



The Struggle Against Climate Change: U.S. Bank Promises Kept and Unkept
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ABSTRACT

To avoid irreversible climate change, global greenhouse gas (GHG) emissions must decline of 45% by 2030, and reach net zero emissions by 2050. As facilitators of capital, banks are crucial as leaders for the transition away from fossil fuels to reach net zero. This role is included in pledges for the UN-convened Net-Zero Banking Alliance (NZBA) founded in April 2021. NZBA members pledge to halve their total operational and loan and investment portfolio GHG emissions by 2030, and get to net zero by 2050. Central Banks are also often asked to play a role in incentivizing banks to disclose and reduce their climate change risks. With culture wars, in the U.S., large banks and the Fed are facing criticism, and challenging times. This article examines criticism and challenges that they face, and proposals to enable banks to move towards decarbonization.

Keywords: Climate Change, Carbon Emissions, Sustainable Finance, Banks, Central Banks, Green Swan Events, Global Warming, Sustainability
