

Prospects of Green Economy for Sustainable Growth in Developing Country

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ABSTRACT

Discussion on sustainable economy took place decades back, but due to the continuously devastating environment and changes in the climate gave the birth to Green Economy. Green Economy has now become the global agenda. On June 2012, Major UN Conference was held on Sustainable Development and the central theme was Green Economy. According to United Nations Environment Program, Green Economy is a system of economic activities which included production, distribution and consumption of goods and services which help in the development of human welfare for a longer period of time without affecting the need of future generation and reducing environmental risks and ecological scarcity. The research paper focuses, how Green economy effects the various sectors like Agriculture, employment, Preservation of Biodiversity as well as Business. It is a descriptive research which will highlight the role of the Green economy in nurturing the diverse sectors of a Developing country.

Keywords: Green Economy, Sustainable Development, Environment

I INTRODUCTION

Green Economy as defined by many authors is an economy that focuses on decreasing environmental risk and ecological insufficiency and also aims at sustainable development without affecting the environment. It is a broad concept as it covers all the three pillars which any nation has to take care of, so that sustainable development takes place i.e. social equality, environmental protection and economic growth. Many conferences took place in past decades, but the most effective of them all were Stockholm Conference, which was conducted from 5th June till 16th June 1972 in Sweden. In this Conference 26 principles were declared and the debate in this conference brought to the conclusion that it is necessary to recognize the poverty alleviation so that the environment can be protected. Prime Minister Indira Gandhi, in her influential speech also highlighted the connection between poverty alleviation and ecological management. Then in 1987, the Brundtland Report, also known as Our Common Future was prepared by the World Commission on Environment and Development, which was an attempt to create awareness on the imbalance between the relationship of human society and the natural environment. This was the first time that social, environmental and economical aspect was made the pillar of sustainable development in the report. This Report became the base of the 1992 Earth Summit, which result is formation of Agenda 21 which was a 700 page document divided into four sections, namely Social and Economic Dimensions for fighting against poverty mainly in developing country, Conservation of resources for development, Strengthening the role of mass in the country which includes youth, NGOs, women, local authority etc., And last section covered the means of

implementation. In the year 2012, Rio+20 summit was conducted by the United Nations Conference on Sustainable Development, entitled 'The Future we want'.

II LITERATURE REVIEW

Malcolm Rigg (2009) worked on a paper titled, 'Skills for sustainable development: necessary but not sufficient', concluded that if major action is not taken to control the environmental degradation, then the ecology will be facing the consequences of climate change, rising water level in seas and oceans, shortage of clean water.

Fareed Bushehri (Feb. 2012), in his paper entitled, 'Green Economy in the Arab Region concluded that Arab region requires long term strategies for environmental management. Environmental agencies should be powerful and effective. The Arab region also requires strict political and legislative rules.

Babette Never (June 2013), in his research paper entitled, 'Towards the Green Economy: Assessing countries Green Power', argued that Green Power is the base for the transformation in the case of the green economy.

Andrew Scott, William McFarland and Prachi Seth (July 2013) did a research and found evidence of Green Growth and finally concluded that gaps in the evidence and knowledge related to the Green Growth effect is less within the local business houses of the developing countries which needs to be enhanced.

Robert Pollin and Heidi Garrett – Peltier did a study on the employment effects of Green Economy Investment for Ontario. They concluded that the activities of the government should be location specific so that the local business can be more focused toward green investment contract which will increase its opportunities.

III OBJECTIVES & METHODOLOGY

(a) Objectives

- (i) To analyze the prospects of green economy for sustainable growth.
- (ii) To study the effects of Green Economy in various sectors of Developing Countries.

(b) Research Methodology

It is an exploratory research, providing an overview of the issue with the help of secondary data collected from various sources like journal, internet search engines. The exploratory research also helps research design, choice of subject and data collection easier.

IV GREEN ECOLOGY FOR GROWTH

(a) Need & Prospects of Green Economy for Sustainable Growth

India is currently working hard in building low-carbon, and taking steps towards the Green Economy. Ernst & Young have rated India as the third most attractive country for renewable energy investment. Since India has the second largest number of scientist and engineers in the world, it gives immense confidence to the global investor to invest in the country. India has also seen growth and achievements in the field of information technology, service sector and communication sector. Still, it is observed that, as the industrialisation is increasing the conflicts in the country is also increasing, which shows that there is the need to change the traditional economic methods so that the gap between the rich and the poor is filled. Moreover, the Carbon Disclosure Report 2015 has stated that the developing countries are already facing or are expected to face within six years the effects of climatic change which includes the shortage of water in India, and China, flood in Bangladesh and diseases in Cambodia which will definitely affect the production capacity of the above countries. Besides this, 2011 census highlights that, India is a country which has around 116 million unemployed citizens and the shocking fact is that out of this around 84 million are literate, which shows that if the country shifts towards Green Economy there will be an increase in job opportunities and the country will prosper.

The major advantage of Green Economy in Developing Country like India under the three pillars of sustainable development are:

- (i) In case of Economic Growth, GDP will increase due to increased production of agricultural goods and services, also the valuation of ecosystem services will increase revenue. Moreover, it will help in improving management and will reduce the liability and it will also lead to innovations in green technologies.
- (ii) In case of Environmental protection, Green Economy will increase the productivity and efficiency of usage of natural resources also the utilization of natural capital will be limited within ecology. Green Economy will also lessen the negative environmental impact and enhance risk management.
- (iii) Lastly, in the case of Social Equality, Green Economy will play a vital role in providing decent jobs for poor people which will raise their livelihood, and also lead to reduction in inequality.

(b) Effects of Green Economy in Sector of A Developing Countries

(i) Agriculture Sector

- An introduction of Green Economy in the agricultural sector will increase the productivity. It has also been stated by UNEP that an investment done in agriculture so that there is an increase in investment is twice far more effective than investment done on alleviation of rural poverty.
- It will also facilitate employment in rural areas and higher returns will be observed through labor inputs.
- Since there will be higher productivity than the country will not depend on foreign country, which will lead to less imports and greater exports of sustainable agricultural products.

(ii) Employment Sector

- Introduction of Green Economy has also introduced another concept of Green Jobs. Green Jobs are jobs which are closely associated with environmental policies and objectives. Sevily and Ceyda in their report on 'The possible effects of Green Economy on Employment' have discussed the various sectors which deals with Green Economy and the jobs within the same.

- For example, Building retrofitting includes Carpenter, Electrician, Heating/ Air Conditioning installers, Construction Equipment operators etc., in the area of energy efficient automobiles, computer software engineers, Engineering Technicians, Transportation Equipment Painters, Welders are some job types, in wind power area Millwrights, Machinists, Sheet Metal Workers, Environmental Engineers are some of the jobs which are directly related to Green Economy.
- If Green Economy is adopted by the country, then green policies and the working of the business will be able to create new job opportunities and protect the existing job. Job opportunities will be created because of the growth of new technologies and appearance of new industries like biofuels, fuel cells, wind turbines etc.

(iii) Preservation of Biodiversity

- Ecosystem provides raw material which is then transformed into finished goods which is consumed by the society. So, the society is liable to serve the ecosystem by preserving its biodiversity.
- Protecting the eco-system and preserving biodiversity is the main feature of the green economy, also green investment help in reducing the unproductive exploitation of the natural resources.
- If the forest is protected it will not only nourish the various sectors, but will also provide a livelihood.
- More than this, 80% of the terrestrial species are preserved, if a forest is protected.

(iv) Business Sector

- Green Economy has the potential to create new business houses by introducing new technology and hence increasing the employment and export of the country.
- Apart from manufacturing business, tourism also plays an important role in increasing the GDP of a country.
- Thus, if efforts are done over greening ecosystem, then it may lead to larger impact on the development of the country.

V CHALLENGES OF GREEN ECONOMY IN DEVELOPING COUNTRY

- (a) After the major financial crisis of 2007, the big question which comes to the mind of every citizen of a country is, whether Green Economy is affordable or not.
- (b) A developing country has the concern that, if Green economy is promoted in the country, then there is chance of increase in poverty and decrease of economic growth.
- (c) It was also felt that the developing country has less knowledge about green technology and if Green Economy is promoted then there will be competitive disadvantage in the world market for them.
- (d) If Green Economy is adopted, then the country has to make an elementary shift in the thought process related to growth and development, consumer inclination and production of goods and services
- (e) Even if, the Green Economy is assumed as a solution to economic problems, but it may be politically challenging.

Hence, it can be observed that adoption of Green Economy will not be easy.

VI EMBRACING GREEN ECONOMY: SUCCESS STORIES

- (a) The **Republic of Korea** has made a National Strategy policy for the period of 2009 to 2050 and Five Year Plan (2009 to 2013) for Green Growth, and assigned 2% of the GDP of the country to invest in green sectors which includes energy efficiency, renewable energy, water and clean technology. In its National Strategy, the country aimed to encourage eco-friendly growth engines, increase in standard of living of its citizen, and the country has also initiated that it will support and contribute to the worldwide efforts to fight against the climate change. The Government of the country has started the Global Green Growth Institute focusing on helping the developing countries in building green strategies.
- (b) **China** has taken major steps in favor of strategies related to low carbon growth with consideration to development of renewable energy. China has captured the market for solar hot water, with 2/3rd of the global capacity. The Government has also indicated that the target of installing 30GW of wind power will be increased to 100GW by 2020.

- (c) **Uganda** adopted the technique of the organic farming system from the conventional system of farming. Organic farming is basically done without using drugs, pesticides and fertilizers and it enhances biodiversity, promotes soil biological activities and biological cycle. Uganda uses less than 2% of the fertilizer and hence prove itself as the world's lowest amount of artificial fertilizer user. Simultaneously, through this shift the increase in revenue and income of small farmers is also observed.
- (d) In **India**, National Rural Employment Guarantee Act, 2005 was introduced by the Ministry of Rural Development, which guaranteed programs on wage employment which will enhance the livelihood of the people residing in rural areas also the Act includes maintenance and restoration of ecological infrastructure. The National Rural Employment Guarantee Act supported water conservation because, for India conservation of water is the major issue as it has been forecast that if the issue is not effectively handled then India may have to face water scarcity by 2030. NREGA has built more than 3000 soak pit with the hand pump which helped to conserve around 5 million liters of water. It Act has given a boost to the wage rate of agricultural labor by 25%.
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VII CONCLUSION

To conclude, it can be said that Green Economy is a process where the environment and people come on the primary level and profit is secondary. It's true that the way for effective green economy is tough due to the harsh social realities, but it is possible only if there is participation of each and every stakeholder of the developing world. Moreover, the tool of education and awareness will develop a route to protect natural capital by using human capital. Adoption of the Green economy for sustainable development is possible if enough of the efforts are made for it.

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