

FULL TRANSCRIPT

This transcript was prepared by a transcription service. This version may not be in its final form and may be updated.

Luke Vargas: Coal demand sends energy related CO2 emissions to a record high, plus crowds gather in Moscow for the funeral of Russian opposition leader Alexei Navalny.

Matthew Luxmoore: The authorities have allowed this funeral to go ahead. This is a big victory in some ways for Navalny's team in the context of how incredibly difficult and how incredibly repressive the climate in Russia has become.

Luke Vargas: And Disney's proxy fight takes a dramatic turn as Walt Disney's heirs speak out. It's Friday, March 1st. I'm Luke Vargas for the Wall Street Journal, and here is the AM edition of What's News, the top headlines and business stories moving your world today. Rising emissions from coal have pushed global CO2 emissions from power generation to a new record last year according to the International Energy Agency. Droughts were also partly to blame as they caused a drop in hydropower generation. I asked our climate change reporter Matthew Dalton what this emissions increase means for the goal of limiting global warming to 1.5 degrees Celsius.

Matthew Dalton: To hit that target emissions should really be falling now and they should have been falling for the last few years. Many scientists and analysts think that really limiting warming to 1.5 degrees is pretty much impossible if you accept the various projections and analysis of the UN, and this report is only going to solidify those concerns.

Luke Vargas: And Matthew, what does the IAE say is the main cause of this emissions growth?

Matthew Dalton: The big driver of emissions is China. They use coal for a large percentage of their electricity generation, more than 70%. They're continuing to use coal. Coal fire generation is increasing. India too. Their electricity generation continues to be very coal based, and they've got an emerging and fast-growing industrial base as well.

Luke Vargas: The IAE saying coal accounted for more than 65% of the energy related emissions increased last year. Were there any silver linings here?

Matthew Dalton: The glimmer of good news is that emissions in advanced economies are falling, and they're probably at levels not seen since the 1970s according to the IEA report. The United States and Europe and Japan and a few other countries are installing renewable energy at a very fast clip. In the United States, a lot of coal is being switched to gas fire generation, and that is helping reduce emissions. Gas produces about half the greenhouse gases as coal. So that's a positive development, but it's outweighed by the still intense emissions growth that we're seeing in China and India.

Luke Vargas: That was Journal reporter Matthew Dalton. The proxy fight over Disney has taken a dramatic turn after the descendants of Walt Disney released two letters to shareholders backing chief executive Bob Iger against activist investor Nelson Peltz and his Trian Fund Management. Trian is seeking two seats on the Disney board at April's annual meeting and says the company needs to cut costs and find its creative mojo. But support from the Disney family has historically carried a lot of weight. In 2004, Roy E. Disney, the son of Walt's brother, launched the Save Disney campaign after the board declined to renew his contract, a campaign that succeeded in toppling Michael Eisner, whom Roy believed was mismanaging the company. Journal reporter Ben Dummett.

Ben Dummett: It's possible that the family support could bolster Disney's case and try to win shareholder support, because obviously the

future of the company, particularly the management, is really, or the board is really at stake. In this instance the family' compared Peltz and other activists as sheep in wolf's clothing, and essentially they're there to tear the company apart as if shareholders open the door and let them in.

Luke Vargas: In a statement, Iger said it was incredibly meaningful to have the support of the Disney family and said he's committed to protecting their legacy. Russian opposition leader Alexei Navalny's funeral is being held today in Moscow. The burial has been very heavily cordoned off by police and follows days of wrangling by Navalny's team with authorities, churches, and even grave diggers over making the funeral happen. Journal Russia correspondent Matthew Luxmoore says it's clear that the Kremlin wants to keep it a low key affair.

Matthew Luxmoore: In previous years other dissidents who have been killed, including Boris Nemtsov in 2015, we saw thousands of people come out onto the streets after his death. But the fact that it's a victory for Navalny's team to even get a very low key funeral held with huge police presence is already a huge indication of how dramatically the climate in Russia has changed, so as far as turnout today goes, I don't think we should expect huge numbers. The climate of fear in Russia is very, very substantial, and on one hand, people should probably expect that they won't face serious consequences for coming to the funeral. But on the other hand, Navalny is someone that the Russian authorities have declared an extremist and even a terrorist in recent years, so any association with him whatsoever in recent years has been punishable with jail time. So the authorities are going to keep a very, very tight hold over the proceedings and we probably will see some detentions.

Luke Vargas: Navalny's widow Yulia Navalnaya is not expected to attend the funeral today, as much of his team remains in exile outside of Russia. A wildfire in Texas is now the largest in the state's history, having killed two people and leaving behind a desolate landscape and burnt out homes. The blaze has also crossed into the neighboring state of Oklahoma, and although recent snow and rain have helped

firefighters, crews are racing to halt the fire ahead of increased temperatures and winds forecast for the coming days. And Alabama's legislature has passed a pair of bills intending to protect providers of in vitro fertilization from civil and criminal prosecution after the state's Supreme Court ruled that embryos qualify as children. Alabama's Republican governor has signaled she'd sign a bill protecting IVF. The lawmakers still need to agree on which version of their legislation will be sent to her desk. More votes are expected next week. Coming up. How old is too old to run a country? We'll look at how more than half of the global population is now ruled by older leaders. Plus a cautionary tale concerning AI and marketing campaigns. Those stories after the break. For world leaders, 70 is the new 50. That is the conclusion of Journal reporter Jon Emont as an increasing number of countries and more than half of the global population finds themselves governed by politicians in their 70s and 80s, a trend that shows few signs of slowing anytime soon. And Jon joins me now to talk about why that is and what some of the consequences of this trend may be. Jon, this age issue is one that's very much in focus in the US right now, of course, ahead of an election, likely pitting 81-year-old Joe Biden and 77-year-old Donald Trump. But as you report, this is widespread. It goes far beyond the US.

Jon Emont: That's right. So what we found when I was doing the analysis is that if you look at the 10 countries which have the most people in the world, 8 of them are currently led by people who are 70 plus. And that compares to just one of them 10 years ago. And the two of those countries that are not currently led by people who are 70 plus, which is Indonesia and Pakistan, just had elections in February that are going to put people who are 70 plus in power. So it's really just the boom times for Boomers. They're not retiring, they're leading the biggest, most complex nations in the world.

Luke Vargas: What's behind this trend? How has this come to be somewhat of the norm?

Jon Emont: So as you can imagine we're talking about very different countries, so there are very different reasons. One basic reason is that people are living longer, healthier lives, especially wealthier people who tend to be politicians in most countries. So that's older people who have amassed networks and things that allow them to become powerful don't need to retire because of their health. So that I suppose, is the basic fundamental reason that this transcends geographies.

Luke Vargas: It may be the best reason, the most positive reason.

Jon Emont: I mean, it's good if people are living longer, healthier lives, but then if you look at individual countries, there are a mix of reasons. So some of these countries are very authoritarian and authoritarianism is deepening. So China and Russia, you've had leaders who have managed to circumvent norms around transitions of power and just stick on, even though they're quite a bit older than the retirement age. In a lot of democracies, to win you really need a lot of money, and that means that you need really deep ties with business people and others, and it helps to be a proven commodity. So there are just a lot of advantages to age in democratic systems, even if voters aren't always happy about it. The people who end up winning or just being in a position to win are often rather elderly.

Luke Vargas: And as you note, there's a strong incumbency advantage. So you may not be happy with the choice, but often the same people just keep getting elected.

Jon Emont: There are just huge barriers to entry. So you need a lot of money. You need wealth, meaning either your own personal wealth or people who are willing to back you, and that tends to be older, proven people. So it's just hard for young people to break. The US is a special case of this because we have just two parties, so if you want to go up in politics, the only route is really getting in through one of these two parties at the bottom and then taking your entire career basically to get to the top. And systems of seniority in Congress don't help because it

means that basically by the time you're really in the spotlight and making big decisions, arguably you're already pretty advanced in age.

Luke Vargas: Yeah, that two party system, Jon, as you report, also makes it more difficult to have breakthrough leaders emerge, Emmanuel Macron in France kind of an example of that. With older leaders having become so commonplace, what other effects is that having on the political system?

Jon Emont: Well older leaders, perhaps unsurprisingly, cast their age as an asset amid war and great power rivalry. But there are plenty of issues that are really new and that might require novel solutions to issues around regulating AI and climate change or why young people aren't having that many babies anymore. So there are real questions about whether an older generation is best placed to try to solve these new problems. Researchers in both Japan and Germany have found that younger municipal leaders are more likely to focus on issues that are important to young people. For example, making sure there's enough money for public childcare. So it does seem to make a difference whether or not you have young people in charge. And political scientists are concerned that if you have a system where it's only old people leading, that younger people will gradually disengage from politics, and then if they don't vote, that gives older leaders even less incentive to focus on their concerns.

Luke Vargas: I mean, there is a notable outlier in your reporting, John, which is Europe. You write that on balance it has an older population than the US but a higher number of younger leaders including several in their 40s, and that maybe this is down to parliamentary democracies offering more opportunities for young people to establish their careers. But seeing as changing forms of government is easier said than done, how are older leaders in other countries responding?

Jon Emont: They're trying to act young. So in Indonesia, the 72-year-old candidate who seems to have just won election cuddled his cat on

Instagram, broke out in jigs, and Joe Biden has recently set up a TikTok account. So I don't know the extent to which young people really respond to these type of acts, but assuming that doesn't really satisfy the voting populace, there are other potential options. So one thing that you hear bandied about a lot in the US is maximum age limits for US federal office, even mental competency tests for older politicians, like Nikki Haley, Trump's rival for the Republican nomination, has called for. I mean, one even more radical option that I've heard is you could just lower the voting age. So if you lower the voting age down to 12, you can imagine more younger voters. But yeah, a lot of these are hard to imagine, and that could mean waiting another 10 to 15 years before the generation that currently dominates US politics ends up really being too old to continue leading.

Luke Vargas: I've been speaking to Wall Street Journal reporter Jonathan Emont. John, thank you so much as always.

Jon Emont: Thanks so much for having me Luke.

Luke Vargas: And finally, here's a cautionary tale for any marketers out there considering letting an AI image generator touch up your promotional materials. A British events company has been catching heat this week after parents bought tickets for a Willy Wonka themed chocolate experience for kids only to show up to a mostly empty warehouse that bore little resemblance to the colorful, elaborate images posted on a booking website, images that bore hallmarks of being created by artificial intelligence, including nonsensical words and renderings of props that Wonka himself would've struggled to create. The organizer of the event did not respond to a request for comment, but has apologized for causing disappointment and said it's issuing refunds. Jeremy Blum is a partner at the UK law firm Bristows, specializing in intellectual property, and he told me that while AI tools have obvious appeal for businesses, courts aren't likely to care whether a human or AI created misleading materials.

Jeremy Blum: Many clients are using it now. It adds to efficiencies, it's much cheaper than calling in the crew and developing film and videos and so on. It's a game changer in terms of marketing, but the reality is it also is quite creative, and the AI just goes a little bit off the rail and includes what it thinks is appropriate, and you look back at the holistic thing, you think, "Oh, it looks okay." But then if you look at the details of the image or the film, there's oddities in there. And if you're a brand owner who wants a message to be conveyed and it creates all sorts of issues.

Luke Vargas: And Jeremy added that while many companies know that AI work needs to be checked to avoid falsely representing a product or muddying brand messaging, they could be off guard by just how much quality control is needed.

Jeremy Blum: The thing that creates risk is the sheer quantity of campaigns that will be created going forward. In the old days, let's say, there was a new campaign every week or something, every month. I mean there's potentially multiple campaigns every hour that a brand potentially could run. So when there's more volume, is there a gateway where someone's actually checking the volume of output or potentially creating a program to be the AI sense checker of the AI creator?

Luke Vargas: And that's What's News for Friday morning. This episode was produced by Kate Bullivant and Charlie Duffield. Our supervising producer is Sandra Kilhof, and I'm Luke Vargas for the Wall Street Journal. We will be back tonight with a new show. Otherwise, have a great weekend and thanks for listening.