

Review Article

Theoretical and Conceptual Cobwebs of ‘Green Economy’

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Abstract: Green economy, Green jobs and Green growth are the buzzwords of the current times. The increased emission of carbons and the consequent loss of economic and social welfare are the concerns of both the national and international development agencies in recent years. It has created awareness among the people the need to protect the environment. The UN Millennium Development Goals and Sustainable Development Goals have also reiterated the importance of green economy. But, the transition from the existing accustomed economic growth models to a green growth model is not easy to attain. When we look at the principles of green economic model, one can see that it envisions the various aspects of economic, environmental and social principles. The economic dimension of green economy is based on the principles of recognition of natural capital and values, promotes resource efficiency and creates decent work and green jobs. The environment dimension of green economy relies on the principles of protection of biodiversity and ecosystems, respects planetary boundaries and ecological limits and promotes international environmental sustainability goals. Coming to the principles of social aspects, green economy envisions poverty reduction, well-being, livelihoods, social protection and access to essential services. Above all, the concept is equitable, fair and just-between and within countries and between generations. This paper is a modest attempt to review the conceptual cobwebs of the green economy concept with a view to create a sense of the need of a new growth model.

Keywords: Brudtland Report, Climate Change, Green Economy, Sustainable Development.

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INTRODUCTION

The realization that the current model of economic growth is socially, environmentally and economically unsustainable, the policy makers as well as private sector decision makers worked together to formulate an alternative model which lead to the concepts like Green economy. This has sparked a renewed focus on the need for the international community to make a committed transition towards a “green” economy in order to ensure a sustainable and desirable future that promotes social equity, poverty eradication, and human well-being. The recent international discussions on environment and green economy has led to the emergence of inter-related but different terminologies like green growth, green jobs, low carbon development, sustainable economy, steady state economy etc. The purpose of this paper is to provide a comprehensive definition of the green economy and show how different definitions and policy approaches are likely to meet economic development goals. Recent publications on green economy or green growth by the United Nations Environment program (UNEP), the UN Department of Economic and Social

Affairs (UNDESA), the United Nations Conference on Trade and Development (UNCTAD), the International Labour Organisation (ILO), World bank, the Organization for Economic Co-operation and Development (OECD), the Green Economy Coalition, Stakeholder Forum, the Green Growth leaders and many others have begun to address the knowledge gaps and demystifying the conceptual cobwebs of the term Green Economy.

Evolution of the term “Green Economy”

The term Green Economy was first coined in a pioneering report in 1989 for the Government of the United Kingdom by a group of leading environmental economists, entitled Blueprint for a Green Economy (Pearce, Markandya and Barbier, 1989). The report was commissioned to advise the UK Government if there was a consensus definition to the term ‘Sustainable Development’ and the implications of sustainable development for the measurement of economic progress and the appraisal of projects and policies. Apart from the word ‘green’ in the title of the report, there is no further reference to green economy and it appears that the terms was used as an afterthought by the authors.

In 1991 and 1994, the authors released sequels to the first report entitled *Blueprint 2: Greening the world economy and Blueprint 3: Measuring Sustainable Development*. Whilst the theme of the first Blueprint report was that economics can and should come to the aid of environmental policy, the sequent extended this message to global problems-environmental policy, the sequels extended this message to global problems-climate change, ozone depletion, tropical deforestation, and resource loss in the developing world. All reports built upon research and practice in environmental economics spanning back several decades. In 2008, the term was revived in the context of discussions on the policy response to multiple global crisis. In the context of the financial crisis and concerns of a global recession, UNEP championed the idea of “green stimulus packages” and identified specific areas, where large scale public investment could kick-start a “green economy” (Atkisson, 2012)

In October 2008, UNEP launched its Green Economy Initiative to provide analysis and policy support for investment in green sectors and for greening resource and/or pollution-intensive sectors. As part of this initiative, UNEP commissioned one of the original authors of Blueprint for a Green Economy to prepare a report entitled a *Global Green New Deal (GGND)*, which was released in April 2009 and proposed a mix of policy actions that would stimulate economic recovery and at the same time improve the sustainability of the world economy. The GGND called on governments to allocate a significant share of stimulus funding to green sectors and set three objectives: (i) economic recovery, (ii) poverty eradication, and (iii) reduced carbon emissions and ecosystem degradation. It also proposed a framework for green stimulus programs as well as supportive domestic and international policies (UNEMG, 2011).

In June 2009, in the lead up to the UN Climate Change Conference in Copenhagen, the UN released an inter-agency statement supporting the green economy as a transformation to address multiple crises. In February 2010, Ministers and Heads of Delegation of the UNEP Global Ministerial Environment Forum in Nusa Dua acknowledged in their declaration that the green economy concept “can significantly address current challenges and deliver economic development opportunities and multiple benefits for all nations”. It also acknowledged UNEP’s leading role in further defining and promoting the concept and encouraged UNEP to contribute to this work through the preparatory process for the UN conference on Sustainable Development in 2012 (Rio+20).

In March 2010, the General Assembly agreed that green economy in the context of sustainable development and poverty eradication would form one of the two specific theme for Rio+20. This led to a

great deal of international attention on green economy and related concepts and the publication of numerous reports and other literature aiming to further define and demystify the concept. One of the key reports was the flagship Green Economy Report released by UNEP in November 2011 under its Green Economy initiative. UNEP partnered with think tanks and commercial actors lending credibility to its economic analysis (Atkisson, 2012). Importantly, the report also provides a working definition of ‘green economy’ which has since been cited in numerous other publications.

A series of other publications by UNEP, UNCTAD, UNDESA and the UNCSD Secretariat have attempted to elaborate on the concept and outline during principles, benefits, risks and emerging international experience¹. In December 2011, the UN Environment Management Group also released its system-wide perspective on green economy-*Working Towards a Balanced and Inclusive Green Economy*-which identifies and clarifies the use of green economy and other related terms. This report adopts the definition provided by the UNEP in its 2011 Green Economy report. It is interesting to note a number of NGOs and partnerships have also developed in recent years which aim at promote green economy as a concept and undertake research, analysis and outreach.

“Green Economy”-Definitional Aspects

There is no internationally agreed definition for the term green economy and at least eight separate definitions were identified in recent publications. For example, UNEP has defined the green economy as “one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. It is low carbon, resources efficient and social inclusive” (UNEP, 2011). Another definition for green economy offered by the Green Economy (a group of NGOs, trade union groups and others doing grassroots work on a green economy) succinctly defines green economy as “a resilient economy that provides a better quality of life for all within the ecological limits of the planet”. The report of the UNCTAD, 2011 defines Green economy as “an economy that results in improved human well-being and reduced inequalities, while not exposing future generations to significant environmental risks and ecological scarcities. It seeks to bring long-term societal benefits to short-term activities aimed at mitigating environmental risks. A green economy is an enabling component of the overarching goal of sustainable development”.

According to the International Chamber of Commerce (2011), “Green economy is an economy in which economic growth and environmental responsibility work together in a mutually reinforcing fashion while supporting progress on social development”. In the paper titled, “Principles, Priorities and Pathways for Inclusive Green Economics”, five

principles namely, the Wellbeing principle, the justice principle, the Planetary Boundaries principle, the efficiency and sufficiency principle and the good governance principle for a universal and transformative change to the global status quo (www.greeneconomycoalition.org, 2019) .

In this context, it is highly informative to see some of the publications which extensively touch up on the conceptual contours of the term Green Economy. For the benefit of the readers, we list here some of the publications for further reading. The following table gives a clear picture of such publications and its citations.

Table 1: Publications on Green Economy concept

Sl.No.	Publications	Citations
1	<i>Towards a Green Economy-Pathways to Sustainable Development and Poverty Eradication-UNEP</i>	United Nations Environment Program (2011), <i>Towards a Green Economy-Pathways to Sustainable Development and Poverty Eradication-UNEP</i>
2	<i>Working Towards a Balanced and Inclusive Green Economy- Environmental management Group, United Nations.</i>	United Nations. (2011). <i>Working Towards a Balanced and Inclusive Green Economy</i>
3	Green Economy Briefing Papers-UNEP	UNEP (2012), <i>Green Economy Policy Briefs-Key Issues for the Transformation towards the Green Economy.</i>
4	Why a Green Economy Matters for the Least Developed Countries- UNEP, UNCTAD, UN-OHRLLS	UNEP, UNCTAD, UN-OHRLLS (2011). <i>Why a Green Economy Matters for the Least Developed Countries- UNEP.</i>
5	Measuring Progress Towards a Green Economy - UNEP	UNEP (2012), <i>Measuring Progress Towards a Green Economy - – Draft working paper, UNEP.</i>
6	Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World-UNEP, ILO	UNEP, ILO (2011), <i>Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World-UNEP,</i>
7	Green Economy in a Blue World: Synthesis Report- – UNEP, FAO, IMO, UNDP, UNDESA, IUCN, WorldFish Centre , GRID-Arendal	UNEP, FAO, IMO, UNDP, UNDESA, IUCN, World Fish Centre , GRID-Arendal(2012), <i>Green Economy in a Blue World: Synthesis Report- – UNEP</i>
8	Forests in a Green Economy – A Synthesis, UNEP	UNEP (2011), <i>Forests in a Green Economy – A Synthesis Report, UNEP.</i>
9	Green Economy and Trade Opportunities, UNEP	UNEP, International Trade Centre, ICTSD (2012), <i>Green Economy and Trade Opportunities-Draft for Discussion (18 June 2012), UNEP.</i>
10	Adapting for a Green Economy: Companies, Communities and Climate Change- WRI, Oxfam, UNEP	UN Global Compact, UN Environment Programme, Oxfam, World Resources Institute (2011), <i>Adapting for a Green Economy: Companies, Communities and Climate Change</i>
11	The Transition to a Green Economy: Benefits, Challenges and Risks from a Sustainable Development Perspective.	UNDESA, UNEP, UNCTAD, (2011), <i>The Transition to a Green Economy: Benefits, Challenges and Risks from a Sustainable Development Perspective</i>
12	Building an Equitable Green Economy-Danish 92 Group	The Danish 92 Group Forum for Sustainable Development (2012), <i>Building an Equitable Green Economy.</i>
13	The Road to Rio+20: For a Development-led Green Economy-UNCTAD.	UNCTAD (2011), <i>The Road to Rio+20: For a Development-led Green Economy, Issue 1, March 2011; Issue 2, November 2011, Issue 3, June 2012.</i>
14	Beyond Rio+20: Governance for a Green Economy-Boston University.	Pardee Centre (2011), <i>Beyond Rio+20: Governance for a Green Economy-Boston University.</i>
15	Rio + 20 Policy Brief: A Green Economy for a Planet under Pressure.	Planet Under Pressure (2012), <i>Rio + 20 Policy Brief: A Green Economy for a Planet under Pressure, (pp. 1-8).</i>
16	The Green Economy: Trade and Sustainable Development Implications-UNCTAD.	UNCTAD (2011), <i>The Green Economy: Trade and Sustainable Development Implications</i>
17	Challenge Paper: The Green Economy-Stakeholder Forum	Jenkins, T and Simms, A (2012) <i>Challenge Paper: The Green Economy-Stakeholder Forum (Pp.1-9)</i>
18	A Fresh Look at the Green Economy- Oxfam America.	Oxfam America. (2010), <i>A Fresh Look at the Green Economy, Washington DC.</i>
19	From Green Economies to Green Societies- UNESCO	UNESCO. (2011), <i>From Green Economies to Green Societies.</i>

20	The Future we want-Outcome of the UNCS D 2012 (Rio +20)	UNCS D (2012), The Future we want-Outcome of the UNCS D 2012 (Rio +20)
21	Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of themes of the conference, UNDESA.	UNDESA (2010), Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of themes of the conference, Preparatory Committee for the UNCS D, 17-20 May 2010.
22	Secretary-General's Report on Objectives and themes on the UN Conference on Sustainable Development, UNDESA.	UNDESA (2011), Objectives and themes on the UN Conference on Sustainable Development, Report of the Secretary-General, Preparatory Committee for the UNCS D, 7-8May 2011.
23	A Green Economy Knowledge-Sharing Platform: Exploring Options.	Allen, Cameron (2012), A Green Economy Knowledge-Sharing Platform: Exploring Options, UNCS D Secretariat.
24	A Global Green New Deal	Barbier, Edward B (2009). A Global Green New Deal, Report prepared for the Green Economy Initiative of the UNEP.
25	A Guidebook for IUCN's Thematic Programme Area on Greening the World Economy.	Huberman, David (2010), A Guidebook for IUCN's Thematic Programme Area on Greening the World Economy, (TPA5).
26	Principles for the Green Economy-Stakeholder Forum	Stakeholder Forum, Bio-regional, The Earth Charter Initiative (2012), Principles for the Green Economy: A Collection of principles for the Green economy in the context of sustainable development and poverty eradication.
27	The Principles of a Green, Fair and Inclusive Economy-Green Economy Coalition.	Green Economy Coalition. (2012) The Principles of a Green, Fair and Inclusive Economy, 3 May .
28	The Green Economy Pocket Book-Green Economy Coalition.	Green Economy Coalition (2012) (2012), The Green Economy Pocket Book- The case for action.
29	International Chamber of Commerce-Green Economy Roadmap and Ten Conditions for a Transition toward a Green Economy.	International Chamber of Commerce (2012), Green Economy Roadmap, ICC. International Chamber of Commerce (2011), Ten Conditions for a Transitions toward a Green Economy, ICC.

POINTS TO PONDER

The first determined effort to address the earth's ecological crisis was the appointment of the World commission on Environment and Development in 1983 by the United Nations. The Commission's Report titled OUR COMMON FUTURE (1987) also known as Brudtland Report paved the way for the Earth Summit in 1992 at Rio de Janeiro. The report claims that the best way of responding to the challenges posed by the environmental destruction and poverty is through more growth. Actually, the concept of 'sustainable development' was mooted for the first time by this Commission.

At its most basic level, the green economy is the clean energy economy, consisting primarily of four sectors: renewable energy (e.g. solar, wind, geothermal); green building and energy efficiency technology; energy-efficient infrastructure and transportation; and recycling and waste-to-energy (Kate Gordon and Jeremy Hays, 2008). The green economy is not just about the ability to produce clean energy, but also technologies that allow cleaner production

processes, as well as the growing market for products which consume less energy, from fluorescent light bulbs to organic and locally produced food. Thus, it might include products, processes, and services that reduce environmental impact or improve natural resource use (Buffa *et al.*, 2008).

But the real problem is unlimited growth on a limited planet, which was not addressed by the Earth Summit held in 1992. In June 2012, two decades after the last summit, the UN Conference on Sustainable Development, Rio+ 20 took place in Rio de Janeiro in which a discussion on Green Economy concept was began. The United Nations Environment Programme (UNEP) has produced a document-'Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication' (2011). It defined a Green Economy as "one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological sacrifices". In its simplest expression a Green Economy can be thought of as one which low carbon resource efficient and socially inclusive. Molly Scott Cazo has rightly pointed out

that “an economy cannot be green without being equitable”.

The key messages brought through the popularization of Green Economy are:

- Working with Nature should be at the heart of the transition to a Green Economy.
- Human and societal well-being depends on Nature
- Investment in Nature can save money and promote economic growth in the long term.
- Good governance is critical to the transition to Green Economy.
- All sectors of the economy benefit directly or indirectly from nature and their engagement is required for the transition to the green economy.
- There must be a clear understanding of the value of nature and how to take this value into account in public and private decisions in light of the multiple benefits it provides. This is one of many ways of assessing the role and importance of nature.
- Investments in nature today – whether restoration or protected area management –can save money and promote economic growth in the long term.
- Finally, there is a need to step-up the pace of change and move from discrete cases of green economy transition to a fundamental systemic transition warranted by scientific findings.

CONCLUSION

From the discussion on the green economy concepts and its evolution, it is clear that it is an alternative model to the existing neo-classical growth models of the economy. It is asserted that no economy can go long by the current development strategy. Hence, among the several alternatives, the beginning of the 21st century has devoted much attention to the Green Economy model, in which economic progress with environmental sustainability was given adequate attention. The efforts of the UNEP, NGOs and even private sector players led to the discourse on green economics and some of the major economies have begun to go with the concept. It is believed that the co-existence of economic progress and environmental sustainability is possible.

However, some of the critical questions that emerge while talking about the Green Economy are: Whether there is a dilemma between economic progress and environmental sustainability. Though the path to reducing human impact on the environment is clear, we are less sure about how to grow our economies and benefit society's least advantaged members at the same

time –in other words, how to link the three E's (environment, economy, and equity) of development. Similarly, is it possible to reorient global capital investment in the direction of green investments and green innovations? These questions can be addressed only when the economies in the world are ready to follow a paradigm shifts from the present growth model and Neo-classical framework to a framework with emphasis on local economy, bio-efficiency, public awareness and public transport.

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