

equity



economy



environment

THE PACIFIC INSTITUTE: 20 Years Toward a
SUSTAINABLE PLANET



FROM THE PRESIDENT

The Pacific Institute was founded a generation ago. My children, not even born at the time, have grown up, along with 1,500 million other children.

In 1987, the Cold War was starting to warm up, but so was the Earth. The Berlin Wall was starting to come down, but nascent political and ideological threats were emerging. Traditional academic disciplines were searching for new language, tools, and answers to interdisciplinary problems. The concept of sustainability was just being introduced, but there was a growing appreciation that problems of the environment, economy, and society were intricately linked.

This idea drove us to create the Pacific Institute. We believed that global problems and effective solutions in the 21st century would require innovative ways of thinking, seeing, and doing.

For two decades the Institute has been providing unbiased, thoughtful, and innovative analysis and solutions. Through our efforts and commitment, the Pacific Institute has become a place where we work effectively with the residents of West Oakland one day and the Secretary General of the United Nations the next.

What will the next 20 years bring? New threats to our limited and vital freshwater resources, growing pressures on the environmental health of our most vulnerable communities, accelerating influence of multinational corporations for both good and ill, combating and adapting to climate change, and other threats to sustainability that we have not yet conceived.

A constant in all of these transitions will be the continued dedication of the Pacific Institute to address these problems and provide a sustainable world for all generations to come.

A handwritten signature in black ink that reads "Peter Gleick".

Peter Gleick, *Oakland 2007*



FROM THE BOARD CHAIR

As the Pacific Institute enters its 20th year of research, advocacy, and policy development, it is my pleasure to invite you to delve into this document to see both what we have accomplished and what we have in store for the next 20 years.

Building on our successes, we have embarked on an initiative to apply a sustainability framework to guide our future work. Too often, policy debates set equity, economy, and environmental quality in opposition to each other. As our years of research have shown, they ought not be. Indeed, our work in water conservation has shown that the State of California can accommodate healthy economic and population growth while reducing its demand for water use through simple and thoughtful water conservation techniques.

Similarly, our analysis of freight transport has shown that the benefits of global trade do not have to come at the expense of community health. This multi-faceted analytical approach will continue to be a hallmark of who we are and what we do in the years to come.

What makes the Pacific Institute unique? Our policy solutions are rooted in good science. The Institute's staff conducts extensive research that meets rigorous investigative standards. We believe policies that spring from good science yield more balanced debate, better decisions, and a better world.

We look forward to your thoughts on our agenda. Do visit our websites at www.pacinst.org and www.worldwater.org.

A handwritten signature in black ink that reads "Gigi Coe".

Gigi Coe, *Board Chair*



The Pacific Institute for Studies in Development, Environment, and Security

is one of the world's leading independent non-profits, conducting research and advocacy on the related and pressing issues of environmental degradation, poverty, and political conflict. In 2007, the Pacific Institute celebrates 20 years of groundbreaking work: a generation of addressing local, national, and international problems in the fields of freshwater resources, climate change, environmental justice, and globalization.

SUSTAINABILITY

environment equity economy

VISION

We envision a world where the basic needs of all people are met, where resources are managed sustainably and the natural world protected, and where conflicts over resources are resolved in a peaceful and democratic fashion.

FRAMEWORK

The Institute works to generate fundamental change in how threats to sustainability are perceived and solved. We use science, economics, and consensus-building to create analytical tools and practical solutions that take issues out of the realm of ideology and into the realm of real-world action. Our innovative approaches help to protect and restore the environment, create and enhance economic benefits, and treat all segments of society fairly. These 3Es—environment, economy, and equity—provide guidance and balance to our efforts. Only by addressing all of these components can we achieve overall sustainability.

All of the Institute's initiatives—Water, Communities, Globalization, Climate Change, and Scientific Integrity—are integrated, positioning the Institute for success in creating long-term solutions that meet the needs of both current and future generations.

Year after year, the Pacific Institute's work helps decisionmakers more knowledgeably—and therefore, more effectively—address the related and pressing threats to sustainability: environmental degradation, inequity, and poor economic planning.

economy environment equity

To enhance **environmental quality**, the Pacific Institute works to improve and preserve our environment—where we live, work, play, and learn—and to protect and restore natural ecosystems and resources for future generations.



GOALS

Over the course of our 20-year history, the Pacific Institute has helped cut air pollution in West Oakland, California; exposed the hazards of overdrawing water supplies; and called attention to the impacts of climate change. Our ongoing environmental goals include:

- Reducing environmental health threats, especially in our air and water.
- Promoting business practices that exceed environmental compliance minimums.
- Protecting people, fish, and birds by restoring the Salton Sea ecosystem and the remnant Colorado River Delta.
- Applying decentralized, efficiency-based “soft path” techniques to water management.
- Improving the transparency of companies’ social and environmental performance.

ACCOMPLISHMENTS

Raising awareness of and developing solutions to global water problems are among the Pacific Institute’s best known achievements. We have been instrumental in identifying key impacts of climate change and introducing climate change to water planning discussions. In 2006, we celebrated ten years of *The World’s Water*, our biennial book series chronicling the most crucial contemporary water issues. The *Financial Times* “Global Water Report” called *The World’s Water* “essential reading.”

In the 1980s, we led the effort to expand the definition of security to recognize resource conflict as a stimulus to political conflict. Since then, our efforts in the Middle East and Central Asia have helped reduce the risk of political and military conflict over shared water resources.

Seeing that stakeholders were being left out of the conversation, we formed the International NGO Network on ISO (INNI) in 2002. Today, INNI brings together over 600 organizations from more than 55 countries to provide information and guidance on international environmental and social standards.

20 Years Toward ENVIRONMENTAL QUALITY

2003 Our research of West Oakland environmental indicators catalyzes community action, closing the community's largest fixed source of toxic air pollution: Red Star Yeast.

2005 Thanks in part to our two decades of work on the subject, California becomes the first state to include the impacts of climate change in its long-term water planning.

2007 We reveal that White House greenhouse gas reduction claims rely on cherry-picked data.

1988 Institute releases our first publication: "Climate Change and International Politics." Later that year, we testify on climate change and water before the U.S. Congress.

1993 Our first major book, *Water in Crisis*, addresses worldwide water quality, quantity, and potential for conflict.

1995 Institute report "California Water 2020" shows that California has enormous conservation and efficiency potential. It is the first time anyone offers a sustainable vision for, and approach to, California water.

2001 In its *Essential Guide to the 21st Century*, the BBC names Institute President Peter Gleick a "visionary on the environment."

2001 We publish the first comprehensive examination of environmental terrorism: the deliberate targeting of natural resources like water supplies or forests.

2004 Institute co-founds the Ditching Dirty Diesel Collaborative, which succeeds in securing new state regulations that limit idling of diesel engines in California's residential areas.

2006 Institute's "Hazard" forecasts a shrinking Salton Sea's catastrophic impact on fish, birds, and humans if no action is taken.

"Your sweeping review of the issues and implications of global warming in California was most impressive... I look forward to working with you again in the future."

Timothy E. Wirth, former U.S. Senator and Undersecretary of State for Global Affairs

economy equity environment

To promote **equity and social justice**, the Pacific Institute works to ensure that affected communities are empowered to rectify social, economic, and environmental injustices; that all people have equal access to a healthy environment, economic opportunities, political capital, and democratic decision making; and that social benefits and consequences are fairly distributed.



GOALS

From Northern California to Sub-Saharan Africa, the Pacific Institute has worked to ensure that solutions to environmental and economic problems benefit everyone. Our vision of equity and social justice encompasses a range of high-level goals:

- Advocating water as a human right.
- Promoting measurable water standards for human health and hygiene.
- Opening the international standards development process to affected interests.
- Using science, analysis, and coalition building to advance environmental justice and community health.
- Eliminating economic and racial disparities in environmental health risks and outcomes.

ACCOMPLISHMENTS

Through our community-based research in West Oakland and West Contra Costa County, California, the Pacific Institute received national attention for revealing disproportionately high diesel emission levels and asthma hospitalization rates in these low-income communities of color.

We introduced the idea of water as a fundamental human right in 1999 and are now considered one of the leading international advocates for this right.

Historically, lack of resources and awareness has shut out the voices of developing nations and non-governmental organizations from international standards planning processes. We have been instrumental in securing these entities access to standards decision making.

We have helped found two environmental justice organizations: the Environmental Justice Coalition for Water and the West Oakland Environmental Indicators Project.

20 Years Toward EQUITY AND SOCIAL JUSTICE

1998 Pacific Institute and Island Press publish *The World's Water*. The book becomes one of the Institute's signatures, with new editions every two years.

1999 Institute co-founds the Environment Justice Coalition for Water, a network of more than 50 civil society and community groups.

2002 Our science and policy outreach efforts contribute to the United Nations' designating access to safe water as a basic human right.

2005 Institute launches pilot project to provide public access to draft International Organization for Standardization (ISO) standards for the first time. With this landmark victory for public interest organizations, ISO recognizes that it faces a higher burden of transparency and public accountability as it moves into areas of social and environmental standardization.

1989 More than 600 attend Institute-hosted Global Security Conference in San Francisco.

1994 We brief Vice President Al Gore, Congress, and international policymakers on issues of environment and security.

1999 Peter Gleick publishes "The Human Right to Water," which argues that all humans have a right to sufficient water for their basic needs. This 50-liter-per-day standard is still referenced worldwide.

2002 Launch of Neighborhood Knowledge for Change: the West Oakland Environmental Indicators Project. The project achieves significant immediate victories in eliminating local environmental hazards.

2005 Owing to the Institute's neighborhood research and advocacy, Oakland announces the first-ever designated truck route to keep the Port of Oakland's massive diesel-polluting trucks off of residential streets.

2006 Institute-led advocacy campaign urges reform in the process of developing an ISO Social Responsibility standard. The campaign leads to the establishment of a trust fund that makes access to decision-making meetings affordable for under-resourced stakeholders.

2006 The West Oakland Environmental Indicators Project and the Environmental Justice Coalition for Water are spun off as their own independent organizations.

"Your research on the risks of conflicts over water worldwide and on global water problems has been especially innovative... Organizations that think broadly, clearly, and independently about solutions to developmental, environmental, and security problems are rare."

- Vice President Al Gore

equity economy environment

To develop a **healthy economy** at all levels, the Pacific Institute works to ensure that social investment is respected and encouraged, that prices communicate the true costs of goods and services, and that employers see positive relationships with their communities as assets worth developing.



GOALS

Since 1987, the Pacific Institute has recognized that short-term environmental victories mean little without long-term economic stability. Our work to encourage healthy economies includes:

- Identifying the numerous instances where the socially responsible solution is also cost-effective.
- Helping businesses address their social and environmental obligations in a commercially competitive manner.
- Creating understanding of the business risks of freshwater scarcity and contamination.
- Establishing best practices in water management for the private sector.
- Advocating that companies factor pollution into the cost of conducting business.
- Debunking economic myths in the fields of freight transport, water privatization, and bottled water.

ACCOMPLISHMENTS

The Pacific Institute has worked with other civil society groups and leading businesses to more effectively integrate sustainability issues into corporate reporting.

We have pioneered new ways of thinking about the costs and benefits of water-use efficiency, reframing the debate in the western U.S. to include end-use management. Tackling the thorny issue of water privatization, we developed standards to protect citizens' rights to water. Furthermore, our research revealed that good management trumps privatization in achieving water-system efficiency.

Our analysis revealed that massive freight transport and retail companies can more than adequately cover the costs of cleaning up the industry's pollution-belching trucks, trains, ships, and planes.

20 Years Toward a HEALTHY ECONOMY

2002 Institute releases “The New Economy of Water,” the first comprehensive analysis of water privatization and globalization.

2003 Following the shutdown of Red Star Yeast, development commences on a transit village with affordable housing and new businesses in West Oakland, California.

2006 Citing our “Deluged by Diesel” report, the Richmond, California City Council unanimously passes a resolution promoting biodiesel as a clean fuel alternative for the city and the Port of Richmond.

1997 Institute establishes program to address economic, environmental, and social concerns related to globalization, international standards, and corporate accountability.

2003 We release “Waste Not, Want Not,” which puts real numbers on the potential for improving water efficiency in residential, commercial, and industrial settings. Initially considered radical, those numbers were adopted by the Department of Water Resources in the 2005 California Water Plan.

2004 Our report “Freshwater Resources: Managing the Risks Facing the Private Sector” calls global business communities’ attention to the serious economic and political risks posed by growing competition for fresh water, the threat of water contamination, and rising water-related costs.

2004–2005 Institute co-authors two complementary environmental management reporting tools. These tools help organizations improve their economic, environmental, and social performance and communicate this information to stakeholders, particularly local communities.

2007 In a groundbreaking assessment of corporate water reporting, we find that most large companies are not conveying their water risks to stakeholders.

“Peter Gleick and his talented staff have established the Pacific Institute as one of the world’s foremost research centers on sustainable development and the manifold, interlinked aspects of the critical theme of water.”

Ambassador Richard E. Benedick, *Chief Negotiator and Principal Architect of the Montreal Protocol*

Looking Ahead

The Pacific Institute has accomplished much in its first 20 years. As we look ahead another generation, we identify the following key challenges:

- **Tackling the environmental, social, and economic challenges posed by climate change.** Climate change will alter historical water sources; future water planning will need to be informed by good science. Adaptation policies must account for low-income communities and developing nations, which are at greatest risk for experiencing the worst impacts and have the fewest resources to respond.
- **Continuing to push efficient technology and decentralized tools—“soft path” approaches to conserving water and energy.** A sustainable future demands we meet resource constraints with solutions that tap the best of our ingenuity and ourselves.
- **Framing voluntary international standards to advance sustainable development.** Social and environmental standards provide businesses with practical guidance and drive better performance. Aligning commercial decisions with community values empowers citizens and investors.
- **Advancing environmental health and justice.** Ensuring that low-income communities of color can overcome environmental health risks and enjoy the benefits of economic growth requires access to high-quality, neighborhood-relevant research and technical assistance.
- **And there's more.** Other challenges will include efforts to meet basic human needs for water and sanitation worldwide, protect collapsing ecosystems, assess the ongoing role of water and other basic natural resources in international conflicts, confront the abuse and misuse of science in the policy arena, and address new threats to sustainability that have yet to be realized.

Working from the research we continually conduct, the partnerships we develop, and the growing body of results we influence and achieve, the Pacific Institute stands ready to tackle these challenges and make the next 20 years even more memorable than the first.

"You want facts?
Go to the Pacific Institute.

You want a small, smart staff that
is connected to policymakers
in the private and public
sectors around the world?
Go to the Pacific Institute.

You want to fund the best of
the best, with academic
credentials but without
the academic molasses?
Go to the Pacific Institute."

— Michael Fischer
*former Senior Fellow,
Hewlett Foundation*

Pacific Institute

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