



GREEN ECONOMY: GAIN OR PAIN FOR THE EARTH'S POOR?



The United Nations Conference on Sustainable Development (Rio+20) will take place in 2012, marking two decades of official international action on sustainable development. In the first Rio Earth Summit in 1992, the international community came to recognize the unequal and unsustainable character of dominant development patterns. At the same time, it committed to take steps towards more equitable and sustainable development, and produced the conventions on climate change and biodiversity, and the Agenda 21 action plan.

Twenty years on, the world finds itself far off track in realizing the vision of Rio. Global economic expansion continues to severely strain the environment. Humanity's ecological footprint now exceeds the planet's biocapacity by over 50%, and three of nine planetary boundaries that define the safe operating space for human life on Earth have been breached.¹

Yet, despite the vast amounts of wealth being produced, the benefits and costs are shared very unequally. The wealthiest 20 per cent of humankind are responsible for nearly 80% of greenhouse gas emissions while enjoying over 70% of total world income. Half of the world's population live on less than \$2.50 a day, nearly 1 billion live in hunger, and close to 2 billion are trapped in multidimensional poverty.² The bottom 20% share only 1% of world income but suffer the worst consequences of the climate crisis generated by this economic system.³

Other social aspects of development have only seen marginal improvements over the last decades including access to education, health care, safe water and sanitation, and resources especially land. Yet many of the gains achieved in these fronts are being reversed by the current economic and ecological crises.⁴

Widening social and economic disparities, widespread injustice and exclusion are the seedbed of growing social unrest today. Recent surveys indicate a declining trend in people's confidence in the ability of governments to deal with the multiple crises faced by the majority. Contemporary events offer ample proof with the uprisings in the Arab region, general strikes and peoples

assemblies in many parts of Europe, riots in London, mass demonstrations by the hundreds of thousands in Latin America and other continents; occupations in the US spreading out to scores of other countries; and countless other workers strikes, people's protest or community struggles throughout the world.

The upcoming UNCSO should therefore be a challenge and an opportunity for the world's leaders to confront the economic, ecological and social crises gripping the world today. However, many civil society groups and even some governments express concern that the chosen major themes of the 2012 UNCSO—the "Green Economy in

Box No. 1: DISCOURSES THAT ARE SHAPING THE 'GREEN ECONOMY' CONCEPT

1. **UNEP's Green Economy Initiative.** Launched by the UN Environment Programme (UNEP) in October 2008 as one of nine Joint Crisis Initiatives undertaken by the UN leadership in the wake of the triple whammy of financial, food and fuel crisis that hit the world that year, the Green Economy Initiative (GEI) led to the Global Green New Deal as one of its early outputs. The GGND recommended a package of public investments and accompanying policy and pricing reforms for kick-starting the green transition. Based on the first GEI outcomes, in February 2011, UNEP published the 626-page "Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication," commonly referred to as the Green Economy Report (GER).
2. **OECD's Green Growth Strategy.** Also in response to the 2008 global crises, ministers of the Organisation for Economic Co-operation and Development (OECD) signed the Green Growth Declaration in June 2009 and committed to develop a Green Growth Strategy (GGS) as OECD's framework for its policy positions in the Rio+20 conference. The GGS document was published just this May 25, supplemented by a catalogue of progress indicators and a toolbox for crafting country policies.
3. **EU's Europe 2020 Strategy.** Again in response to the 2008 global crises, the European Union in 2010 adopted a 10-year strategy of "smart, sustainable and inclusive growth." In line with the strategy, the EC delineated seven Flagship Initiatives, among which "A resource-efficient Europe" appears most relevant in shifting to a green economy.
4. **Asia's 'Green Transition and Innovation' approach.** In 2009, the 26-member Association of Academies of Sciences in Asia (AASA) published four thematic reports on energy; environment and climate change; natural resources; and cultural perspectives. In 2011, the AASA presented a synthesis of the reports, in which it introduced the concept of green development through green innovation based on "four transitions."
5. **Others.** Other streams of influence on the Green Economy discourse include (a) European business organizations that have staked early claims on environmental technologies and eco-industries; (b) international NGOs with established positions in the environmental community, such as Greenpeace and WWF; (c) the International Trade Union Confederation (ITUC), as a member of the Green Jobs Initiative; and (d) the G20 itself, which has set among its goals an "inclusive, green and sustainable recovery" in its London and Pittsburgh communiqués.

Source: Bär et al., "Green Economy Discourses in Run-Up to Rio 2012."

the Context of Sustainable Development and Poverty Eradication” and the “Institutional Framework for Sustainable Development” — do not adequately or holistically address the social, economic and ecological dimensions of sustainable development. Indeed, there is a lot of attention being directed towards the Green Economy in particular, raising fears that it may become the new framework for sustainable development in place of the long-recognized three pillars.

For instance, the United Nations Environment Programme (UNEP) asserts that there is “growing recognition that achieving sustainability rests almost entirely on getting the economy right”. For this reason, there is a need to examine the concept of a Green Economy and how it proposes to advance economic, ecological and social sustainability.

GREEN ECONOMY OVERVIEW

The concept of Green Economy (GE) has gradually emerged and caught the attention of global policy bodies in recent years. In December 2009, the UN called for a conference to mark the 20th anniversary of the 1992 Rio Earth Summit, and later identified “green economy in the context of sustainable development and poverty eradication” as one of its two major themes.

Then in February this year, after an extensive three-year study, the UNEP came up with a 626-page *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication*, commonly known as the Green Economy Report (GER).⁵

Just this May, the Organisation for Economic Co-operation and Development (OECD) published its own Green Growth Strategy (GGS), on which it will base its policy positions in the Rio+20 conference, building from its earlier “Declaration on Green Growth” in June 2009.⁶ Other major development actors have declared their positions or critiques, in one form or another, on the Green Economy.⁷

Defining GE is a challenge because the concept is still evolving—and in different directions at that, due to the influence of several streams of discourse and practice. But social movements must closely follow its evolution so they can critique it, or try to influence its shape and course in the pursuit

of genuine environmental balance, economic prosperity, and social progress.

Background

One obvious influence behind the GE concept is that of sustainable development, expressed through UN processes from the 1972 Stockholm Conference and the 1987 Brundtland Report to the 1992 Rio summit. The Rio summit had come up with a 27-point Declaration of Principles and a 40-chapter Agenda 21, which implementation were left to the voluntary action of states and were soon overrun by the globalization steamroller of the Washington Consensus.

There was one other stream of discourse and practice that gradually ran in parallel with UN processes: that of pursuing green business, with the 1989 book *Blueprint for a Green Economy* as an early pioneer.⁸ Developed countries especially in Europe began to develop “environmental technologies” or “eco-industries,” i.e., low-carbon and small-footprint energy and production systems that offered room for economic growth while helping to satisfy their UNFCCC-Kyoto commitments, and which were given positive marks in an EC-commissioned 2006 study.⁹

The growing Northern interest in ecosystems-based economics took a crucial turn when the G8+5’s 2007 Potsdam ministerial meeting launched a strategic study led by senior banker Pavan Sukhdev of Deutschebank to measure environmental disruption and weigh green alternatives in hard-nosed money terms. In May 2008, the Sukhdev team presented *The Economics of Ecosystems and Biodiversity (TEEB)’s Phase I report* at the UNEP-linked CBD meeting in Bonn.¹⁰

Five months later, responding to the triple whammy of financial, food and fuel crises that year, UNEP and leading economists launched the Green Economy Initiative (GEI) to refocus the global economy “towards investments in clean technologies and ‘natural’ infrastructure such as forests and soils,” and thus create green business and job opportunities.¹¹ As one of GEI’s main outputs, the monumental Green Economy Report (GER) was released in February 2011 by the UNEP study team, also led by Sukhdev, just as the Rio+20 agenda began to take detailed shape.

THE UNEP GREEN ECONOMY REPORT

We focus on the UNEP-GER since it is by far the most detailed official document on how the world economy, entire countries, businesses and communities can turn green.

What is a Green Economy?

If we go by the UNEP-GER, a green economy in its simplest terms does the following: (a) produce low greenhouse gas emissions; (b) use resources more efficiently; (c) continue to generate growth, income and jobs; and (d) observe social equity and inclusiveness. In the GER's words, it is one that "results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities."¹²

How can the world achieve a transition to GE? The steps seen as most crucial are:

- a. to measure the monetary value of the environment and its resources (which are often called "ecosystem services"), so that they can be treated as a form of capital, called "natural capital," on the same plane as physical-technical, human, and financial capital, and which can also be depleted and lost, or built up and made productive;
- b. to prove the viability and profitability of enhancing this natural capital and related small-footprint technologies as a "new engine of growth" so that it can replace "business as usual" while also satisfying social goals; and
- c. to create the enabling conditions—such as policies and market mechanisms—for such "public and private investments to incorporate broader environmental and social criteria."¹³

The GER contrasts its green model with "brown economies" where the engine of growth is physical-technological and financial capital (also called "built capital"), and wealth comes at the cost of overreliance on fossil fuels, resource depletion and other environmental losses. A green economy, by refocusing on natural capital, "can generate as much growth and employment as a brown economy, and outperforms the latter in the medium and long run, while yielding significantly more environmental and social benefits."¹⁴

Box No. 2: GREEN ECONOMY PROJECTIONS BASED ON T21 MODELLING

The GER's main analyses are based on an economic model that largely drew on the Threshold 21 (T21) modeling framework created by the Millennium Institute. The T21 is described as a large and complex mathematical model, which includes "200 stock variables and several thousand feedback loops" organized into 80 modules.

Using the T21-World model, the UNEP team first established baseline scenarios ("business-as-usual" or BAU) that replicated the world's economic history over the period 1970-2009, then projected two BAU scenarios for the period 2010-2050 that basically showed increasingly worse environmental, economic and social indicators.

Next, two "green investment scenarios" were simulated for the same 2010-2050 period. The first (G1 scenario) assumed that 1% of global Gross Domestic Product (GDP) was to be invested equally across all sectors in the green transition. The other (G2 scenario), which the UNEP preferred as "more relevant and coherent," assumed a bigger investment of 2% of world GDP and prioritized climate change, water scarcity and food security. The mostly positive indicators of economic growth, employment, poverty reduction, nutrition, water access, and biocapacity from year to year until 2050 are finally presented as clear proof that the green investment scenario—especially G2—is desirable and viable.

Source: UNEP.²⁰

Take note, however, that the GER does not fault brown economies for riding on economic and social inequities to create wealth, such as by exploiting labor and by taking advantage of asymmetric market, trade and financial mechanisms. The green-versus-brown distinction boils down to a choice of investment and technology: those that enhance natural capital as against those that deplete it. The roles of finance capital, markets, and labor appear to be merely

Box No. 3: WHY UNEP'S GREEN ECONOMY IS AN EPIC FAIL ON GHG EMISSION TARGETS

Analysis in the IPCC's fourth assessment report (2007)—which is increasingly seen as out of date—says that to hold global warming to 2-2.4 degrees, GHG concentrations must reach no higher than 400 ppm. To achieve this, GHG emissions have to fall by 50-80% of 2000 levels in 2050, or about 43-83% of 1990 levels, using the IEA CO₂ figures for 1990. This target is something like 10 times greater than the emissions reduction that GER's G2 scenario can achieve.

More recent science calls for 350 ppm as a safer boundary for atmospheric CO₂ stabilization, and even more rapid and stringent cuts to reach this target. Baer, Athanasiou and Kartha (2009), building on Hansen et al (2008), argue that to stabilize atmospheric CO₂ at 350 ppm by around 2100 (we are currently at 391ppm), the feasible pathway is for emissions to peak in 2011 and decline at an annual rate of 10% to reach zero emissions by 2050. In contrast, in the GER's G2 scenario, the world would still emit 20Gt in 2050.

Baer et al. recognize a lot of uncertainty, and the possible need for emission cuts that are even more stringent than the 350 model asks for. But the GER just seems oblivious of this, and does not even show pretense to caution by, say, having even slightly higher targets.

Source: Paul Baer, Tom Athanasiou and Sivan Kartha, "A 350 ppm Emergency Pathway," November 2009, accessed from <http://gdrights.org/wp-content/uploads/2009/11/a-350-ppm-emergency-pathway-v2.pdf>.

estimated US\$ 108 billion in 2010), is relegated to "being a catalyst, early stage investment provider, co-sharer of risk and guarantee of public infrastructure and services," while microfinance is relegated to community and village levels.¹⁵ In any case, the GER's focus is on "concentrated pools of assets, such as those controlled by pension systems and insurance companies, the US\$ 39-trillion plus controlled by the high net worth community, and the growing assets of sovereign wealth funds."¹⁶

Like the GATT-WTO regime that preceded the multiple crises of the current decade, the GER also shows an over-reliance on market mechanisms that are supposed to push the greening process but may do more harm than good. An example is tradable permit schemes, including "cap-and-trade systems," and "payment for ecosystem services (PES) schemes," which turn pollution control and other environmental services into marketable goods.

In the International Labour Organisation's (ILO) Background Note to the GER, great effort is made to offer detailed policy proposals and best practices to ensure that a "just transition" will result in green jobs and decent work opportunities. But in the end, the ILO Note concedes that the main challenge is to set a sustainable path of recovery from the economic crisis.¹⁷ Meanwhile, the role of labor basically remains the same, with reskilling for green jobs as the main concern; truly innovative redesigns of labor-management relations appropriate for a socially equitable green economy, or even just reducing immense income gaps, are left unnoticed by the roadside.

Shifting from brown to green is therefore not so much a fundamental paradigm shift as an emphasis shift. At the same time, GE is more strongly presented as a corrective to prevent the recurrence of crises such as those of recent years while ensuring long-term growth.

The UNEP-GER implicitly blames the 2008-2009 crises on wrongly deployed capital in the past 20 years, stating that "at a fundamental level they [the multiple crises] all share a common feature: the gross misallocation of capital [into] ... property, fossil fuels and structured financial assets with embedded derivatives" while little was invested in "renewable energy, energy efficiency, public

adjusted or retained, whether in brown or green economies.

For example, GER recognizes the need for huge financial resources to jump-start and sustain the global green transition, but has to rely mainly on the same private channels such as financial investment, banking and insurance, whose annual resources run into trillions of dollars, which prominently figured in the 2008 crash. Public finance, including official development assistance (with an

transportation, sustainable agriculture, ecosystem and biodiversity protection, and land and water conservation.”¹⁸

Key sectors and policy measures for greening

According to the GER, the green economy is to be achieved by “greening” eleven key economic sectors.

Four sectors—agriculture, fisheries, forests and the water sector—are identified by the GER as “derived from natural capital.” As the frontliners in the greening process, these sectors will need “more sustainable and equitable management” and also more investments that rebuild or maintain the ecosystem services on which they are based.

Seven sectors that could be characterized as “built capital”—energy, manufacturing, waste, construction, transportation, tourism and cities—are traditionally considered “brown.” In these sectors, the GER calls mainly for adopting technologies and processes which are low-carbon and more energy- and resource-efficient.

The GER suggests a range of policy measures that serve as enabling conditions to encourage the green transition, especially in the eleven sectors:

First, the GER calls for prioritized investment and spending to stimulate the greening of sectors. Public expenditure and investment incentives are needed to trigger the transition, but “the bulk of green economy investment will ultimately have to come from the private sector.”

Based on its T21 projections (for an explanation of the T21 model, see Box No. 2), the GER calculates the investment needed for the transition to be from a low end of \$1.2 trillion to a high end of over \$3.4 trillion annually, from 2011 to 2050. This amounts to around 2% of global GDP.¹⁹

Second, the GER sees taxes and market-based instruments (e.g., taxes on polluters, and tradable permit schemes and payments for providing ecosystem services) as “powerful tools to promote green investment and innovation.”

Third, the GER wants reform on subsidies and other “poorly managed government spending” in environmentally harmful activities, such as fossil fuels, because they “can encourage inefficiency, waste and overuse” and “can also reduce the profitability of green investments.”

Fourth, the GER calls for a framework of laws, regulations and enforcement at the national level to reduce business risks and to increase confidence among green investors and markets.

Fifth, the GER sees investment in capacity-building and training, both for governments and national workforces, as essential to the green transition.

Finally, the GER is pushing for strengthened international governance, based on multilateral agreements and related processes, to promote a green economy.

GETTING DEVELOPMENT WRONG

By focusing on “getting the economy right”, proponents of the Green Economy and Green Growth end up getting development wrong. It does not deliver enough on poverty eradication, may likely worsen inequity within and between countries, and does not veer us away from the path to irreversible ecological catastrophe.

1. The Green Economy promises growth but not much poverty eradication.

The GER is supposed to give the highest priority to sustainable development and poverty eradication, as implied in its very subtitle, yet not one chapter is devoted to addressing the root causes of underdevelopment and poverty on their own terms, especially in developing countries.

Creating green jobs, ensuring access to basic services, and setting up safety nets for poor people whose present jobs, livelihoods and consumption might be adversely affected by the green transition are discussed in disparate parts of the GER. They are almost treated as an afterthought, instead of being hard-wired into the framework of the greening process as a basic premise.

The G2 scenario shows that allotting 2% of global GDP annually on green investments will grow the global economy nearly three times its current size and more than double income per capita by 2050, yet it also projects that 8.4% of the global population or about 750 million people will remain living on less than \$2 per day.

Green growth is supposed to create green jobs, but mostly in levels that only replace jobs lost in the transition. In the best-case scenario, jobs are even expected to decline around 2030 before they rise again to equal or to slightly exceed business-as-usual employment rates by 2050.

2. The Green Economy favors big business.

GER carries a presumption that big business will lead the way because it controls the bulk of capital (which indeed it does). Take for example the greening of agriculture. The GER recognizes both “conventional (industrialized) agriculture systems and traditional (subsistence) smallholder agriculture” as two farming paradigms. On the surface, it seems to emphasize the drawbacks of both systems, and urges all modes of agriculture to adopt green practices that boost productivity and efficiency.

But here’s the catch. The GER wants the world’s farmers to “scale up adoption of green agriculture by partnering with leading agribusinesses,” and for the world’s top 40 agribusinesses to play this leading role, since their investment decisions can determine how global agriculture could “encourage green and sustainable farming practices.”²¹

This represents, at the least, an inadequate analysis of the roots of agricultural stagnation and rural poverty. At worst, it is a license for agribusiness giants to extend and deepen further their control of global agriculture. The same bias for big business leadership can be seen in GER’s other sectoral strategies, from energy to manufacturing to transport.

3. The Green Economy extends the lifespan of the brown economy.

While any global economic shift from brown to green will entail a long transition in which both will have to coexist in some awkward mix, one would expect a serious sustainable development strategy to consistently push

for policies that can drastically reduce all destructive brown technologies within the next 40 years. Yet the GER seems to show trade-off favoritism in areas such as nuclear power and mining where brown business interests are well-entrenched.

GER’s green scenarios (both G1 and G2) bear down hard on fossil fuel use—which is generally positive. On the other hand, they also show an increasing use of nuclear power from 2011 all the way to 2050—thereby endorsing an implicit yes-nukes policy.²² The GER disappointingly keeps quiet on phasing out nuclear plants or finding clean solutions to the perennial problem of nuclear waste disposal.

The GER similarly pampers mining and exempts it from merciless dissection. It is concerned about metal ore depletion, intense access and supply competition, and growing extraction costs, but merely calls for higher resource efficiency, including recycling technologies, without proposing greener modes of ore extraction and clear-cut policy proposals against destructive (especially large-scale) mining. The iron and steel recycling rate has dropped from 60% in 1980 to 35% in 2006, but GER hopes the positive trend will resume and attain a 55% recycling rate by 2050, or even higher if pushed by “appropriate policy interventions.”²³ More drastic policy interventions than the GER dares contemplate are clearly needed to green the mining industry.

4. The Green Economy is unlikely to avoid the tipping point in the climate crisis.

The GER concedes that the G2 scenario (see Box No. 2), which is its showcase scenario, “does not fully achieve the emissions reductions projected by the International Energy Agency as necessary for limiting atmospheric concentrations to 450 ppm [parts per million].”²⁴ As derived from energy tables in the G2 scenario, annual energy-related CO₂ emissions by 2050 will have fallen by over a third against 2011 levels, but only by 4-7% relative to 1990 emissions. This is wide off the mark in terms of achieving the conservative target of stabilizing atmospheric CO₂ at 450 ppm, which is still risky and considered by many as outdated, not to mention attaining the safer 350-ppm levels. (See Box No. 3 for details.)

The G2 is not a credible strategy for averting disastrous climate change, which is the most serious of the environmental crises faced globally since it can trigger or worsen many other problems such as biodiversity loss, land degradation, ocean acidification, sea level rise and so on, all of which of course have dire economic and social implications. If for this alone, the G2 scenario cannot be a viable pathway to sustainable development, especially in developing countries that are most vulnerable to climate change.

5. The Green Economy favors the privatization (enclosure) and commodification of nature.

The GER is also battling strongly for carbon markets in general, which are questionable since they don't truly reduce global GHG emissions, but only pass the responsibility to mitigate from one entity to another. Forest carbon markets are increasingly associated with land grabs, as has happened in Africa.²⁵ Worse, carbon markets can behave so much like financial derivatives and futures trading, which greatly figured in the 2008 crash. The same financial circles who were involved in creating the financial derivatives market have also been involved in creating carbon markets.²⁶

The GER paints the REDD approach (reduced emissions from deforestation and forest degradation) in glowing lights, and even wants it included in a multi-layered payment for ecosystem services (PES) scheme, despite its potentially serious impacts on indigenous peoples, rural communities and biodiversity that have been raised since the scheme was first tabled in COP-13 in Bali.

As summarized by Chris Lang in a REDD-Monitor website piece, the main criticisms of REDD (and REDD+) are that impositions by national parks and protected areas may lead to large-scale evictions and loss of rights for indigenous peoples and local communities; forest management programs may be abused by commercial logging firms; and forested or reforestation-targeted land may be converted to industrial tree plantations with serious implications for biodiversity and local communities.²⁷

6. The Green Economy may be used to further constrain policy space in the South.

The GER recognizes and sees a big challenge in reconciling “the competing economic development aspirations of rich and poor countries” in the face of worsening environmental problems.²⁸ Yet it doesn't touch on some of the most intense sources of these conflicts in recent decades, such as debt, trade, and investment inequities—candidly admitting that its T21 analysis “purposely ignores issues such as trade and sources of investment financing.” Thus, “the potential impacts of a green investment scenario at a global level are not intended to represent the possibilities for any specific country or region.”²⁹ A new green terrain is merely offered where countries of the North and South will still have to compete on unequal ground.

The report attempts to explode a “myth... that a green economy is... a ruse to restrain development and perpetuate poverty in developing countries.” But many GER critics are not convinced; they see warning signs instead in the proposed enabling conditions that could turn into “green protectionism” or new conditionalities for international cooperation and development assistance that will work against developing countries.³⁰

Sidelining Social Sustainability

By holding economic growth as the principal goal of development, albeit trying to decouple this from environmental degradation, the green economy approach fails to put forward a comprehensive agenda for enhancing the well being of all. Indeed, the current social crisis manifest in rising social unrest testifies to the importance and urgency of addressing the question of social sustainability—how to ensure inter- and intra-generational equity and justice, redress social exclusion and discrimination (including gender), provide social security, and guarantee citizens' participation in public affairs.

Instead, the social agenda in the green economy is largely relegated to trickle-down poverty alleviation, effectively sidelining issues of redistribution. Social security especially for those most vulnerable to the rising volatility of finance, food and fuel prices, and environmental conditions is more urgent than ever before. Yet social protections for individuals and communities in the face of vagaries in the market, natural disasters, illness, maternity, old age, job losses and other

risks to people's wellbeing is sorely neglected in the GER.

The need for transforming social structures, institutions and power relations that underpin various forms of deprivation, vulnerability and exclusion is largely ignored or downplayed. Indeed the precondition for social sustainability is the access of individuals and social groups, including minorities, to societies' resources. In the current context of extreme concentration of wealth in the world, this requires fundamental redistributive reforms within and between countries. Moreover, appropriate technical, social and institutional means are required to ensure access to resources. These include appropriate legal frameworks, education, social and institutional mechanisms to ensure physical access to and productive use of these resources according to the needs and goals of individuals and society determined in a democratic process. All this is absent in the green economy.

Holding on to the old paradigm

The GER frames its greening strategies in terms of capital, prices, cost-benefit analysis, profits and markets. Its core idea is to treat ecosystems as "natural capital" and as sources of marketable "ecosystem services," and define their role as a "new engine of growth" in the whole scheme of capitalist business and markets.³¹ "Getting the economy right" essentially means seeking an early and solid buy-in from big business, mainstream economists, and developed countries.

This approach has its virtues, if only to make a compelling case for countries and industries to either adopt the most urgent environmental reforms or else suffer economic deficits that lead to more crises and social instability. But it is flawed in a fundamental way because it makes capital—not the environment, not people's rights and needs—still king. Perversely, the environment is deemed valuable only as a form of capital, as a balance sheet entry. It is essentially the continued colonization of ecology by the (market) economy.

As George Monbiot cautions about markets: "As soon as something is measurable it becomes negotiable. Subject the natural world to cost-benefit analysis and accountants

and statisticians will decide which parts of it we can do without. All that now needs to be done to demonstrate that an ecosystem can be junked is to show that the money to be made from trashing it exceeds the money to be made from preserving it."³²

This approach risks further ecosystem imbalances. As Helena Paul said: "[A] resilient ecosystem is a complex whole, composed of interconnected elements that cannot safely be prioritised over others and some of which, of course, we do not yet understand. Fragmenting such wholes or making a hierarchy of their parts will inevitably degrade them. Fragmentation of ecosystems including forests, is already a major problem that the 'green economy' looks likely to enhance."³³

Moreover, allocating natural resources based on capacity to pay promotes resource grabs and lock out access by the poor, while big businesses and rich economies are shown escape routes away from radical changes in production and resource use.

The green economy agenda does not place limits on the pursuit of profit and accumulation of capital. In fact, it banks on the profit motive to spur the development of green technologies and methods. But the logic of this economic system is ever increasing expansion of production and consumption for profit based on the exploitation of labor and natural resources. With greater efficiency, there may be a reduction in the rate of resource degradation per unit of output. But as long as the system is anchored on continuous growth, this will inexorably lead to further resource depletion, environmental degradation, social inequality and crisis.

PATHWAYS TO SUSTAINABLE DEVELOPMENT

We can credit the UNEP-GER with structuring massive bodies of data into a comprehensible set of trends and proposals that are relevant to the sustainable development discourse and to specific policy questions. At the very least, it provides a most convincing corpus of evidence that the world cannot carry on with business as usual, and that there are so many viable options to avoid the worst environmental scenarios.

One could not but agree with a good number of concrete measures the GER proposes, which in any case are already gaining ground in some parts of the world. Some of these include sustainable farming methods by smallholders;³⁴ better ways of generating renewable energy; closed-loop manufacturing systems that minimize waste; and shifting from private to public and non-motorized modes of transport.

But the GER model so far fails to capture the key workings of the present global economy as it reels from one crisis to the next. Its greening strategy risks veering away from the positive directions of sustainable development taken by Rio and further explored by social movements especially those based in the global South. Neither does it express a fundamentally new paradigm that reflects the aspirations of the world's peoples, especially among the poor and marginalized in developing countries.

If GER's green scenarios are the best it has to offer, developing countries will have to find radically different paths to sustainable development. As the debate heats up and specific points are critiqued further in the lead-up to Rio+20, social movements need to reemphasize in various forums and platforms at all levels the following at the minimum:

1. To reassert and further elaborate the principles of sustainable development as first enunciated in Rio 1992. These include, among others:

- the principle of common but differentiated responsibilities, which addresses the asymmetries between developed and developing countries;
- the preeminence of social equity in attaining the correct balance among the three pillars of sustainable development; and
- UN and other international instruments that have been established or elaborated, incorporating Rio principles (including the UNFCCC and CBD treaties and protocols) with other principles that uphold human rights and social justice, including the Universal Declaration of Human Rights (UDHR), the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the Declaration on the Right to Development, and Convention on the Elimination of all Forms of Discrimination against Women (CEDAW), among others.

2. Based on these principles, to revisit Agenda 21 and restate the global goals of sustainable development in ways that recognize diverse national conditions and interests, with a strong emphasis on the needs and aspirations of developing countries where the majority of the world's populations live, always guided by a rights-based approach as already enshrined and elaborated in UN and other international instruments, and with due respect to national sovereignty, country ownership, and full participation by civil society.

For governments to support sustainable alternative knowledge and practices that are in the hands of the people—biodiverse ecological agriculture, community-based renewable energy systems, community-driven stewardship of ecosystems—and the values of *buen vivir* or living well in harmony with people and nature as opposed to unbridled consumerism. These make the building blocks of genuine people-centered sustainable development that enhances people's well-being, equity and justice for all. But they need to be supported and promoted by an enabling environment.

3. Sustainability is inextricably linked to employment and access to productive resources. Crucial to this is the democratization of ownership, control, and decision-making over productive resources and assets in society. We should move towards more democratic modes such as cooperative, community-based, commons or public forms of ownership to ensure that economic activity provides sustainable livelihoods for all and meets the developmental goals of the community and society. This means implementing thoroughgoing agrarian, aquatic and forestry reforms for the benefit of smallholders, women and indigenous peoples in particular, and to strengthen community-based stewardship of natural resources and ecosystems.

4. To promote sufficiency-based economies, i.e., those that cater primarily towards meeting local needs and demands, developing local capacities, based on available resources, appropriate technologies and resource sharing.

Countries should have the right to determine their patterns of food production and consumption, and farmers should be able to prioritize food production for domestic

consumption. Local and national food systems should provide food that are healthy, of good quality and are culturally appropriate. Food production and consumption should be localized as much as possible while food reserves should be established at the local, national and even regional level to raise the resilience of food systems.

There must be an end to perverse subsidies and support for the fossil fuel industry, for agrofuel plantations, for large scale mining, big dams, industrial farming and fishing and other activities that destroy lives and livelihoods of present and future generations. Instead, there must be a rapid transition away from fossil fuels as energy sources and towards a mix of new, renewable energy sources, with special attention to those particularly amenable to decentralized and local use such as wind, solar, and micro-hydro power.

Manufacturing should promote closed-loop production where goods are produced with minimum use of energy and materials, longer lifespans and with maximum reuse and recycling of parts and components. There must be greater support for mass public transportation, even as walking, biking and other human-powered means should also be promoted as modes of transport for short distances.

5. A sustainability transition will involve adjustment costs. The highest costs should fall on global corporations, polluting industries and elites who will need to adjust to an economic redistribution. But the poor will also be affected, such as workers that work in fossil fuel industries when the shift to renewables takes place. Workers will need reskilling for green jobs and guarantees that hard-earned labor standards and union rights not be eroded in the transition. More importantly, workers need to have greater power in decision-making within the workplace and in society at large.

But social protection programs more generally—encompassing social insurance, social assistance and labor market regulations—should be enhanced and strengthened especially in developing countries most vulnerable to climate change impacts and food price volatility. Governments should support social protection programs as part of broader strategies

for comprehensive social development; combined with universal provision of social services; rights-based; universal in coverage; and financed primarily through progressive financing mechanisms supported by non-debt creating international cooperation.

A social protection approach grounded in the recognition of basic human rights should provide adequate claimable entitlements for the entire population with affirmative action in favor of rural populations, women, national minorities, persons with disabilities and other marginalized groups while ensuring fair distribution of burdens between generations.

Also, Southern countries that depend on energy and manufactured exports to the North will feel the pain when a transition to lower consumption begins in the North. A coordinated redistributive transition within and between countries is necessary to cushion the impacts to the poor.

6. On the basis of public, cooperative and community-based forms of ownership, participatory and inclusive modes of decision-making and planning can ensure that economic activity contributes to meeting the goals of the community such as employment, health, education, and so on. The principle of subsidiarity—devolving decision-making to as local a level as appropriate—should be promoted. This should reignite local political reengagement.

Policies should respect cultural diversity, and modern science should be combined with traditional knowledge in bottom-up approaches of research and development to develop technologies that are appropriate and democratic.

7. International trade, investment, finance and development cooperation should be reoriented around rules that value, respect, protect and fulfill people's rights; economic, social, gender ecological and climate justice; self-determination and self-sufficiency.

Commitments from the North in the form of adequate financing (according to common but differentiated responsibility), appropriate technology cooperation, and needs-based capacity building are of utmost importance to support developing countries make a just transition to sustainable development pathways.

There is global recognition that, with crises lingering on many fronts, a drastic reshaping of social and economic structures and relations with the environment needs to happen now, and fast. Unfortunately, the green growth approach does not seem to offer the solution. Indeed, civil society and people's movements are correct to be wary that a corporatized green economy policy agenda will be used to greenwash the inherent unsustainability of the current economic system, and even allow elite interests to accumulate even more wealth and power from short-sighted or false solutions to the social, economic and environmental crises.

Civil society organizations and people's movements must call on their governments and multilateral bodies at the global and regional levels to uphold and pursue the principles and framework of sustainable development that give primacy to human rights, equity, democracy and social and environmental justice in the discussions towards Rio+20 and beyond. At the same time, CSOs and people's movements must also assert the observance of fully inclusive and democratic processes leading up to Rio+20 and beyond, to ensure that the outcomes indeed reflect a global people's consensus on achieving genuine sustainable development.

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