

## THE GREEN ECONOMY : A PATHWAY TO SUSTAINABLE DEVELOPMENT

*"A holistic view of environmental social and economic well-being is indeed the only route to truly sustainable development"(Dr Ashe-Rose Migiros)*



### Introduction

A green economy is part of the broader concept of sustainable development but does not replace it, it simply offers us a bridge towards development that is sustainable. We know that our planet is under unprecedented stress at the moment and that the patterns of production and consumption that we have been using are no longer sustainable. To maintain the levels which we have at present we would need another earth! Efforts have been made to reverse trends that have near depleted the earth's resources, but it may already be too late and a way forward is not clear. It is hoped that Rio+20 will result in action, implementation and at least a roadmap for future direction.

In the light of our preparation for this conference a working definition is vitally important as the conference theme includes *"The Green economy in the context of sustainable development and poverty eradication."*....we need to know what we are working towards..

*"A green economy can-and must- help preserve our environment and at the same time, foster growth, decent jobs, and eradicate poverty."*<sup>i</sup> So what is a 'green economy'?

### Defining Green Economy

There are many attempted definitions but none totally satisfactory. The phrase "building a green economy" means different things to different people, but in general it refers to encouraging economic development that prioritizes sustainability—that is, working with nature and not against it in the quest to meet peoples' needs and rights—instead of disregarding environmental concerns in the process of growing the economy. The following are what researchers, data collectors, and policy makers according to their varying perspectives have offered.

Karl Burkart,<sup>ii</sup> keeping in mind the three pillars of sustainability, the social, the economic and the environmental, defines a 'green economy' as based on six main sectors: renewable energy, green buildings, clean transportation, water management, waste management and land management. All other definitions touch on one or more of these sectors depending on the interest of the definer.



Market economists use the term 'Green economy' to describe strategies that use market mechanisms to counter environmental damage. At the root of this particular green economy model is the belief that people will only value something if it has a price tag ...this is the market based model. This model treats nature as a commodity and tells us that we can buy our way out of climate change. *This* green economy considers it necessary in the struggle to preserve biodiversity, to put a price on the free services that plants, animals, forests, oceans and ecosystems offer humanity: the purification of water, the pollination of plants by bees, the protection of coral reefs, food securities and climatic regulation.<sup>iii</sup>

A different emphasis is adopted by the UN Environment Programme (UNEP) which defines the green economy as one *“that results in improved human well being and social equity, while significantly reducing environmental risks and ecological scarcities”*<sup>iv</sup> and we cannot disagree with that but it must be improved human well-being for *all* people while respecting the earth and its resources. We cannot agree to human well-being at the expense of the earth. In fact human well being depends on Earth’s well-being.<sup>v</sup> UNEP’S hope here is that this economy will create jobs, ensure real sustainable economic growth, prevent environmental pollution, global warming, resource depletion and environmental degradation. But will it? A green economy must be *“socially just, redistributive and responsible ...not foster a new generation of ‘green billionaires’*. It must provide developing countries with the finance, technology transfer and capacity assistance that might enable this transition”<sup>vi</sup>

‘Green economy’ in the eyes of those who have the rights of the earth at heart look to the Earth Charter for inspiration and ask such questions as “What is nature?” “Does it have rules?” and if so “do we as a society recognize and respect these rules?” Right now our human activities are degrading the earth, and destabilizing ecological balances and it is true to say that we are living on borrowed time. “The earth, our home is alive with a unique community of life,”<sup>vii</sup> the Earth Charter tells us. We have to develop an economy that cares for the earth and its people as our home, and learn to measure GDP not by market profit indicators but by growth in terms of well being and happiness and attention to nature. In a word we have to “adopt patterns of production, consumption, and reproduction that safeguard Earth’s regenerative capacities, human rights and community well being”<sup>viii</sup>.

**Reflection:** From your reflections, how would you define a ‘Green Economy’?

### **Gender and the Green Economy**

Statistics tell us that women constitute more than half the world’s population, make 85% of all consumer choices, produce close to 80% of some countries food and with some rising to key positions of power, can lead the way to a sustainable green economy. If we hold that ‘Women are key agents of change’<sup>ix</sup> then their contributions are vital to the new green economic activities. Already they are engaged in their economies in the developing countries as they provide the basic necessities of food, water, fuel etc. for their families. They are community leaders, farmers, business managers, researchers, and invest a high portion of their earnings in their communities. Yet due to the inequality that still exists in society, their skills and contributions often go unrecognized and undervalued.



For all to participate in the benefits of a ‘green economy’ those living in poverty and the marginalized need at least to have access to basic services. We know that women are among the poorest of the poor in many countries. To ensure that their perspectives are included in planning and promoting forms of green economy, green jobs, and green technology they must be represented at the decision-making level. Green energy technologies should lead to positive effects on women by helping to improve their livelihoods, income, social status, and life-styles.

**Reflection:** From your experience, how do you see women’s involvement in ‘green’ developments?

### **Green Economy and Market Mechanisms**

Big businesses and large corporations can make huge profits out of marketing this ‘green economy’ but those living in poverty may still live in poverty or even worse, greater poverty. Is it any wonder that a contributor to the Natural Resources Forum says about the term green economy, “The term is

*intellectually dubious, confusing in its perception, and politically loaded*". He goes on to say that, "Green economy excludes the humanization of the economy". The aim of market mechanisms is to bring the laws of capitalism to bear on nature and the danger is that it will be largely another profit-making exercise which leads us to ask 'is this a green or greed economy?' It is said that "Carbon markets are less about reducing emissions than making carbon cuts as cheap as possible for large corporations"<sup>x</sup> any of those defining the 'green economy' are talking about huge investments on the usual corporate scale. There is little evidence of concern for smallholder farmers, appropriate small hydropower, thriving local markets or anything that would transfer power into local hands. Governments should ask "who may try to own this new green economy?" The world's resources are rapidly coming under the control of a handful of powerful corporations. Already Wal-Mart, the world's largest corporation is taking over Massmart which has stores in 14 sub-Saharan countries. Food production accounts for more than half the revenue of this company. Today the top ten seed companies control 73% of the market and the top 100 food processing companies control 77% of global packaged food sales.



Market mechanisms, such as subsidies, (environmental taxes, etc.) can be good and productive but it will be necessary to eliminate subsidies harmful to the environment eg. the promotion of fossil fuels and to ensure that market instruments are combined with regulations and standards. "A green economy seeks to correct the systemic market and institutional shortcomings of the prevailing development model and thereby make economies a more effective tool for achieving sustainable development."<sup>xi</sup>

**Reflection:** Where do you see the dangers of a market-based 'green economy'?

### The Green Economy and the Eradication of poverty

Today there are still 1 billion people living in poverty, about 2.2 million children die each year because they are not immunized, about 1.6 billion people – a quarter of humanity – live without electricity to quote just a few facts. Any green economy then must be aimed at eradicating this poverty and promoting sustainable development. Environmental degradation and poverty are inextricably linked. Opportunities for sustainable rural livelihoods have diminished as the management of the natural resources originally held by these people has been systematically restricted. In many urban areas there has been an increase in slum dwellings due to inadequate funding in public services. The gap has widened between the patterns of resource consumption and distribution of wealth. The richest 1% now control over 40% of global wealth.



Any attempt at serious green consideration. In the area of 'green' jobs training programs that can teach those living in poverty to build skills for emerging markets, would help. Greening urban infrastructure can halt the proliferation of slum dwellings. Nature-based enterprises on which those living in poverty rely and which are increasingly dominated by large firms would benefit greatly by reforming market regulations. Supporting and developing local initiatives to sustain and restore natural capital can bolster income, food and water security in rural areas. 'By increasing investments in natural assets that are used by those living in poverty to earn their livelihoods, the shift towards a green economy enhances livelihoods in many low income areas'<sup>xii</sup>. The danger with development of the economy where it is professing to alleviate poverty is that is that those who are

most effected, the marginalized, are often excluded from reform planning efforts and any decision making.

**Reflection:** *How do you see the development of a green economy reducing poverty and where?*

### **Conclusion:**

'The development of the green economy will take different forms depending on the context of each country'. It must be equitable and sustainable. While it caters for our needs today it must not jeopardize the needs of the generations to come. Its characteristics will imply the decoupling of economic growth from the use of fossil fuels; the development of clean technologies; the provision of green goods and services; the creation of green jobs and all in the context of care for the earth and its rapidly depleting resources.

Many countries have successfully begun this development in various parts of the world. In Indonesia the green economic program is part of its sustainable development plan 'which is pro-growth, pro-job and pro-poor'<sup>xiii</sup>, while China has taken considerable steps to shift to a low-carbon growth strategy based on the development of renewable energy sources. Uganda has taken important steps in transforming conventional agricultural production into an organic farming system, while Brazil has concentrated its efforts on urban planning which serves to protect both density and green areas. In India the wage employment programme enhances the livelihood security of marginalized households and water conservation accounts for about half of the total projects supported by national policies. To reduce the country's dependence on oil and gas, Tunisia's government has undertaken steps to promote the development and use of renewable energy, mainly solar.

As we move towards a green economy there are many areas that present themselves for consideration: agriculture, buildings, energy, fisheries, forests, industry, tourism, transport, waste and water and this list is not exhaustive. For all this to become reality, we need 'a system of environmental governance' and 'an international framework' that is effective and inclusive'<sup>xiv</sup>.

Albert Einstein said "The world is a dangerous place, not because of those who do evil, but because of those who look on and do nothing" ....let us not be counted among the latter .

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<sup>i</sup> Pedro Serrano (EU Delegation)

<sup>ii</sup> <http://www.mnn.com/green-tech/research-innovations/blogs/how-do-define-the-green-economy>

<sup>iii</sup> Pablo Solon (Bolivia) to UN

<sup>iv</sup> [www.unep.org](http://www.unep.org)

<sup>v</sup> Cormac Cullinan –UN thematic Debate

<sup>vi</sup> Hannah Stoddard –Stakeholder Forum

<sup>vii</sup> Earth Charter Preamble

<sup>viii</sup> Earth Charter

<sup>ix</sup> Women's Major Group discussion paper

<sup>x</sup> Maud Barlow, Blue Planet Project

<sup>xi</sup> UN Thematic Debate background

<sup>xii</sup> Joseph Deiss, UN President – thematic debate

<sup>xiii</sup> Sri Mlyani Indrawati, Finance Minister

<sup>xiv</sup> Joseph Deiss

