

Need and Issues in Green Growth: An Analysis

Abstract

Enhanced economic growth in its current form is placing enormous pressure on the environmental carrying capacity of any nation including India. Unless growth is properly checked, the environmental carrying capacity for coming generation will be seriously compromised. There is a strong need to adopt the concept of green growth or sustainable development. The concept of green economy may be alternatively described as 'the greening of an economy'. Green growth can be achieved only when conventional 'environmental performance' is combined with 'environmental sustainability'. Green Growth' is a paradigm that focuses on reducing the increasing environmental pressure arising from economic growth. Keeping in above backdrops, the present paper is a humble attempt to analyze the need and issues in green growth.

Keywords: Green Growth, Environment and Sustainable

Introduction

Every country of the world including India facing the different problems related with its growth and development and one of the serious problems is how we can attain green growth or growth without environment degradation. Enhanced economic growth in its current form is placing enormous pressure on the environmental carrying capacity of the any nation especially developing countries. Unless growth is properly checked, the environmental carrying capacity for coming generation will be seriously compromised. In spite of the increasing environmental pressure from economic growth, it is only through the economic growth that the nation can reduce poverty, unemployment & improve environmental management. Therefore, the challenge is not to limit the economic growth but to convert it into an environmentally sustainable form. The economy must urgently shift from the conventional pattern of environmentally unsustainable growth, which could be called the 'Grow first clean up later' paradigm, towards a new paradigm of environmentally sustainable economic growth, which could be called 'Green Growth'. Therefore, there is a logic and rationale to adopt the concept of sustainable development in all its form. Keeping in above backdrops, the present paper is a humble attempt to analyze the need and issues in green growth.

Green Growth (Green Economy)

'Green Growth' is about pursuing the economic growth necessary for poverty reduction while minimizing the environmental pressure on our limited carrying capacity by improving the eco-efficiency of our society as a whole. The Green Growth approach is a key strategy to move towards sustainable development. The conventional environmental management approach has been focused more on improving environmental performance by controlling and regulating pollution and the discharge resulting mainly from production processes. The way in which other major types of an economy are described as:

1. An agrarian economy – relies on farming.
2. An industrial economy – dominated by manufactured goods.
3. A service economy – dominated by services,
4. A Knowledge economy – based on knowledge, wealth creation and employment.

Similarly a green economy is one dominated and driven by the demand for, & supply of, environmentally friendly & environmentally enhancing products and services, which in turn safeguard and enhance human well-being. The concept of green economy may be alternatively described as 'the greening of an economy'. Green growth can be achieved only when conventional 'environmental performance' is combined with 'environmental sustainability'. Green Growth' is a paradigm that focuses on reducing the increasing environmental pressure arising from economic

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growth, thus enabling economic growth to reduce the poverty of the current generation while maintaining the carrying capacity for future generations. To this, countries would be required to integrate environmental policies with economic policies & create a positive win-win synergy between environment & economy.

Need of Green Growth

The major pressures on environmental carrying capacity caused by economic growth can be traced to several causes which creates the need of green growth.

First, industrial production has increased with highly polluting industries that often use outdated technologies and operate under weak pollution control regimes.

Second, agricultural production has also increased largely through intensive use of agrochemicals.

Third, the swelling ranks of urban residents which create problems of sanitation

Fourth, the development of wastewater treatment, solid waste management and transportation infrastructure is not keeping up with the growth in the urban population.

Finally, growth in water demand places significant pressure on the environment. Extraction from various sources is also increased.

Targets for Green Growth

The Green Growth approach seeks to harmonize the two imperatives of economic growth and environmental sustainability by promoting fundamental changes in the way societies produce and consume. The Green Growth approach requires the introduction of concept and system changes. The main targets to be achieved are as follows:

Improving Eco-Efficiency for Environment Sustainability

Since improving ecological efficiency and ensuring environmental sustainability are policy goals broader than conventional environmental management, which has been more focused on pollution control, this target area will require a shift in the environmental management approach towards improving the efficiency of resource use by all stakeholders in a society as a whole.

Enhancing Environmental Performance

'Green Growth' can be achieved by enhancing performance by improving the environmental governance of an administration, because environmental performance in reducing is more closely related with production process and regulations and standards for emissions and discharges.

Promoting Environment As A Opportunity for Economic Growth and Development

Green can be achieved if we promote the positive role of the private sector in supporting economic growth through environmental infrastructure investment, increasing demand for better-quality environmental goods and services, research and development of environmentally sound technologies, emerging environmental industry and the market.

Need To Change the Strategy from Pollution Control To Eco-Efficiency Improvement

'Green Growth' is feasible only when pollution control is coupled with the improvement of the ecological efficiency of the economic growth pursued.

Consider Environment as an Engine of Growth and Employment Creator and Not only As A Burden

Environment requires a higher degree of investment means that the environment industry has a great potential for promoting growth as well as creating employment opportunities.

To Develop Environment as a Business opportunity for the Private Sector & Not as an Extra Cost

It requires to develop the environment industry as a major industrial sector & a firm that innovates new green products and new green technology will be in a position to enjoy a competitive advantage.

To Make Environmental Regulation A Research & Development Opportunity for Industrial Competitiveness

Technological innovation stimulated by environmental regulations can result in new products or new business opportunities & thus have positive effects on both the environment & the economy'

Enhance Resources Allocation for the Environmental Quality

Investment for environmental research & development can only be done in the long run and often supported by public funds. Therefore, government should enhance its spending on environment.

Improving the Eco-Efficiency of Production and Consumption Patterns

The system must be devised to review the eco-efficiency of production & consumption' Eco-efficiency should be introduced as criteria for evaluating economic & social development planning. There should be education for sustainable development, promoting environmentally friendly goods and services, promotion of the 3rs (Recycle, Reduce, Reuse) and the Resource-saving society (RSS).

Promote More Effective Decision-Making

Reflecting the value of environmental goods and services, appropriate measures of growth (Green-GDP and green accounting) and investment in natural capital.

Economic Instruments for Green Growth

In order to improve the environmental sustainability of the consumption and production patterns of the society, both aspects of the consumption-production cycle must be addressed. The optimum cost effective way of increasing resource productivity is through economic instruments that steadily and predictably increase the real prices of resource use over the long term. Such instruments are as follows.

Eco-Tax Reform (ETR)

Taxation is critical in internalizing environmental costs into price mechanisms and correcting market failure. Budget allocation for environmental

infrastructure is instrumental in integrating eco-efficiency concepts into economic development planning'

Green Procurement (GP)

Large public and private institutions can influence the implementation of eco-efficiency through their procurement mechanisms, inducing suppliers to develop environmentally sound goods and services.

Public Information Disclosure (PID)

PID is an alternative instrument to control pollution based on sustainable development principle through environmental compliance and performance of companies, improvement in environmental management through the introducing disincentive and incentive reputation by disclosing environmental performance of industries to public and stakeholders.

Product Stewardship Tools (PST)

Product stewardship tools such as life cycle analysis and material input per unit service (MIPS) can be integrated into policy in order to track a product from production to consumption and disposal, thereby providing an incentive to increase the product's efficiency.

Role of Government To Attain Green Growth

Government can play very important role to achieve the objective of green growth which is as follows:

Improve Environmental Performance

Government should aim to improve the efficiency of their own policies. The growing need of multidimensional & multifaceted sustainable development issues makes it increasingly difficult for conventional single-issue approaches to deliver credible results.

Review Public Policies for Environmental Sustainability

Government not only need to lay down the rules for the private sector and the public but it should be reviewed on the basis of criteria for environmental sustainability.

Introduce Environmental Regulations That Encourage Innovation

Government should upgrade environmental regulations gradually in such a way as to permit sector to accommodate and innovate.

Ensure Grounds Rules for the Private Sector and the Public

Since environment is viewed as a public good, it is crucial for government to take the leading role in laying down the ground rules for the private sector and the public.

Employ A Wide Range of Policy Tools

Government should be able to employ a wide range of policy measures of multiple policies in order to attain desired goals and improve the efficiency of their environmental policies.

Conclusion With Policy Implications

In brief, in order to pursue economic growth while ensuring environmental sustainability, the relationship between the environment and the economy should no longer be a zero-sum game, it should be positive sum. The environment should not be regarded as burden or a cost but as an opportunity for investment, research and development.

Overhauling in the system is necessary to integrate the environment and the economy and create synergy between the two. In so doing, we can pave the way for serving a growing population, alleviating poverty, enhancing environmental sustainability and providing a solid basis for social development, environmentally responsible stewardship and economic prosperity. Last but not least, we need a holistic approach for the paradigm shift towards green growth of the economy. What we need is both stimulus and long-term investments that accomplish two objectives simultaneously with one global economic policy response – a policy that addresses our urgent and immediate economic and social needs and that launches a new green global economy. In short, we need to make 'growing green' our mantra.

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