

Opportunities and Challenges in Green Economies and Green New Deals

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One of the many opportunities afforded by any good crisis is to reconsider and re-evaluate where one is and where one wants to go. Unfortunately it is often difficult to consider these questions while in the midst of a crisis as crises demand immediate responses under frequently constrained resources; knee-jerk reactions are quiet common (Lustig,). And while every generation tends to think that it's time is particularly unique, it does seem that this generation, and this window in time, provides an unusual opportunity to both rethink where we have been and where we want to go – for development and for the human race as a whole (Armstrong, 2000).

Development is founded on a conception of 'good change' (Chambers) and the vision of the good is generally based on a Western notion of growth – even, more recently, an expanded concept of growth that can include more than GDP growth (Gasper, Sachs). While greater spaces to question and reconsider these Western models are emerging (Haddad, 2007), global systemic crises has led, in some but certainly not all portions of the development community (Schmidt, 2009) to re-examine core assumptions, questioning if development really can lead to what it is supposed to. Did the financial crisis of 2008 symbolize a deeper fundamental flaw in capitalism that developing countries – and development practitioners – need to be aware – and wary - of? Other significant questions include, does the very divide between the developed and the developing countries hold so clearly if the US is so heavily indebted to an emerging economy, China?

Yet the financial crisis has not happened in a silo. While the (thing itself) is often analyzed in isolation – not least because it is so complicated – it is happening in addition to previous global crises, namely food and fuel shortages, long-time concerns for water crises, climate change, global epidemics (ie, the swine flu 'crisis') and, many say, a crisis in how international organizations, from the UN to the World Bank are structured and operated to a 'crisis' in development itself. While all are important, I focus here on alternative solutions, namely, the rise of both the hype around and the emergence of a 'green economy'.

Climate change has ceased being an 'environmental issue' and has become a focal point for both development and humanity as a whole (Sachs, 2007). Solutions entail, at the very least, a shift into a low-carbon economy for 'developed' and many developing countries.

When the Financial Crisis struck, immediate fears arose that the G20-countries would re-neg on their commitments to reduce their own emissions (associated with slowing growth) combined with leading 'Green New Deals' from the United States, Germany and Korea led the United Nations Environmental Program to propose a Global Green New Deal (GGND). While the GGND did not have the desired effect at the G20 meeting in April 2009, the ideas continue to shape UN efforts to respond to the financial crisis and to guide the way into a 'green' way of doing development (Sheng, 2009; personal

communication). As I write, it is too early to know what will happen, we can only see a few trends and ask ourselves and one another what we might do to contribute to creating a just and sustainable future. Indeed, the future of development might well depend on how we choose to respond to uncertainty.

The Global Green New Deal, explicitly modeled off of US President Roosevelt's New Deal in 1942, 'argues that a good response of the G20 to the financial crisis requires an 'expanded vision... critical to lasting success of world economic recovery.' It starts by warning the G20 leaders of the dangers of returning to 'business as usual':

Unless new policy initiatives address global challenges such as reducing carbon dependency, protecting ecosystems and water resources and alleviating poverty, their impact on averting future crises will be short lived.... It is necessary to reduce carbon dependency and ecological scarcity not because of environmental concerns but because this is the correct and only way to revitalize the economy on a more sustained basis (1).

The GGND is persuasive in its warnings of continuing with 'business as usual' and the necessity and the opportunity of creating a green economy. It details the potential for millions of new or shifted jobs (building light rail instead of highways). Kahn (2009) has heavily critiqued the GGND and similar initiatives for being too optimistic, claiming that the Green Economy will not end the recession. While it is most likely true that a Green Economy will not bring the immediate relief many hope for, it is also unwise to return to a system that we know will damage us and the environment instead of investing and inventing a socio-economic system that could be healthier and even reduce poverty.

The document can also be critiqued on several other accounts. It reflects a techno-centric world view, assuming that technology – especially green technology – could 'save' humanity and rescue poor people. It also makes the inaccurate assumption that 'green' technology is necessarily pro-poor, not recognizing the real threat of 'solar plantations' that could replicate previous power structures that have not served the poor or vulnerable people well (Jones, 2008). It is hardly a 'bottom up' solution, and the rhetoric of global solutions to global problems threatens to ignore the inevitable varied, local and particular needs of regional and local contexts; in the past, such 'solutions' have frequently failed to deliver promised benefits (Scoones et al 2007). And, finally, it does not address the challenge that, on the one hand, growth can lead to inequality and consumer-based societies with what some consider to be negative consequences while on the other hand no growth leads to detrimental impacts on poverty (Jackson, 2009).

Despite my critiques, I am not arguing against the essential thrust of the Global Green New Deal, but rather that it and similar initiatives need greater debate in order to appropriately create the 'new deal' that it seeks to do so. As we re-build and re-consider how to move forward, we can integrate the best practices from the past to create a sustainable future. This requires some new thinking, but also a tremendous amount of

learning, humility, and a recognition that yes, this is a new world that we are entering into, and it is, at the moment, cloudy. A more integrated, on-the-ground approach will be necessary for any kind of green economy that also entails a pro-poor perspective to succeed – and without a green economy, the financial crisis will only be the beginning of substantial increases in global poverty.