

Green Economy - A Key to Sustainable Growth

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Abstract

Green economy is described as an economy where the motive is to reduce environmental risk and ecological scarcities, it also simultaneously aims at sustainable development without degrading environmental resources. Green economy is defined as “an economy in which economic growth and environmental responsibility work together in a mutually reinforcing fashion while supporting progress on social development” by the International Chamber of Commerce.

With the technological and economical advancements, came in problems which dealt with exploitation of resources and compromise of future needs of future generation. This gave the rise to the idea of Green Economy which aims at sustainable growth. Sustainable growth means growth of an economy without compromising the needs of future generation.

The research findings show how green economy has covered up the lags and filled it up. The study suggests how green economy is a sustainable pathway for growth. The research portrays the benefits of green economy and how it is a reliable policy for long term. As per the findings I would like to suggest proper implementation, investment, promotion, emphasis and execution of this policy.

Keywords: Green economy, Sustainable growth, Reliable Policy.

Introduction

Sustainability of economic growth in a finite resource environment has been acknowledged as a complex issue. The complexity arises due to the rate of depletion of resources and slower regeneration of those resources, raising the cost of extraction and exploitation of resources has brought up a limit to growth from long term perspective and is not considered as a sustainable pathway. The concept of GLOBAL GREEN ECONOMY objectifies revival of the world economy, saving and creation of jobs, protection of vulnerable groups, promotion of sustainable and inclusive growth, reduction of risks and carbon dependency and the achievement of Millennium Development Goals (MDG's), 2000. Green economy is still in argument when it comes to considering a baseline for the future of global economy. This concept helps in finding a solution over global crisis and how to resolve problems with adequate resources and usage of resources in such an efficient way that it is not exploited. However, the international community is looking for long-term alternatives to improve the quality of life and eliminate poverty population as much as possible.

According to (UNEP, 2011), green economy has resulted in improved human wealth and social equity while significantly reducing environmental risks and ecological scarcity. Countries with adoption of green economy are significantly doing well in terms of resource management as well as in terms of irradiation of poverty and uplifting of people below poverty line. The sustainable pathway consists of uses of renewable sources in a smooth and efficient manner without harming the future needs and requirements; the main intension here is to consider the quality of life along with reducing the environmental and social deficit. Organic agriculture in Uganda, sustainable urban planning in Brazil and rural ecological infrastructure in India and various other facts pertaining to green economy have shown sustainable and dynamic growth results.

Even though this initiative has helped in coping up with the needs, proper implementation, promotion, investment and execution can be resultant of higher success rate in terms of reducing carbon level consumption, emission and other ecological scarcities.

Review of Literature:

Dutta Sarajit (2016) in her research paper on Green Economy in Context the of India Economy stated that with respect to India green economy can help benefiting at minimum cost, increase employment generation, elevate sustainable consumption and production. Sustainable agricultural practices, poverty reduction and growing green markets would be the resultants of successful implementation of green economy.

Alina-Mihaela BABONEA and Radu-Marcel JOIA (2012) in their research paper Transition to a Green Economy- a challenge and a solution for the world economy in multiple crisis country spoke about China's green economy to be role model. The paper stated China was the largest producer and consumer of coal, ranked second in oil consumption and fifth in oil production. To promote job growth, China has focused on investment funds directed to green energy as a basis for global development. Among the objectives of China's energy diversification lists green market and strengthening its leadership position with market share for high-tech products. China has shown that it manages well the waste issues by obtaining exceptional results in the green economy. They have propelled into first place and brought positive records at all levels.

Edward D. Barbier (2015, December) in his research paper Is Green Growth relevant for poor Economies? mentioned that if green growth is catalyst for economy-wide transformation and poverty alleviation in developing countries then it must be accompanied by policies aimed directly at overcoming structural features. Policies should instigate integration with economy and improve opportunities for innovation and knowledge spill over.

Benefits of a Green Economy Transformation in Sub-Saharan Africa (2015) in this case study it was mentioned that green economy contributed in the increase of GDP and employment compared to

BAU(Business as usual) economic strategy. The contribution helped in improving training skills, reduced poverty and social inequality, increased economic growth and employment, increased productivity and agricultural yields. It also improved competitiveness and trade balance. The economy was also enriched to social benefits such as better public services due to improved fiscal balance and also improved health and surrounding.

Progress of countries with the Green Economy Initiative:

A number of developing countries including emerging economies illustrate a positive benefit stream from a specific green investment and policy, this scaled up an integrated into a comprehensive strategy that could offer an alternative development pathway. A few examples mentioned below show limited section from growing range of experiences in different sectors, highlighting their economic, social and environmental benefits.

Renewable Energy in China:

China was taking considerable steps to shift to a low carbon growth strategy based on the development of renewable energy sources. The outline of eleventh five year plan(2006-2010) allocated a significant share of investments to green sectors with emphasis on renewable energy and energy efficiency. The project's plan was that per unit GDP energy consumed to be decreased by 20% in comparison to 2005. In addition the Chinese government has committed itself to producing 16% if it's primary energy from renewable sources by 2020.

Feed in Tariffs in Kenya:

Kenya's energy profile is characterised by a predominance of traditional biomass energy to meet the energy needs of the rural households and a heavy dependence on imported petroleum for the modern economic sector needs. As a result, the country faces challenges related to unsustainable use of traditional forms of biomass and exposure to high and unstable oil import prices. Kenya's Ministry of Energy adopted a Feed-in Tariff, based on the realization that "Renewable Energy Sources (RES) including solar, wind, small-hydro, biogas and municipal waste energy have potential for income and employment generation, over and above contributing to the supply and diversification of electricity generation sources."

Organic Agriculture in Uganda:

Uganda has taken important steps in transforming conventional agricultural productions into an organic farming system with significant benefits for its economy, society and the environment. Organic agriculture is defined as a holistic production management system which promotes and enhances agro-ecosystem health,

including biodiversity, biological cycles and soil biological activity. It prohibits the use of synthetic inputs such as fertilizers and pesticides.

Sustainable Urban Planning in Brazil:

Rapid growth of urban areas present both environmental and socio-economic challenges to resident, businesses and municipalities with adequate planning and limited finances accommodating the increasing urban population often results in expansion of informal housing in cities. Brazil has the fourth largest urban population with an annual urban growth rate of 1.8%. The city of Curitiba in Brazil successfully addresses this challenge by implementing innovative systems over the last decades that inspired other cities and beyond. It is particularly known for its bus rapid transit system; also the integrated urban and industrial planning enabled the location of new industries and creation of new jobs.

Solar Energy in Tunisia:

To reduce country's dependency on oil and gas, Tunisia's government has taken steps to promote and develop the ways to use renewable energy. A law establishing an energy conservation system on energy management was followed with the creation of a funding mechanism (National Fund for Energy Management). This supported in increasing capacity for uses of renewable energy and technology to improve energy efficiency.

Criticisms of Green Economy

1. Fixing the failure of the market by enlarging it: instead of rethinking business, the green economy wants to redefine nature

The green economy redefines the idea of the primacy of economics as the decisive answer to the current crises. Economics has become the currency of politics, say its advocates. Consequently, they intend to correct the failure of the market economy by enlarging the market. The green economy thus wants the market to encompass things that have previously been beyond its scope by redefining the relationship between nature and the economy.

2. The green economy's false promise of efficiency

It is true that our economy is becoming more efficient, and that is a good thing. But at the present pace, it will not be enough. For example, household appliances consume less energy, but our homes contain more electrical devices than ever before. This rebound effect reduces the impact of efficiency increases

3. The green economy is apolitical: it ignores human rights and people who get involved

The green economy has numerous blind spots: it cares little about politics, barely registers human rights, does not recognize social actors and suggests the possibility of reform without conflict. Social

conflicts – such as those arising in the construction of wind farms or major dams, or in the question of who owns the carbon storage capacity of forests – are ignored.

4. **The green economy does not put innovation in the context of interests and power structures**

Faith and trust in technological innovation is central to the promise of the green economy. But there is no doubt that we need innovation at all levels – socially, culturally and technologically – in order to realize global transformation.

Innovation, particularly of a technological nature, must always be judged in its social, cultural and environmental contexts. After all, innovation is neither automatic, nor a foregone conclusion. It is shaped by the interests and power structures of the actors. Many innovations therefore do not contribute to fundamental transformation, but legitimize the status quo and often extend the life of products and systems that are no longer fit for the future.

Research Methodology:

Objective of Study

The purpose of this paper is to show how green economy is the future and how adoption and transition to green economy will result in efficient growth in sustainable manner.

Source of Data

The data mentioned above is truly secondary data borrowed from various research papers, magazines and websites.

Research Design

The is an exploratory research, as the research states no only the benefits but also the criticisms and arguments against the topic, addressing the problem and showing both the sides of paper. The research design helped to cover up the topic from positive as well as negative perspective and also in concluding why Green Economy is better pathway.

Scope of Research

This research is limited to online available data and magazines.

Further it can be carried out at a greater extent in the presence of recent and latest records and books.

Findings

From the research I was able to find certain data which is listed below:

1. The pursuit of Green Economy is the real opportunity to prioritize human well being and well being of other species for the present as well as future generation.
2. Changes should involve change in terms of the institution and social context.
3. High quality green growth depends upon the grass root innovation and home grown technology.
4. In case of developing countries there is lack availability of certain resources because of which they can't follow conventional development trajectories.
5. With transition to economy it is was observed that by opening up windows of opportunities for the vast number of ongoing sustainability experiments there was significant reduction in carbon emission.
6. Green economy is a sustainable pathway as steps taken within are in considerate of availability if resources and efficiency of it. Green economy makes sure resources aren't exploited and utilised in an optimum manner.

Conclusion

Green economy focuses over low carbon consumption, equitable growth, social development and poverty reduction along with climate changes and mitigation. The transition to a green economy involves practicing an economy based on investment policies and the connection between economic development, biodiversity, ecosystem, climate change, health and welfare of the medium and long term. These premises must be connected together to achieve sustainable development, considered the resumption of economic growth at a global level.

The transition to green economy involves a proper concern focused on knowledge, research and innovation to create a good framework designed to promote long term sustainable development.

Suggestions and Recommendations

1. Giving greater responsibility to municipalities and state governments and providing financial and institutional support to these entities. Encourage outsiders into the process of shaping system innovation.
2. To ensure the availability of all key resources for the innovators and customers who are creating new development pathways.
3. To include a system of wealth accounts, wherein equal attention is paid to measuring the productive base of societies. This will balance the present attention to just tracking flows of production and income flows with equal attention to the stock of assets and wealth of societies.

4. Engage the younger generation by providing support for paid internships for sustainability at the vocational training level as well as the university level to foster involvement with future leadership of sustainability experiments.
5. Increase financial support to the research and development community with regards to higher funding for innovative activities that will support sustainability experiments.

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