Trump is making “a large mistake”: Top climate investor Jim Coulter says U.S. climate policy lags on global stage

As the Trump Administration continues a hostile overhaul of environmental legislation, top climate technology investor Jim Coulter called President Trump “short-sighted” and said that he is “making a large mistake” at a press conference on Monday.

Coulter, co-founder of billion-dollar private equity firm TPG Inc. and one of the richest men in the United States, thinks that Trump’s poor grasp of the climate crisis has put millions of vulnerable Americans at risk of potentially disastrous consequences.

“The rest of the world is not missing a beat on this,” Coulter said.

On Monday, Interior Secretary Doug Burgum announced plans to repeal protections for more than half of the National Petroleum Reserve-Alaska. The decision would open millions of acres of critical Alaskan wilderness to oil and gas extraction.

Trump has led an aggressive climate crusade since the transition of the presidency in January. In his first week, Trump authorized the expedited permitting of fossil fuel development, withdrew from the Paris Agreement, and indefinitely suspended billions of dollars earmarked for solar, wind, and electric vehicle projects through the Inflation Reduction Act (IRA).

The IRA is a landmark Biden-era piece of legislation that led to sweeping federal investments for renewable energy research, manufacturing, and adoption. It’s also a sore spot for the Trump administration, which has lately shifted its rhetoric on energy to a resounding ‘drill, baby, drill.’

According to the Energy Information Administration, the U.S. currently provides about 40 percent of its utility-scale electricity generation from clean energy sources, with nuclear making up about half of that number. While not rookie statistics, it still lags in comparison to countries like Germany (55.3 percent), Canada (81.1 percent), and France (92.4 percent).

Other countries have caught on faster. In the last decade, India has more than tripled its own renewable manufacturing capacity. China is forecasted to have more than 80 percent of the global solar manufacturing capacity by 2026.

In the last five years, “it isn’t that the world has woken up and we’ve suddenly all become environmentalists,” Coulter said. Rather, it’s due to a chain of massive, consecutive global events, including the coronavirus pandemic, the War in Ukraine, and what Coulter called “the AI arms race”. There is real incentive for countries to develop robust, independent energy grids.

In his view, it all comes down to simple arithmetic. He agrees that fossil fuels are, for now, a necessary piece of the pie for energy security. But, “if you need more power quickly and cheaply, renewables have to be part of the equation.”

Trump’s target on renewables isn’t just bad for the planet — it’s bad business.

“The more renewables we put in, the cheaper they get,” Coulter said. “That’s not true anymore in fossil fuel.” Solar, wind, and nuclear are generally well-evidenced to have lower lifetime costs than coal, oil, and gas sources, he said.

According to Coulter, the time required for new large-scale drilling sites—like the one proposed for the National Petroleum Reserve-Alaska—to become productive is typically several years after a project is initially approved. There’s a risk that when it gets there, “you may have an administration that could take you the other way.”

When it comes down to issues like the costs of energy and tax credits, the U.S. is playing checkers. Meanwhile, the rest of the world is “not debating it.”

They’re playing chess.