Green Economy is a contested term which is defined according to varying interests and world views\(^1\). It is not possible to give a precise definition of Green Economy. The United Nations themselves stated the following: *The green economy approach seeks, in principle, to unite under a single banner the entire suite of economic policies and modes of economic analyses of relevance to sustainable development. In practice, this covers a rather broad range of literature and analysis, often with somewhat different starting points*\(^2\).

Recently, several studies have suggested that the economic and ecological crisis can be overcome by fostering Green Economy. United Nations Environment Programme (UNEP) started its *Green Economy Initiative* in 2008. In 2011, UNEP stated: *The recent traction for a green economy concept has no doubt been aided by widespread disillusionment with our prevailing economic paradigm, a sense of fatigue emanating from the many concurrent crises and market failures experienced during the very first decade of the new millennium, including especially the financial and economic crisis of 2008. But at the same time, we have seen increasing evidence of a way forward, a new economic paradigm – one in which material wealth is not delivered perforce at*

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the expense of growing environmental risks, ecological scarcities and social disparities\(^3\).

The concept of green economy is, like sustainable development, rather an oxymoron which intends to bundle different, partly contradictory, interests and strategies and gives them a certain legitimacy and coherence.

However, at a general level, some common goals and strategies can be identified: a low-carbon economy, resource efficiency, green investments, technological innovation and more recycling, green jobs, poverty eradication and social inclusion. Special emphasis is given to an adequate political framework.

This paper proposes that the strategies of Green Economy will not succeed if changes in the underlying economic and social practices do not occur. And it will not succeed if the current development paths of emerging economies and other rapidly growing countries are not shaped away from the strong orientation towards profit-driven industrialisation based on fossil fuels.\(^4\) For example, the government of Brazil has recently presented itself to the world as a supporter of the Green Economy, yet in fact, it remains deeply entrenched in its ways that support an unsustainable development path based on economic growth and capitalist modernisation at any price, without questioning the socio-economic, political and cultural structures. This path is supported by big business which is in the process of defining its role in the post-crisis economy and which seems to like the political strategy of converting elements of nature into “nature capital”.

In this paper, I juxtapose some current arguments in favour of Green Economy with real economic, political and cultural developments. Three arguments will receive special attention. First, the claim that the Green Economy reformulates the failed or

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at least insufficient strategies of sustainable development; second, the assumption that “economy” and “ecology” can now be reconciled; and third, the assumed positive effects of greening of the economy for countries in the Global South as well as so-called transition economies in Central and Eastern Europe and their fight against poverty.\footnote{I argue that Green Economy can be a false promise.}

**Sustainable development and Green Economy: A question of political will?**

The current global debate on the Green Economy can be seen as an attempt to reformulate sustainability. Expectations are high because it is widely recognised that sustainable development strategies have not made the world economy sustainable\footnote{It is repeatedly argued that the strategy of sustainable development is ineffective because there is a lack of political will, and it is also argued that environmental policy institutions are still too weak\footnote{As a new economic paradigm, the Green Economy is expected to remedy the implementation problems by creating green markets through strong international political institutions which will cooperate in this regard with national governments.}.

Despite some occasional successes, the sustainable development policy appears to have largely failed. The ecological, social and economic problems which it was expected to resolve, have remained: climate change and biodiversity erosion were not stopped, the use of resources, especially fossil fuels, keeps growing at a fast pace. The argument about “weak political institutions” points to a lack of political will to create strong institutions to champion and support the Green Economy strategies.\footnote{The concept of the Global South is not used in a geographical sense but more to indicate in a very rough sense the (semi-)peripheral role of societies and their economies in the world. Politically, they are rather international “rule takers” than “rule makers”. Therefore, many Central and Eastern European countries are part of the Global South. On the other hand, they act also politically through the European Union.}

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for the benefit of the particular countries as well as the world economy. From my perspective, the argument of “a lack of political will” is not an erroneous explanation, rather a superficial one for the overburdening of international environmental politics, i.e. its inability to overcome non-sustainable orientations and interests\(^8\) and it leads to the next question: Why is it that “politics” has no will?

The reason for this appears to be that the governments of the economically powerful countries do not question the Western mode of production and living and are holding on to a form of capitalist globalisation based on liberalisation and deregulation. This contributes to the rapid increase of environmental pollution and non-renewable resource consumption. For enterprises, a short lifespan for raw material-intensive products is often more profitable in short to medium term than the environmentally friendly production of top-quality goods\(^9\).

The Green Economy remains within the paradigm of capitalist rationality\(^10\). The Green Economy will press ahead with capital-intensive mining and large-scale projects in the area of infrastructure, expensive offshore wind farms and emissions trading. Therefore, the concrete ecological costs in many of the world’s regions and the social costs of ecological modernisation remain of secondary importance. Very often, problems are not solved, but only displaced, for example when cars in Europe use “renewable” agrofuels while small farmers in Indonesia are expropriated or rainforests are cut down in order to establish plantations for oil palms\(^11\).

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policies have only limited scope of influence because up to now they have largely
depended on capitalist growth and capital’s interests. This is due to the stronger
influence of powerful groups, to the state’s dependency on taxes, and a strong
discursive “plausibility” that capital, with its search for profit and competitiveness.
The latter represents a kind of “general societal interest”, whereas the interests of
wage-earners or social movements are often considered as particularistic. It is not by
chance that for most countries and their political leaders the priority is to “maximise
national economic growth”.

In the light of the above, prospects for Green Economy are fundamentally no
different from those of “sustainable development”. Both concepts focus on
a capitalist ecological modernisation.\textsuperscript{12}

Reconciliation of ecology and economy – or a new round of capitalist valorisation of
nature?

The proponents of a Green Economy argue that ecology and economy can be
reconciled. A prominent environmental scientist Ernst Ulrich von Weizsäcker argues,
together with others such as (names here), that a wave of new, fascinating
technological innovations could become the greatest hope for a new economic
growth period.\textsuperscript{13} They propose that a strategy against increasing environmental
destruction should consist in recognising the economic value of nature and giving it
a price. Nature, as the assumption goes, will be protected if it is included in the
calculation as “natural capital”.

If any “success” could be seen from the Rio+20 Conference, it would be merely
a confirmation of the concept of \textit{natural capital} as political and economic common
sense.\textsuperscript{14} This has to be seen in the context of the promotion of private-public

\textsuperscript{12} U. Brand, \textit{Sustainable development and ecological modernization – the limits to a hegemonic policy

\textsuperscript{13} E. von Weizsäcker, K. Hargroves, M. Smith, \textit{Factor Five: Transforming the Global Economy through 80 \%
Improvements in Resource Productivity}, London 2009, s. 25, World Business Council for Sustainable

\textsuperscript{14} \texttt{www.naturalcapitaldeclaration.org, 5.09.2013}, World Bank \textit{Massive Show of Support for Action on Natural
partnerships and market-based instruments, as well as a growing financialization of natural environment. In the light of the obvious problems in reaching a political consent on adequate politics, “pioneers” such as frontrunners of alternative agriculture or mobility should now become the crucial actors\textsuperscript{15}. However, under the existing conditions such pioneers of social-ecological change are mainly private companies driven by profits. There is some progress concerning life-cycle assessments which identify negative impacts of green innovations. However, it remains evident that the “brown industry” still pursues its own interests. A recent example is the enormous controversy caused by the technique of hydraulic fracturing ("fracking") of gas and oil in the U.S.

Despite high expectations concerning strategies towards Green Economy and important progress towards reconciling ecology and economy, the matter remains unresolved. It should not be automatically assumed that “green” goods are produced “cleanly”. Electric cars can illustrate this point well. Producing car engines requires various metals – including “rare-earth elements”. The quarrying of these metals and rare-earth elements (which are not at all so rare) takes place under ecologically and socially catastrophic conditions: resettlements, often the destruction of natural environment in large areas, poisonous emissions and the employment of cheap migrant and domestic labour are common\textsuperscript{16}.

Most contributions which argue in favour of Green Economy correlate the latter positively with economic growth. Economic growth means an increase in the production of goods and services measured in money. Who produces the products and under what conditions plays a secondary role, if any at all. The objective is to produce and sell more goods and services for profit. Who decides what can be

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recycled and how – and why does not waste prevention come first? Who, therefore, controls the Green Economy? Whose interests does it serve?

Moreover, if proponents of Green Economy talk about the “economy,” they usually mean the capitalist market economy. We know from feminist economics in particular\(^{17}\), but also from the contributions to the debate “Beyond GDP”, that the economy, i.e. the production of material wealth and well-being, also comprises goods and services produced by non-market activities, subjective well-being and the capacity of self-determined action, or having more personal time to dispose of\(^{18}\).

Proposals for Green Economy are at risk of intensifying the capitalist valorisation of and control over nature. ETC Group (ETC stands for Erosion, Technology and Concentration), a nongovernmental organisation, asks, “Who controls the Green Economy?” and names many companies that are already controlling and intend to expand control over renewable energy production, agriculture and food production and the health sector\(^{19}\).

**The Global South and the fight against poverty**

According to the United Nations Environmental Programme\(^{20}\), Green Economy is not only a means against climate change, resource depletion and energy insecurity. It can also help countries of the Global South to fight poverty by way of reducing the CO\(_2\) emissions, promoting resource and energy efficiencies and alleviating environmental destruction. If economic growth and investments depend less on the


destruction of environmental goods and sacrifice less environmental quality, then both rich and poor countries can develop in more sustainable ways. Success in these ways of development poses an enormous challenge, which I believe, necessitates strategies going beyond those of the Green Economy.

Firstly, the economic growth in many countries of the South has indeed lifted millions of people out of poverty, but the impressive economic growth in these countries remains based on non-sustainable modes of production and life, namely the catch-up industrialisation\(^{21}\). Countries such as China have achieved their impressive growth rates by competing in the world market with lower wages and often by producing in ecologically poor conditions – even in the production of solar panels for the Green Economy. Moreover, with the emergence of countries like China, India, and Brazil that are strong and self-conscious economies, new geopolitical rivalries for scarce resources have commenced. The European Union (EU) is promoting the Europe 2020 Strategy and the European Commission (2011) refers explicitly to a growing competition for resources. I do not see this as a driving force for a progressive reconfiguration of societal nature relations in the light of the problems of environmental degradation. On the contrary, Western political and economic actors, together with the elites of the emerging economies, are promoting unsustainable modes of production and living which are often supported by their middle-classes\(^ {22}\).

Secondly, liberal politics of open markets and fierce economic competition have contributed to deindustrialisation in many countries of the Global South. This has pushed many of these countries in Africa, Asia and Latin America back to the status of mere suppliers of raw materials to the North\(^ {23}\). The Green Economy approaches do not reverse this, for they too need resources – for example,

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“sustainable” agrofuels from corn, soy bean, sugar cane or palm oil. In addition, extractivism, which predominantly takes place in countries of the Global South, enables the continuation of a non-sustainable mode of life in the Global North.

Thirdly, in the countries of the origin it is especially the middle and upper social strata that profit from raw material extraction. The local population often gets few benefits and bears the negative ecological consequences instead\(^\text{24}\). Growing social inequality documented by the 2011 Human Development Report by the UNDP further fosters non-ecological behaviour\(^\text{25}\).

Finally, there is a question whether Green Economy can redress the poverty and inequality in the Global South. It appears that this has not yet happened on any significant scale.

A kind of development that most easily leads to a concentration of economic power still prevails. People continue to be expropriated and robbed of their opportunities for action. Small farmers lose their lands and are reduced to the level of day labourers on big plantations where plants for agrofuels are cultivated (IAASTD 2009). This is referred to in the recent literature as “green grabbing”\(^\text{26}\).

**Outlook for the future**

The Green Economy is a threefold promise: to overcome the economic as well as the ecological crisis and to alleviate poverty. It has not yet delivered on any of these. The world continues to experience a destruction of natural resources and an increase in resource and political conflicts and social inequalities. I have attempted to demonstrate that one reason for this failure is precisely what the proponents of Green Economy and green growth see as a remedy: the capitalist compulsion to grow and promote capital accumulation and to exercise domination repeatedly puts

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a spoke in the wheels. What should not be overlooked is that under the conditions of a globalised capitalist market economy, there is a response to the problems of environmental destruction, but it remains largely under the control of the large capital and serves the needs of corporations and the wealthy. This can be seen as a form of stabilisation and increase of the “imperial mode of living”\(^27\). A partial shift of the energy basis and greater efficiency of production are possible and already taking place – but only if there is a profit to be made. However, it is very much to be doubted that the incentive of making profits within Green Economy alone will lead to fundamental changes.

The Green Economy is thus not a win-win game but it entails dozens of conflicts; it already excludes many people and it is mainly based on neo-colonial relations of power and domination. Consequently, it is important to observe accurately the concrete forms of the Green Economy and the forces and interests driving it.

A horizon of socio-ecological transformation which might take place within the next decades implies more than the prospect of ecological modernisation through a greening of markets and modifications to the respective governance structures\(^28\). Such a transformation aims to shape social mind-sets, social power relations, structures, modes and contents of politics, the dominant ways and rationalities of production and living and related vested interests\(^29\).

For social, ecological and economic reasons societies, at least in the Global North, should gear themselves towards lower growth rates and make individuals and societies less dependent on the capitalist market and its crises. Therefore, the pressure to grow and the interests connected to it must be overturned.

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Against this background, it is not enough to create adequate governance mechanisms for green markets in order to avoid future conflicts over resources, to reduce greenhouse gas emissions, or to stop the erosion of biodiversity. Governance failure has already been demonstrated in the era of sustainable development. The underlying drivers of unsustainable production and consumption patterns need to be addressed. The first step is to identify those drivers. Therefore, we should no longer give priority to forums like the Rio+20 Conference or the Rio institutions as crucial mechanisms to promote sustainable development. They have largely failed as they were unable to cope with the drivers. Therefore, the concept of sustainable development should be re-thought and, at least, complemented. An intense debate on “grand societal challenges”, “societal transformation” – or “socio-ecological transformation” – is currently taking place. An emerging research paradigm and political concept around de-growth is also evolving.

The second step should be to link the debate about the drivers and structural forces responsible for the non-sustainable ways of economic development with questions of democracy. This means not only considering actual problems of participation, but also asking who determines the dominant and problematic norms of production and consumption; about forms of mobility and communication, housing and cities, agriculture and food.

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The horizon of socio-ecological transformation extending over the next decades might create space for developing more fundamental alternatives beyond ecological modernisation constructed around issues such as:

- democratising control over societal nature relations (instead of leaving this control to the big capital and its political allies);
- equitable access to the earth’s resources and carbon sinks (instead of the externalisation of ecological costs from the Global North to the Global South and from wealthier social groups to those that are marginalised);
- strengthening the notion of sufficiency (instead of focusing primarily on efficiency);
- linking questions and practices of decoupling with a comprehensive and democratic understanding of wealth, well-being and social equality (and not focusing on economic growth);
- and considering alternative experiences, approaches and concepts in other regions of the world, i.e. in countries like Bolivia or Ecuador with their attempts to acknowledge and strengthen different approaches to nature and societal relations to it (also on the contradictions of the current model)\(^{34}\).

Given the depletion of natural resources, the overloading of sinks and the increase in socio-ecological conflicts on various spatial scales, the conditions to address these matters and to politicise them to achieve socially and ecologically desirable outcomes seem to exist. The role of social and environmental sciences should be to critically assess the rapidly changing contexts in which production occurs and enrich the

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strategies that progressive socio-economic, political and cultural actors could take to improve the living conditions.

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Abstract

Green Economy is often seen as a remedy to the largely failed efforts of sustainable development. This paper unpacks and discusses the ambiguities of strategies towards a Green Economy in order to encourage reflection about its potential unintended and undesired outcomes. It juxtaposes current arguments in favour of Green Economy with real economic, political and cultural developments. Three arguments receive special attention: first, the proposition that the Green Economy reformulates the failed or at least insufficient strategies of sustainable development; second, the assumption that “economy” and “ecology” can now be reconciled; and third, the assumed positive effects of greening of the economy for countries in the Global South and their fight against poverty. The paper argues that the Green Economy can turn out to be a false promise.

KTO KONTROLUJE ZIELONĄ GOSPODARKĘ. ANALIZA KRYTYCZNA

Abstrakt

Pomimo licznych sukcesów polityka zrównoważonego rozwoju nie powiodła się. Ekologiczne, społeczne i ekonomiczne problemy nie zostały rozwiązane. Strategia zielonej gospodarki wydaje się być uaktualnieniem zrównoważonego rozwoju. Celem artykułu jest pokazanie dwuznaczności zielonej gospodarki. Ma ona pokazać
wszystkie efekty tego typu polityki, również te, które nie są intencją państw ją wprowadzających. W tekście zestawiono niektóre z argumentów na rzecz zielonej gospodarki z realnymi uwarunkowaniami gospodarczymi, politycznymi i kulturowymi. Trzy z nich zasługują na szczególną uwagę. Pierwszy związany jest z tezą, że zielona gospodarka stanowi przeformułowanie strategii zrównoważonego rozwoju. Druga teza zakłada, że „gospodarkę" i „ekologię" można teraz pogodzić, trzecia wreszcie – że zielona gospodarka ma pozytywny wpływ na rozwój gospodarczy krajów Południa i służy walce z ubóstwem.