

## “Green Economy”- Whether A Relevant Concept For Emerging Economies (BRICS)?

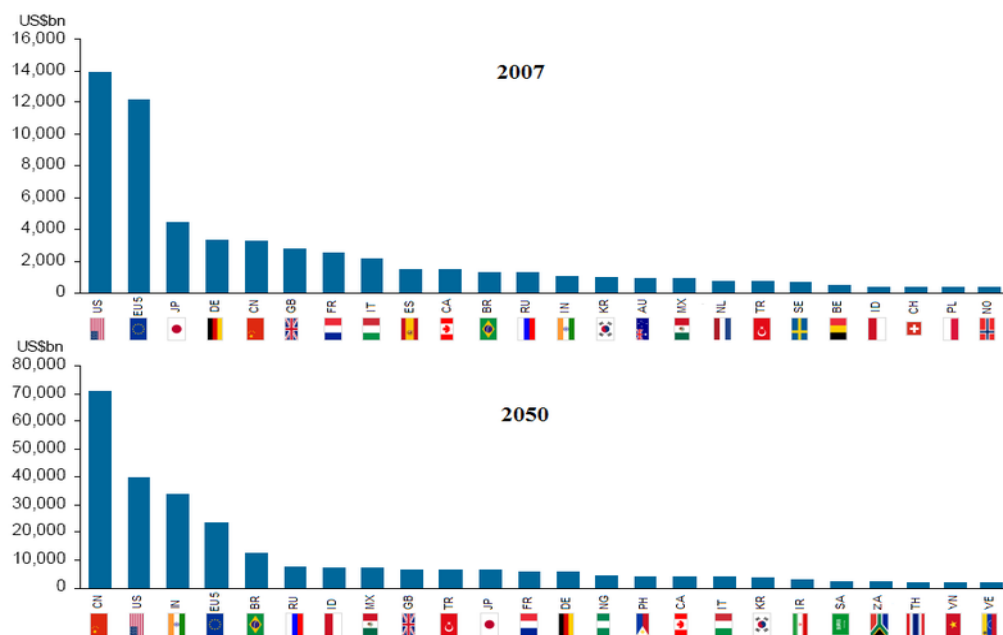
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**Abstract:** BRIC is a group ellipsis used for referring the four influential countries in the 21<sup>st</sup> century namely, Brazil, Russia, India and China which are moving in the advanced stage of their development. The document describes the relevance of Green Economy in reference to the developing economies. Thereby, concluding that for the BRICS countries in order to benefit from the advantages of the development of the Green Economy, the objectives of the country should be linked with the overall objectives of the country.

### I. Introduction

BRIC is a group ellipsis used for referring the four influential countries in the 21<sup>st</sup> century namely, Brazil, Russia, India and China which are moving in the advanced stage of their development. This was the term coined by Jim O’ Neill, in his paper titled “Building Better Global Economics BRIC’s”. According to the projections made by Goldman Sachs, it was inferred that by the year 2050, the collaborative use of the resources by all the four countries will make them the richest countries of the world with India and China acquiring the first and third positions and Brazil and Russia acquiring the fifth and sixth positions.



Source: globalsherpa.org

Today, BRIC is now expanded to BRICS including South Africa too. They consist of more than 2.8 billion people of the world’s population, covering more than a quarter of the world’s land area over three continents, and report for more than 30 percent of global GDP.

The Green Economy concept was introduced since the year 1970, but gained significance when the global recession took place again in the year 2009, as the leaders viewed took the step of grabbing the opportunities through sustainable, equitable economic growth. Green Economy, as defined by United Nations Environment Program (UNEP) is an economy that results in enhanced well-being of the human beings, reduced inequality and at the same time plummeting the environmental risks so that the future generations are not exposed to these risks. In this kind of economy, the growth in terms of income and investment are highly based upon the investments made by the public which drops the pollution, carbon emissions and boost the energy and augment the resource efficiency.

Now, considering the extent to which the Green Economy is a relevant concept for BRICS or not, I would like to draw attention towards the following countries as:- Brazil, India and South Africa. The document further describes the relevance of Green Economy in reference to the developing economies. As per Richard Black, Environment Correspondent, BBC News, Nagoya, India and Brazil are the countries that are in the front line of the 27 governments from Africa and Latin America, and one from Asia, that are trying to get help from UNEP in bringing the Green environment concept in their economies.

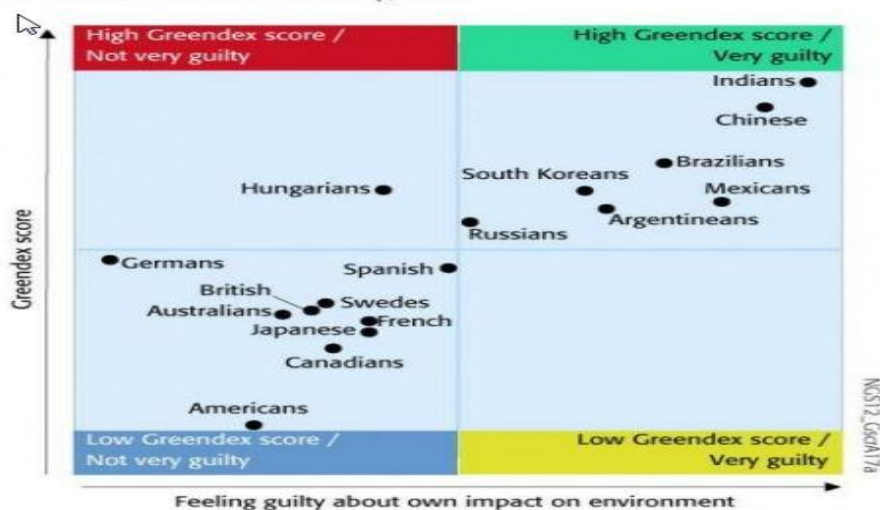
It has been noted that developing countries contribute less towards the GHG Emissions and they are exposed to the same risk that they will also implement the same environmental practices that may an adverse effect on the growing economies like BRICS.

**Brazil:-** Brazil is on the progressive mode of research and development in generating the alternative fuels, and representing the innovations in the sugarcane for ethanol and vegetable oil for biodiesel since 1930. Now, determining the impacts of Green Economy in context of Brazil, it was found out that they have accepted a position that trade-offs between objectives for the development of the economy. But these trade-offs have broader implications for the overall development of the Brazilian economy, which is not entirely in their favour. The policy makers of the Brazilian Economy were of the view that Green Economy is beneficial only for the developed economies as the developing economies do not have the proficiency of budding the new technologies that will hold up the development of the low-carbon economy. Also, these economies cannot afford to invest much in the above mentioned areas.

So, Brazil had a word with other countries in the BRICS block to co-operate with it regarding the development of a green economy as elaborated on in the G-20. Its main objective talking on this point was to build up the association and set up a stage so that the answers to the policy proposals can be given keeping in mind the interests of the developing countries and the emerging markets. Today Brazil is trying to focus on reducing the economic inequality and poverty from the economy as it is trying to link the social objectives with the overall development of the organisation. However, encouraging the environmental development and fighting the climate change is still absent as the countries focus is on the economic development.

### Greendex Score vs Feeling Guilty about One's Own Environmental Impact

Consumers in Each Country, 2012



To move on, the policymakers are cautious of the likelihood of the developing countries imposing the restrictions on the export barriers. They are wary of the market twist in international trade and the flows of investment that arises from the developed countries offering subsidies to other developed countries that have agreed to make economy as the Green Economy.

**Russia:-** Talking about Russia, a country rich in resources and is a leading producer of the major commodities such as, steel, iron, agricultural products, oil and gas, etc. It is flourishing and surviving because of its dependence on these commodities. The Russian Federation considers this concept as the masterminds and emphasises on the fact that it is a universal truth that we cannot delay saving our planet from pollution, environmental degradation and hazardous wastes. It says each economy should focus on such a model which not only helps in achieving the goals but at the same time maintains the harmony among the people. Russia

considers the Green Economy a tactical option for it as it believes that it would enhance the efficiency of the economy. And the minerals and resources are just the ways for reaching our goals. They were also of the viewpoint that Green Economy helps in the generation of the employment, but they are at the cost of elimination of the traditional industries.

Russia has abundance wealth just because of the minerals it is bearing. Processing and extraction of these minerals using fossil fuels has resulted in severe challenges faced by the environment with a focus on national so as to say ‘economic prosperity’, which is highly dependent on trade. Russia has continuously shown its willingness to alter its economy so as to promote comprehensive and sustainable development by following the agenda for green economy reforms.

Russia is promoting its plan for developing a Green Economy in co-operation with the UNEP and it has also developed the network of its environmental institutions and legislations. But its approach makes it unbalanced. The supremacy of energy-intensive industries in Russia has led to the degradation of the environment and created the stumble in the development of the Green Economy. Therefore, there is no clarity on the policy frameworks for the balanced approach which further brings down the country’s plan for developing the Green Economy and the discussion continues for further assessing its consequences.

**India:-** When we talk of India, as per The Hindu, Environment Minister Jayanti Natarajan presented the Rio+20 outcome document which took into account India’s interests and concerns. It said India slams the developed economies in context of the Green Economy. India is a member of G-20 and its choice to uphold the concept of Green Economy is correlated to promoting the prosperity and sustainable development as specified in the 11<sup>th</sup> Five Year Plan.

The main focus of the implementation of Green Economy was the removal of the poverty and the lowering of the economic inequalities in the nation. In order to achieve it, it regarded the control on carbon-emissions as unfair. It was realised that the objectives of the economic development could be attained from developing the Green Economy. There are two viewpoints of Green Economy. As some of them believe that there is no trade-off that exists between the economic growth and environment sustainability. Whereas, others think that it will create a positive impact on the economy and it will drastically change India’s current economic paradigm which will lead to prosperity and environment sustainability of all the Indians.

Thus, a decision has to be taken whether to be opponent or as a proponent of the view.

**South Africa:-** Africa plays a very important role in BRICS due to its engagement of its members, its position in the world and the significant role it is playing among the developing and the developed nations. It is a country that considers the the concept of a green economy as a feasible option for the sustainable development thereby achieving three agendas namely, poverty alleviation, employment generation and the growth of the economy.

Africa in the past have experienced healthy economic growth, but the growth has not been converted into significant levels of poverty reduction and social inclusiveness. The new ways to achieve the growth should be adopted so that it enhances the basis of livelihood and generation of income for the poor. Also, it was observed that Africa has been facing the situations of unemployment and under-employment. It was because economic growth has been led by capital-intensive rather than the labour-intensive sectors. For poverty alleviation, it was observed that in Sub-Saharan Africa, 33% -35% of the population is malnourished in rural areas. The productivity of soil is decreasing due to the degradation of the environment. So, new and innovative methods should be used for removing poverty, employment and growth.

For achieving its objectives, this country has incurred huge amount of investments in green energy sectors and has developed policies to foster the growth of the Green Economy. At the Rio+20 Summit in 2012, it emphasised on the fact that African countries would be in better position if it changes to Green Economy and the transition process were found on national objectives, also if they are at the social benefit of the individuals. However, taking the position of the Green Economy provides it with the opportunity to reduce its carbon emissions and expand its energy systems.

The challenge is that most of the industries in South Africa are heavily dependent on energy derived from coal. Unlike, the other BRIC nations, South Africa also tries to build up the National Framework for Sustainable Development (NFSD) to foster sustainability in the country. It has also developed a number of policy frameworks such as National Strategy for Sustainable Development created by the Department of Environmental Affairs (DEA) in 2011 which focuses on the need to develop a green economy and focus on South Africa’s strategy in this regard.

South Africa’s main strength is its Renewable Energy Sector in developing a green economy. And the main reason they have invested in this energy sector is due to the job creation that will provide the employment opportunities through small and medium enterprises (SMEs), in areas of importance to Africa, including sustainable agriculture (+4%), clean energy generation and energy efficiency (+20%), forest management (+20)

and sustainable transport (+10%), while maintaining the environment by reducing carbon emissions and diversifying its energy mix to ensure energy security.

## **II. Conclusion**

Thus, the above comparisons between the four countries, namely, Brazil, Russia, India & South Africa gives a clear view as to what extent Green Economy is helpful to them. Thereby, concluding that for the BRICS countries in order to benefit from the advantages of the development of the Green Economy, the objectives of the country should be linked with the overall objectives of the country.

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