIONS IN DESERTS HAVE ENORMOUS POTENTIAL.



1. PHOTOVOLTAIC
2. MINI-COGENERATION POWER PLANT = COMBINED HEAT AND POWER (CHP)
3. SOLAR COLLECTORS (HEATING)
4. LOW-ENERGY BUILDINGS
5. GEOTHERMAL HEAT AND POWER PLANT (CHP)



# Sustainable Communities

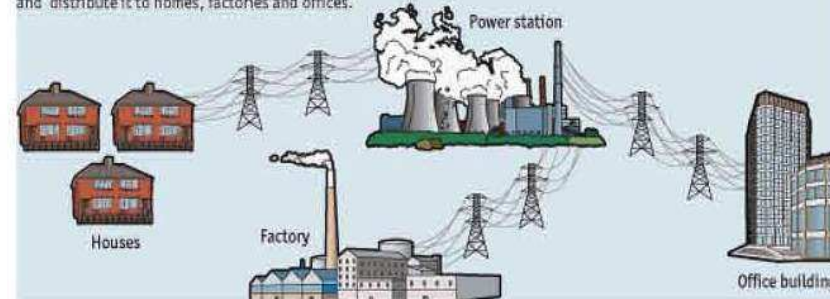


# Agile Energy Infrastructures: central grid and on-site generation

## ■ The shape of grids to come?

### Conventional electrical grid

Centralised power stations generate electricity and distribute it to homes, factories and offices.

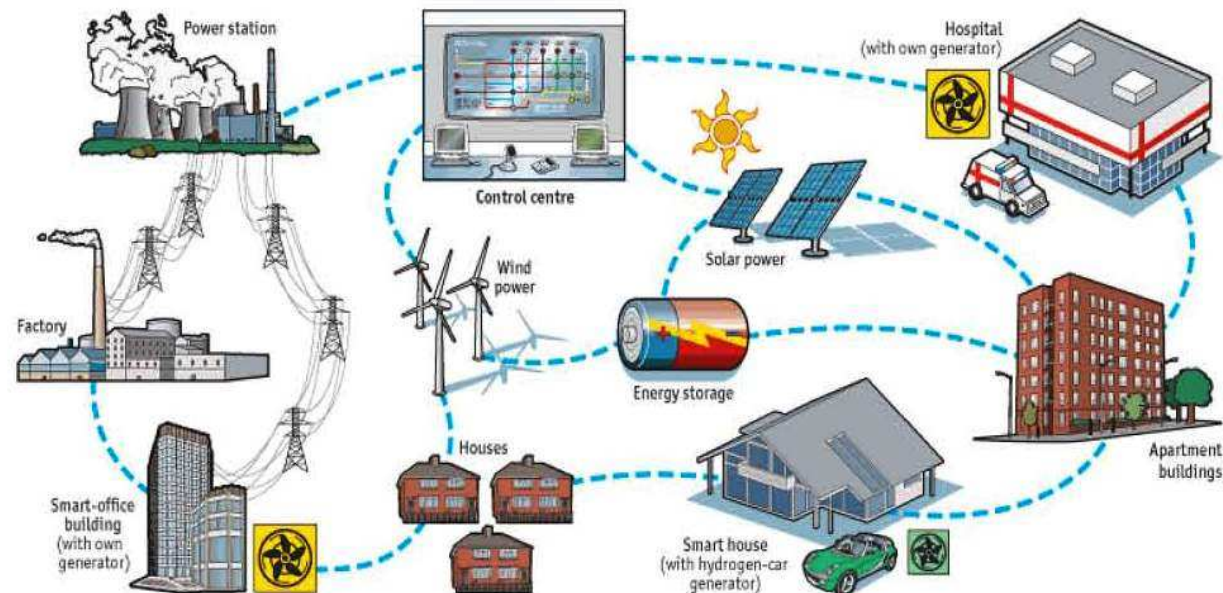


### Energy internet

Many small generating facilities, including those based on alternative energy sources such as wind and solar power, are orchestrated using real-time monitoring and control systems.

Offices or hospitals generate their own power and sell the excess back to the grid. Hydrogen-powered cars can act as generators when not in use. Energy-storage technologies smooth out fluctuations in supply from wind and solar power.

Distributing power generation in this way reduces transmission losses, operating costs and the environmental impact of overhead power lines.



Sources: The Economist; ABB

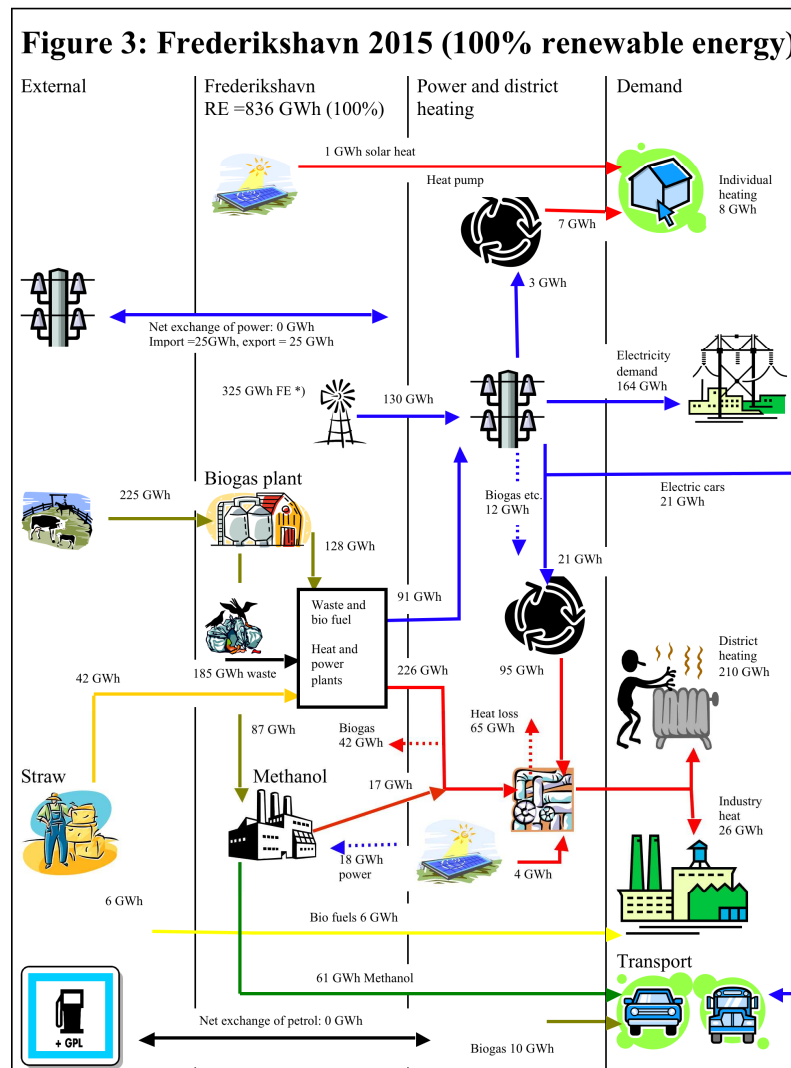


# Japan: Energy Independent but not now with nuclear power





# Denmark: Energy Independence through Distributed Generation by 2015



# The Paradigm Shift: The Green Industrial Revolution

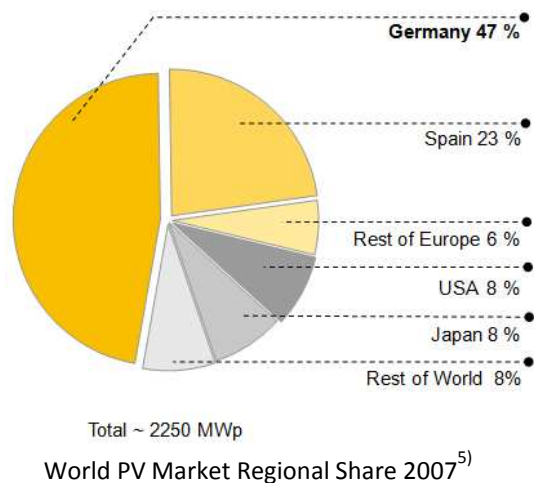
- Major shift in the way Global policy makers and industry frame and implement sustainability to infrastructure issues.
- Model is in IT from telephone land lines to mobile/wireless to iPads and iPhones from the “cloud” with more apps to come.
- Key is to “Leap Frog” traditional technologies and systems.
- Public policy -- Set Goals e.g. RPS, Protocols, Aggregation, Specs, Master contracts, Joint Ventures to share IP and competitive advantage.
- Diversification at the state and local regions of energy supplies must be through clean and renewable sources along with conservation.
- Current volatile global fossil fuels along with national and international concerns for security, energy, environmental, water, climate, crises motivate the paradigm shift.
- Nation-States are becoming “Energy Independent” through diversified energy and environmental policies, programs and shared resources.
- National, regional and local public policy need to use “civic market” partnerships that lead, direct, guide and evaluate the paradigm shift
- Government and State partnerships with private sector in which the public sector has a continuous and on-going vested interest: social capitalism
- Corporate Governance and Oversight with ethics and measurements
- The Next Economic model which depends more on societal values than on personal greed, profit and gains.

# The German Feed-in-Tariff

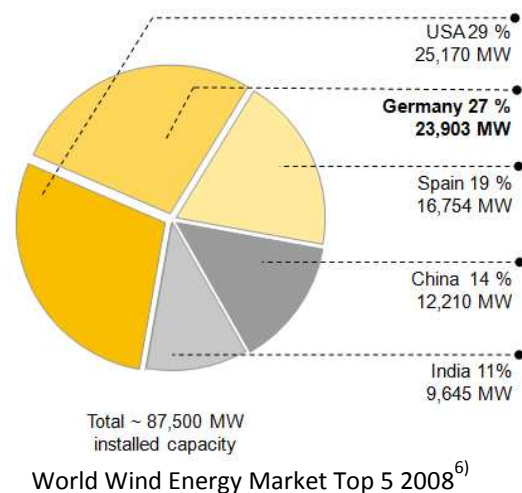
## The Renewable Energy Sources Act (EEG) is boosting Germany's economy

	PV <sup>1)</sup>	Wind <sup>2)</sup>	Biomass <sup>3)</sup>	Hydro <sup>4)</sup>
Total installed power	5.3 GW	23.9 GW	3.2 GW	4.7 GW
Newly installed power	1.5 GW	1.7 GW	0.5 GW	0.1 GW
Employees in industry	48,000	90,000	96,000	10,000
Industry turnover	€ 7 billion	€ 11.7 billion	€ 10 billion	€ 1.2 billion

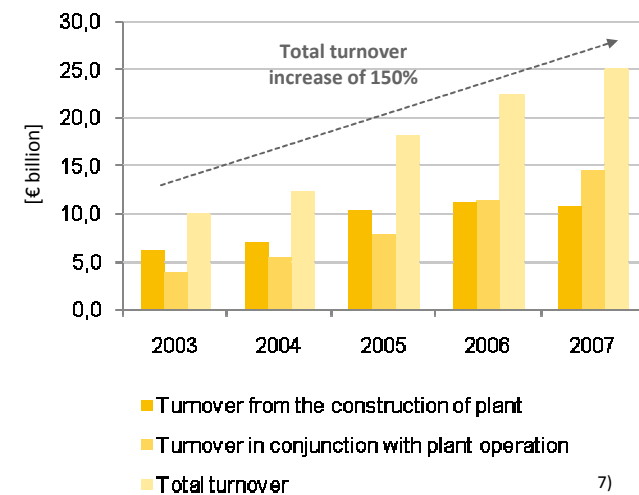
Germany is the world's leading PV market



Germany is one of the world's largest wind energy markets



Industry turnover more than doubled in 5 years



Notes: 1) Sources: German Solar Industry Association BSW 2009, Sarasin 2008 2) Source: German Wind Energy Association, 2008 3) Source: German Bioenergy Association, 2007

4) Source: BMU 2008 5) Source: Solarbuzz 2008 6) Source: Global Wind Energy Council, 2008 7) BMU 2008



# Economic and Finance:

Mortgages include renewable energy systems

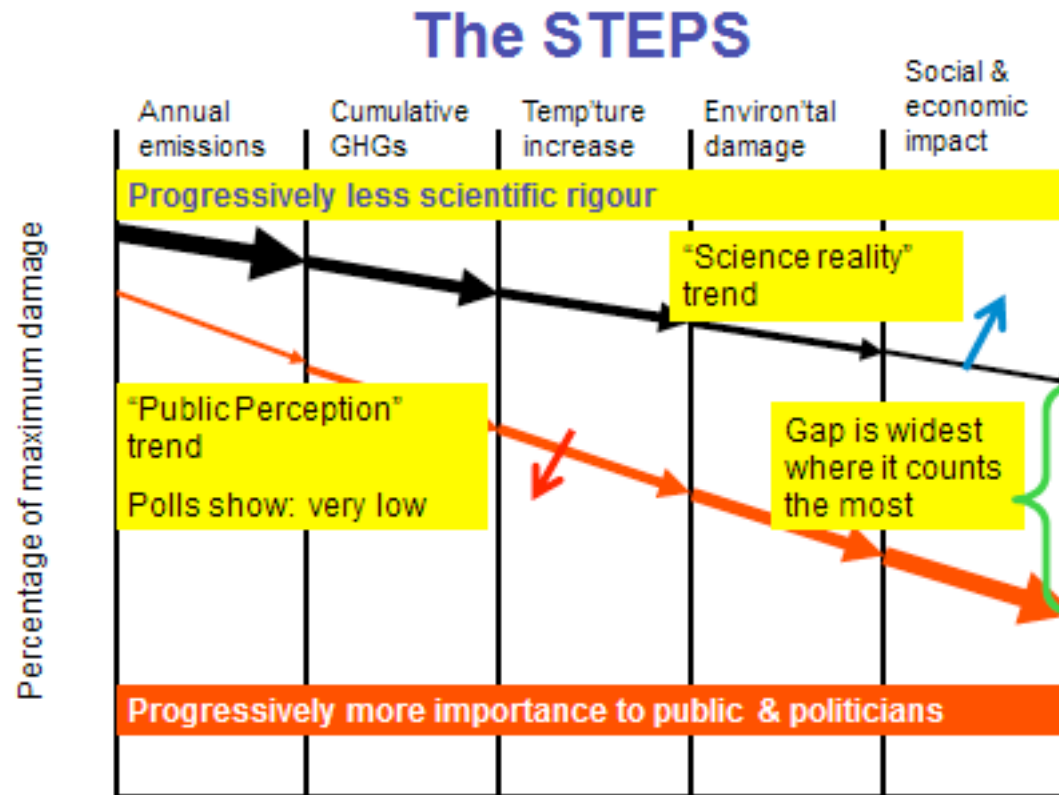
Carbon Incentive (tax shift)



Agile Energy Systems, 2004 and Sustainable Communities, Springer Press, 2009

# Sustainability Communities

## Angels / Venture Capital / Equity Finance



# Google: reports that delaying clean energy will costs U.S. trillions \$\$

Grist Magazine:

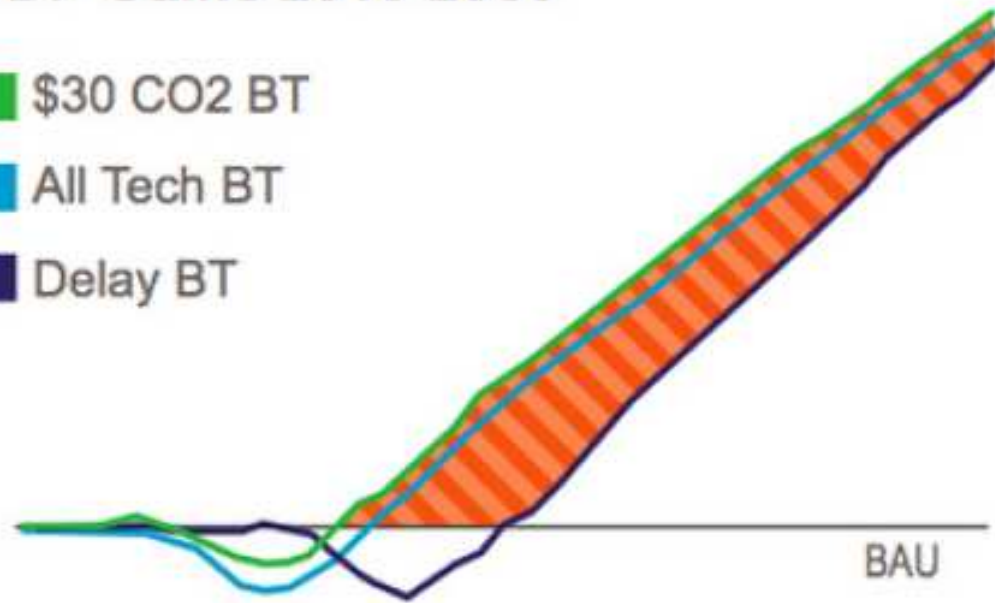
McKinsey Low Carbon Economics Tool: 28 June 2011

## GDP Gains 2010-2050

■ \$30 CO2 BT

■ All Tech BT

■ Delay BT



**\$2.3–3.2 trillion**



# Science Parks

NOVI Science Park,  
Aalborg, Denmark



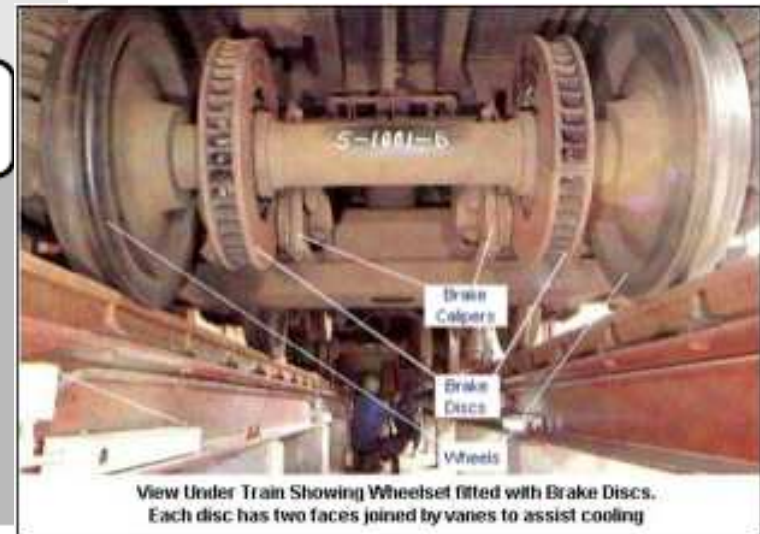
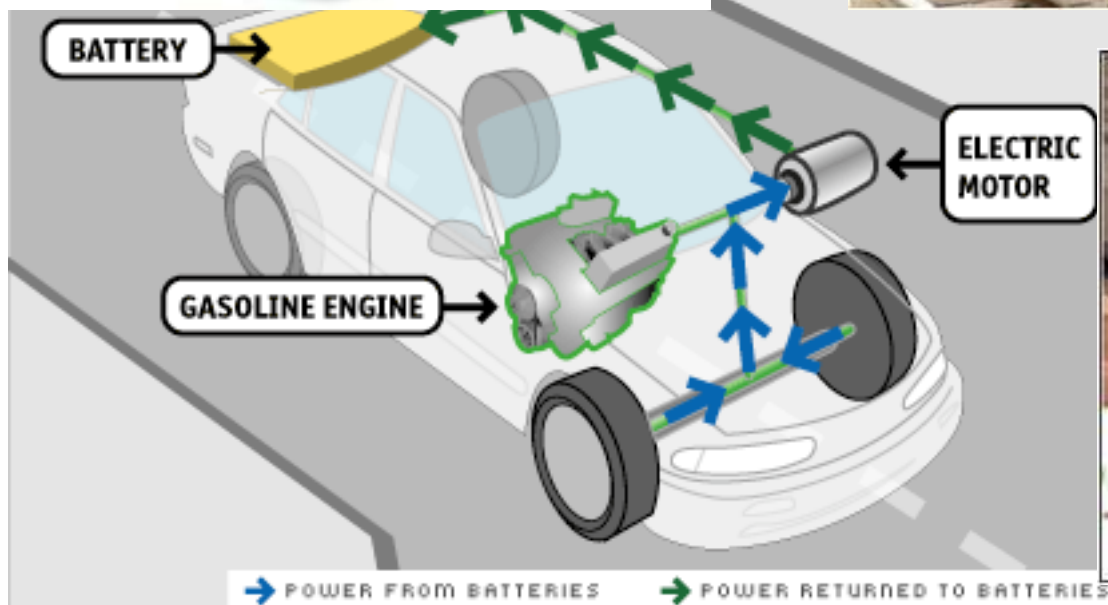
Tsinghua  
University,  
Beijing



Twente Science  
Park, Holland



# Regenerative Braking





# Solar Hydrogen Station Technology

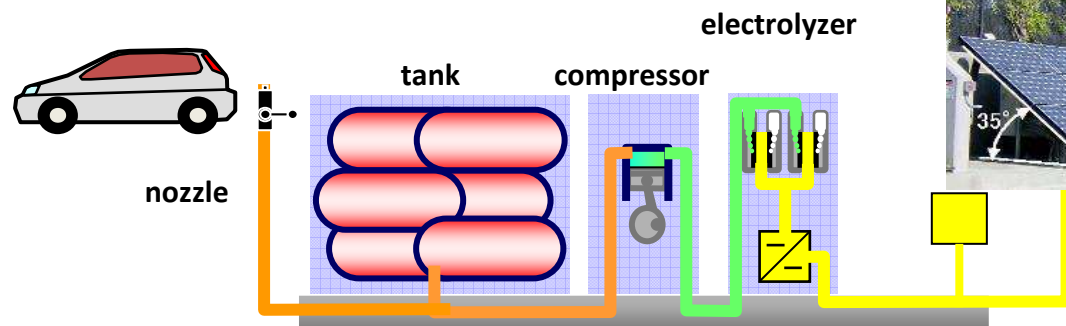


Unique Honda Designed  
**Electrolyzer** (PEM type)



*Renewable  
Electricity*

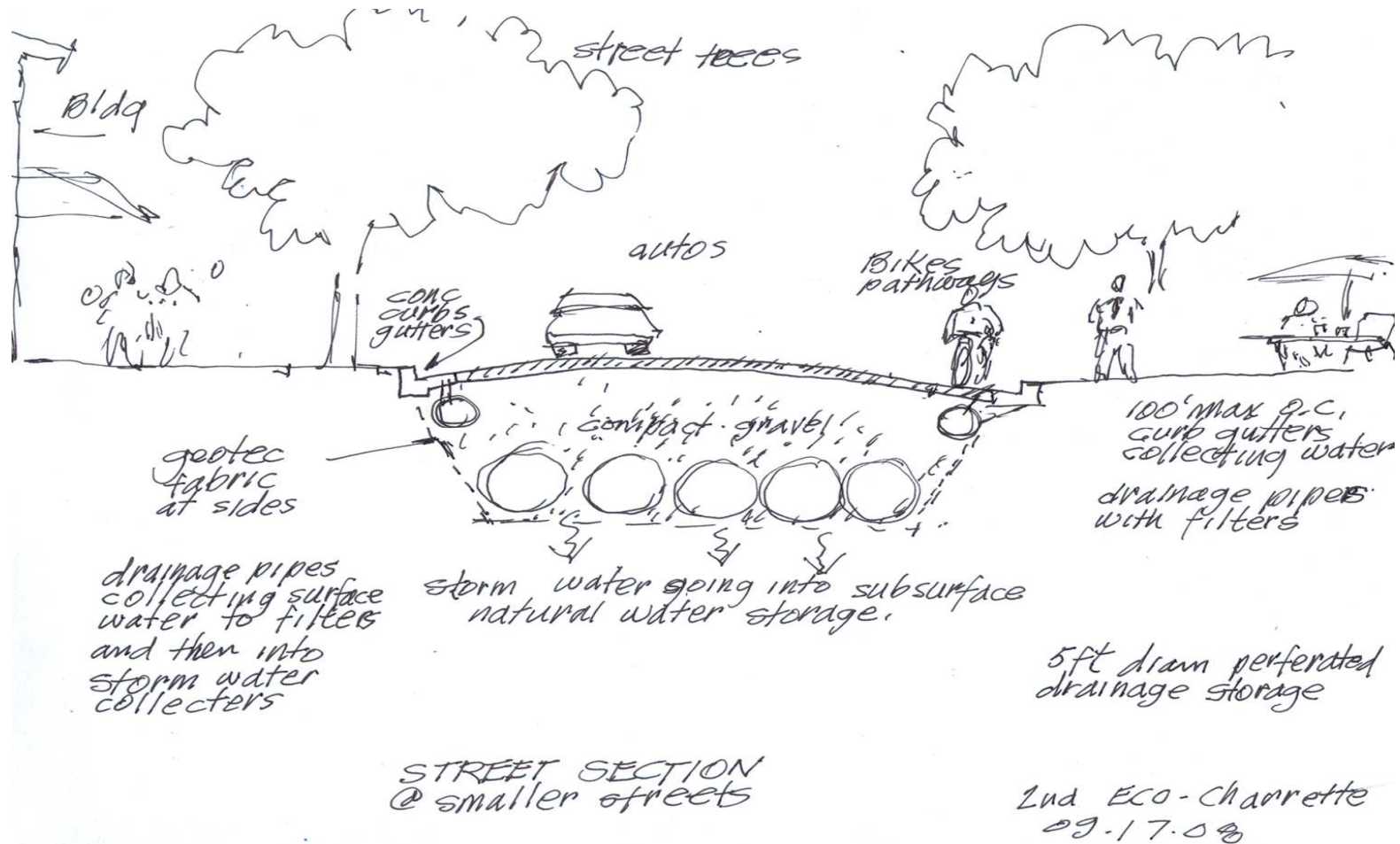
*Water*



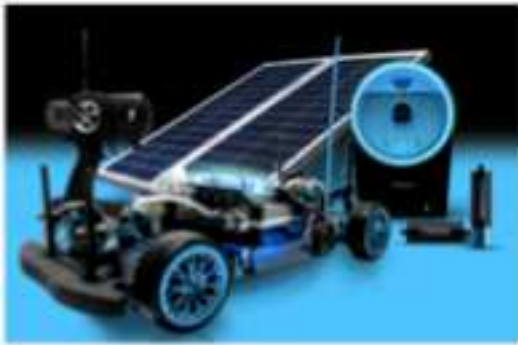
Honda Produced  
**Solar Cells** (CIS type)



# Chpt #4: Sustainable Community Design



## A large, classical building with a portico, surrounded by tall trees and a green lawn. A group of people is sitting on the lawn in front of the building.



# Sustainable Communities, Appendix (Springer Press, 2009)



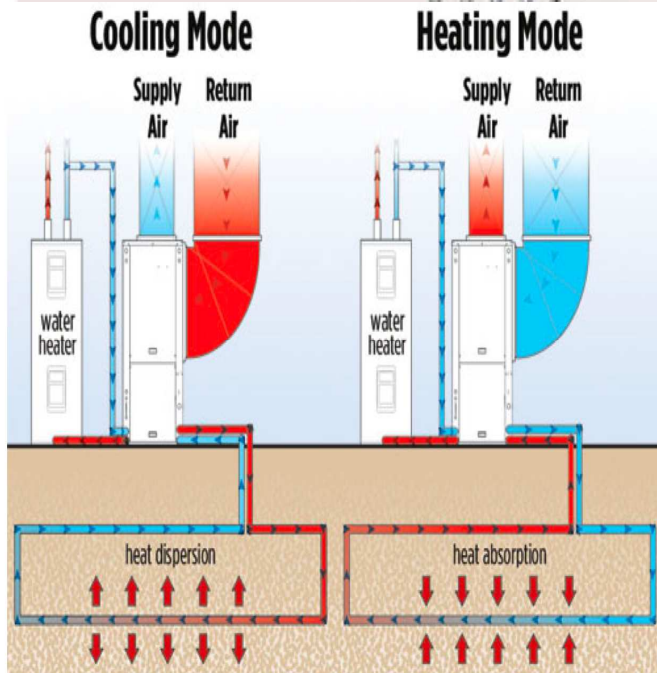
# Google: 1.6MW SolarCampus, Electric cars, fuel cells and efficiency



Sustainable Communities, Chapter 8 (Springer Press, 2009)



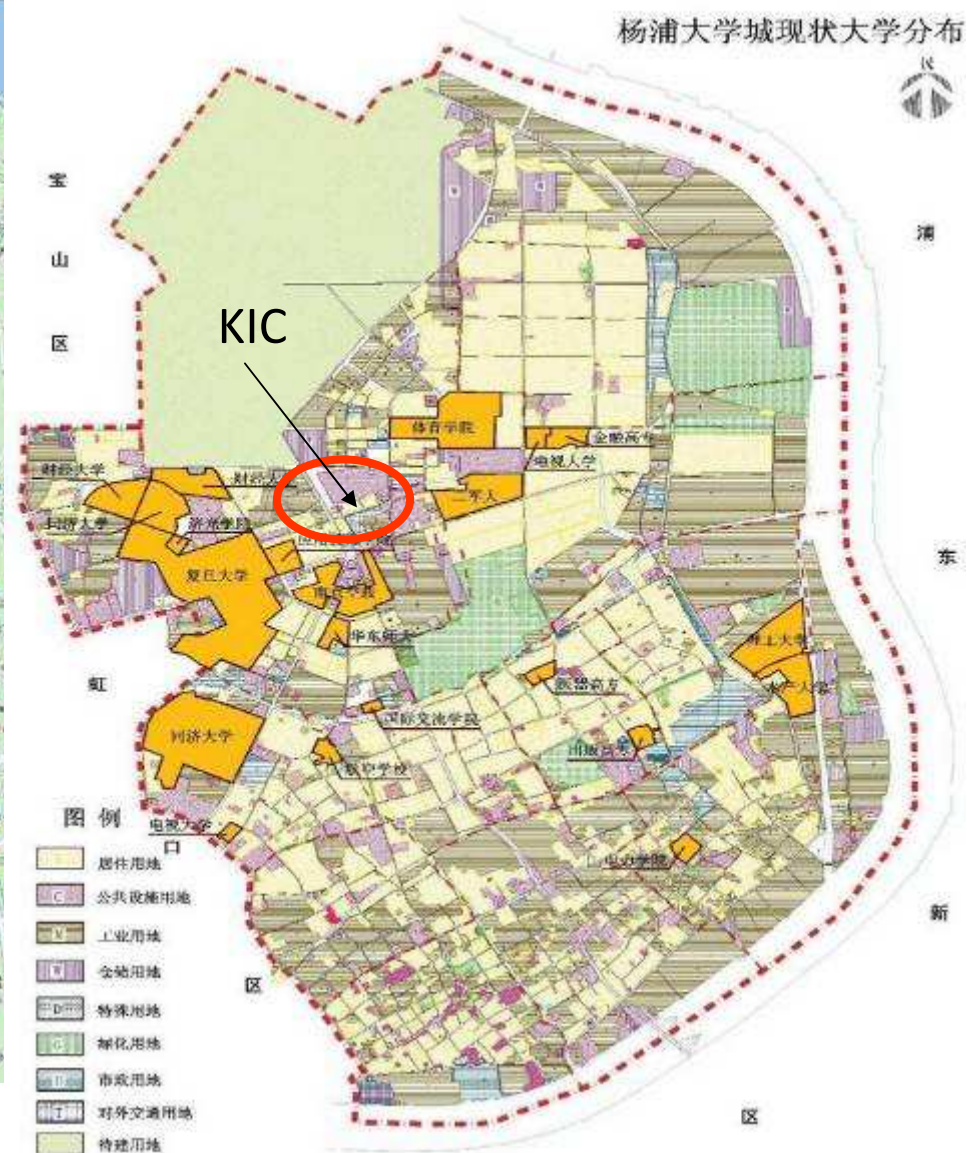
# Sustainability is Affordable







14 Universities and Colleges with More Than 130,000 Students

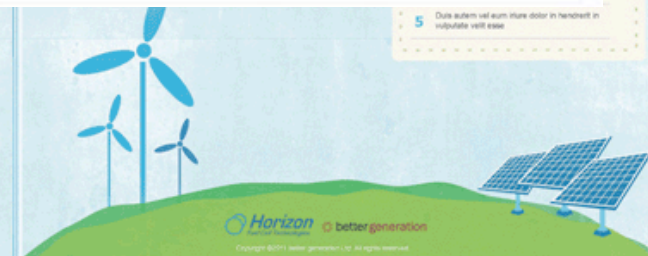
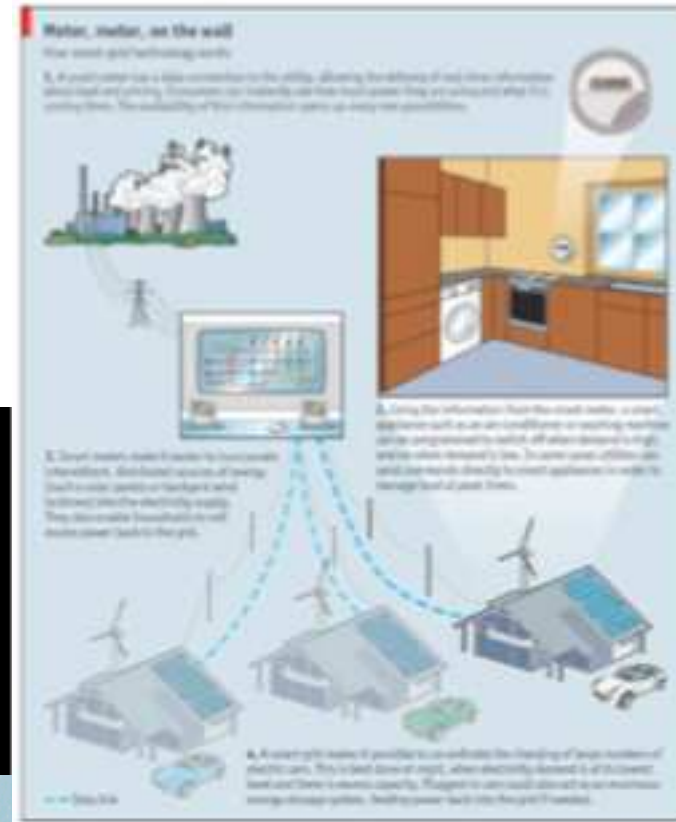


# Educational for the Green Industrial Revolution



for more on our new products.

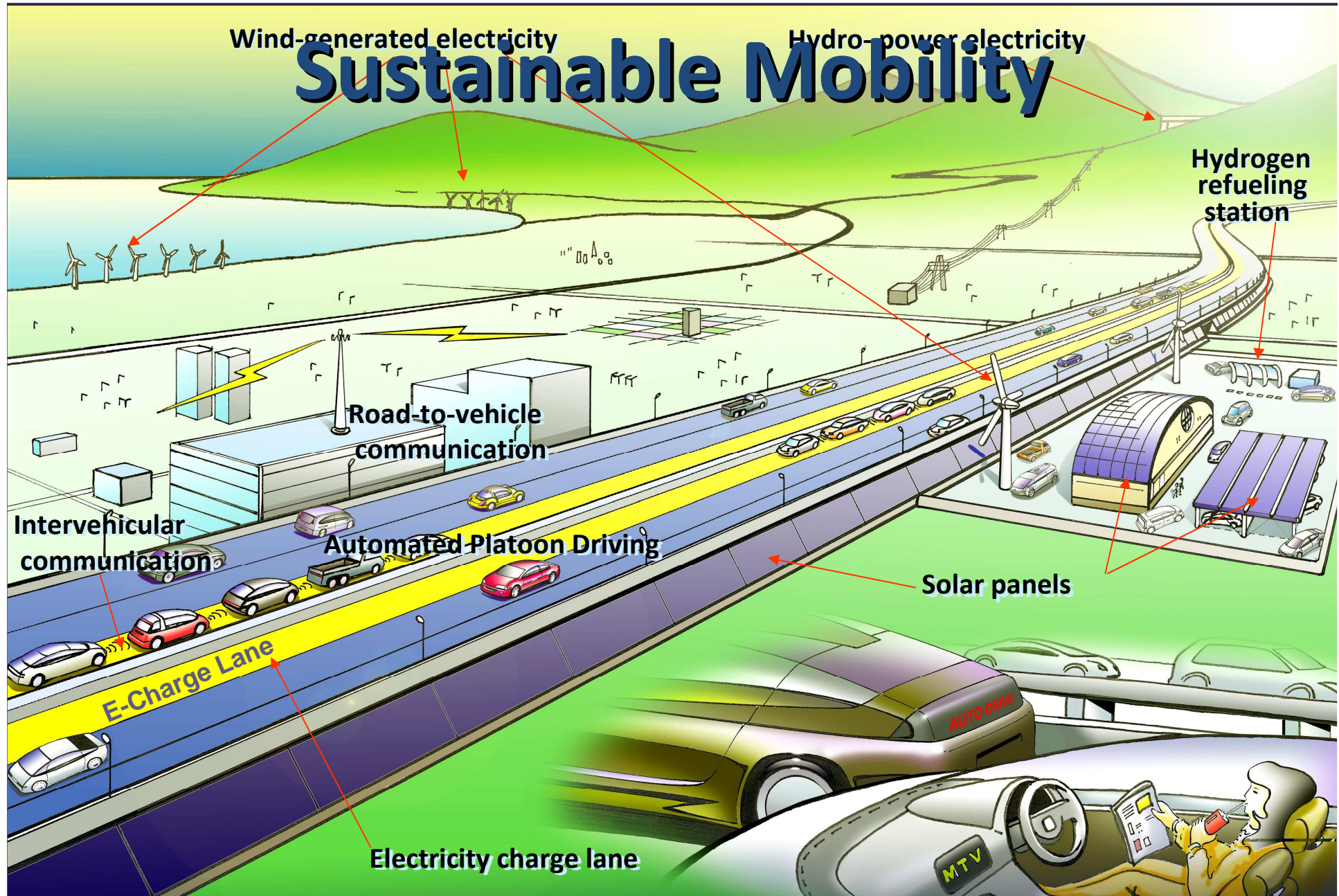
views & growing





# A Vision of Future

## Sustainable Mobility



# Contact Information



**Woodrow Clark II, MA<sup>3</sup>, Ph.D.**

Qualitative Economist

Managing Director

Clark Strategic Partners

PO Box #17975

Beverly Hills, CA

USA 90209

Email: [wwclark13@gmail.com](mailto:wwclark13@gmail.com)

Direct Line +1 (310) 858-6886

Fax Line +1 (310) 858-6881

Web site: [www.clarkstrategicpartners.net](http://www.clarkstrategicpartners.net)



**POLITECNICO  
DI MILANO**

**Clark Strategic Partners**

***Sustaining the World through Innovation and Economics***

**@ 2011**