

Remarks at Berkshire Hathaway Shareholder Meeting

30 April 2016

James Hansen

Thank you for this opportunity. I want to make a suggestion that I hope you will ponder.

Some aspects of climate have become clear. Humans are changing the atmosphere. We can measure how this is changing Earth's energy balance – more energy is coming in than going out. So the ocean is warming, ice sheets are melting, and sea level is beginning to rise. We are now close to a point of handing young people a situation that will be out of control, with ice sheet disintegration and multi-meter sea level rise during the lifetime of today's young people, which would mean loss of coastal cities and economic devastation. Sea level rise would be irreversible on any time scale of interest to humanity. The other irreversible effect of rapid climate change would be extinction of a substantial fraction of the species on Earth.

The bottom line is that we cannot burn all fossil fuels. And the economic law of gravity is that as long as fossil fuels appear to be the cheapest energy, we will keep burning them

So my request, given the respect and trust the public has in you, is that you ponder the possibility of a public statement in favor of a revenue-neutral gradually-rising carbon fee.

a. A carbon fee is needed to make the price of fossil fuels honest, to include the costs to humanity of their air pollution, water pollution and climate change.

b. A rising carbon fee is needed to spur effective investments by the private sector in clean energies and energy efficiency. (If it is revenue neutral, it will spur the economy, increase GNP, provide incentives for innovation and clean energies.)* Most important, it will steadily phase down fossil fuel use.

I'm not asking you to endorse a revenue-neutral carbon fee on the spot, but I hope that you will reflect upon it and perhaps provide a clear statement in your next report.

It could be your greatest legacy. (I know that you, your family and Mr. Gates are doing many good things, but if you were to spur the U.S. to adopt a rising revenue-neutral carbon fee)* it could affect everything, even the course of our future climate.

*the two parenthetical sentences were omitted at the last moment in my oral remarks to keep the remarks within the time suggested during the meeting by Mr. Buffett's assistant.