



Meet the Ex-Wall Street Banker Turning Carbon into Currency

By Truitt Flink

March 2nd, 2023

Alan Laubsch is a self-proclaimed “banker for nature.” But he didn’t start out this way.

As a fresh graduate from Stanford University in 1993, Laubsch went to work as a financial risk analyst on Wall Street. At the onset of his career, he would have never guessed that a few years down the line, he'd be managing risks for a rather unexpected client: our planet. Since making the transition away from managing risks for a bank, Alan has been advocating for the importance of managing “planetary risk”, holding the belief that at its core, “climate is about risk management, and we haven't managed those risks.”

As the father of a young child, Laubsch underlines one crucial moment in his decision to step away from his job on Wall Street and into a life of climate advocacy. When tucking his nine-year-old daughter into bed one night, he was asked: “Daddy, what would it feel like to be the last northern white rhino? Your family's dead, everyone's been killed. You're just alone. You don't have anyone to play with.”

The following year, the last northern white rhino did die. Alan, feeling there was no other option, decided to devote the rest of his life to the restoration of the planet his children were watching crumble.

The former risk analyst proposes a straightforward, yet revolutionary idea: a climate-positive approach to finances. In Laubsch's eyes, “we need an economy that values life as opposed to death.” The challenge comes in uncovering how we can swiftly and successfully transform our economy from an extractive one that produces externalities (carbon emissions and methane, for example) to one that's *regenerative*, a process that Alan says is the first step towards “healing the world.”

Laubsch breaks down these concepts in simple terms: “In an extractive economy, the fish are worth something when we take them out of the sea, and the forest is worth

something when we cut it down and turn it into timber. But, in a regenerative economy, we give value to the fish in the ocean, and the trees in the forest.” The question becomes: how exactly do we place value on the living, breathing parts of nature, seen as far less economically valuable in their untouched state as opposed to their extracted one?

Laubsch has spent the past few years working with blockchain technology to create an accounting system that will monitor positive impact and reward it. People planting trees, biodiversity sanctuaries being created, or coral reefs being cared for are examples of such impact. In order to effectively reward this regeneration, there must be measurement systems in place. The progress of Earth-positive initiatives can be monitored using “satellites, sensors, and AI algorithms”, says Alan. This data collection allows for the progress of regenerative practices to eventually be rewarded, using technologies such as cryptocurrency.

Alan highlights one Australian startup project he was a partner in, “[TreeCoin](#)”: a carbon-backed cryptocurrency that rewards people who plant new trees based on the amount of carbon their respective trees draw down from the atmosphere. For each tonne of carbon sequestered, the project manager is rewarded one TreeCoin.

TreeCoin’s model is particularly appealing to companies looking to work towards net-zero carbon emissions goals and exhibit a commitment to sustainability. For example, Alan says, “a company could [decide they] want to pledge to be net net-zero and buy 10,000 carbon credits. [They could want] to buy these carbon credits from a trusted source, know exactly [what type of project the carbon credits] represent”, or know how much CO₂ has been sequestered in total, all of which TreeCoin supports,

making it an attractive way to not only facilitate climate goals, but also have the data to prove real progress.

What is this reward system good for? For now, you can't pay for a loaf of bread using a TreeCoin. As a fairly new cryptocurrency, "TreeCoin receives carbon credit dividends every year, [which] have value because companies buy those carbon credits." Alan describes TreeCoin as "an illiquid investment that could turn out to be successful if the project is successful and carbon credits [become] valuable," but acknowledges the risk factor in such a volatile currency. So far, though, things are looking good; since its start in 2019, TreeCoin has made it through the worst of the crypto bear market, and investors are beginning to receive some dividends. However, Laubsch notes that "we still need carbon credit markets to do better for people to actually make back all of their money in terms of dividends. It's a long-term investment."

It's certain that the environmental challenges our generation is being met with are serious. Conversations around climate have a tendency to stir up feelings of despair and hopelessness as we try to face these seemingly insurmountable challenges head-on. While the younger generation attempts to tackle such emotions, Laubsch encourages teens to stay positive.

"You could say we're going into some turbulent times, [but] we're also going through an incredible renaissance with all these new technologies. It's not an easy time to be alive, but it's an incredibly exciting one."

While more than [one-third](#) of the world's largest publicly traded companies now have net-zero carbon emissions goals, analyses continue to reveal shortcomings in the strategies of many, rendering these so-called "sustainability pledges" futile and

surface-level. New economically driven climate initiatives, such as TreeCoin, show promise. Companies and countries hopping aboard the net-zero bandwagon in recent years have the opportunity to benefit greatly from these new technologies – tools that anyone can employ to begin moving away from superficial sustainability targets and towards measurable progress in the fight to regenerate our planet.