

Symposium

Institutions for a Green Economy

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The United Nations Conference on Sustainable Development, 2012

The United Nations Conference on Sustainable Development (UNCSD) will be held in Rio de Janeiro, Brazil on June 4–6, 2012. Based on the United Nations General Assembly Resolution A/RES/64/236, adopted on December 24, 2009, UNCSD is designed to focus attention on two main themes, as it attempts to draw renewed political attention to the concept of sustainable development. First, the realization of “a green economy within the context of sustainable development and poverty eradication.” Second, the development of “an institutional framework for sustainable development.” As in virtually all UN processes, both conference themes were extensively—maybe excessively—negotiated and capture a measure of intentional ambiguity and breadth to satisfy a broad range of (sometimes contradicting and conflicting) viewpoints and interests.

Marking the 20th anniversary of the Rio Earth Summit of 1992 (the United Nations Conference on Environment and Development [UNCED], held in Rio de Janeiro), which itself signified the 20th anniversary of the Stockholm conference of 1972 (the United Nations Conference on the Human Environment, held in Stockholm, Sweden), UNCSD is often referred to as “Rio+20.” This title embodies the hope that UNCSD will attract the same attention as the first Rio summit did 20 years earlier. Yet, this is definitely not a given. Other conferences with similar goals—for example, the 2002 conference in Johannesburg dubbed “Rio+10” (the World Summit on Sustainable Development) or the largely forgotten “Stockholm+10” meeting held in 1982 in Nairobi, Kenya—did not live up to their own aspirations (Najam, 2005; Najam et al., 2002; Selin & Linnér, 2005).

Even though it is scheduled to be a relatively short conference, the supporters of UNCSD hope that it can accelerate progress where a long line of earlier political efforts have come up well short, achieving real and continuing change toward a genuine sustainable development transition. This is not simply an exercise in UN posturing and politics, but of critical importance to societies and people all over the world as well as future generations. The United Nations General Assembly selected the two conference themes precisely because they are areas where (1) there is a great need for global clarity and agreement and (2) there is potential for real change if, indeed, further clarity and agreement are achieved. Indeed, from the 1992 Earth Summit onward, the entire global conversation has revolved around the desire to put meaning into sustainable development.

Symposium Contributors

This special symposium addresses several important aspects of the two themes underlying UNCSD. The papers come out of discussions organized at the Boston University Frederick S. Pardee Center for the Study of the Longer-Range Future in September, 2010. As co-conveners of this meeting, we invited a small group of experts to discuss the role of institutions in the actualization of a green economy in the context of sustainable development. The participants came from academia, government, and civil society and were asked to outline ideas about what the world has learned about institutions for sustainable development from the past as well as formulate propositions about governance challenges and opportunities for the development of a green economy. The papers were first published as a Pardee Center Task Force Report and have subsequently been reedited for publication in this journal (Selin & Najam, 2011).

Participants at the Pardee Center meeting and authors of the symposium papers are: Tom Bigg (International Institute for Environment and Development), Elizabeth DeSombre (Wellesley College), Mark Halle (International Institute for Sustainable Development), J.P. (Hans) Hoogeveen (Dutch Ministry of Agriculture, Nature and Food Quality), Saleemul Huq (International Center for Climate Change and Development), Bernice Lee (Chatham House, the Royal Institute for International Affairs), David Levy (University of Massachusetts at Boston), Ricardo Meléndez-Ortiz (International Center for Trade and Sustainable Development), Adil Najam (Boston University), Henrik Selin (Boston University), Stacy D. VanDeveer (University of New Hampshire), Patrick Verkooijen (World Bank), and Paul Wapner (American University).

In our invitation to come to the Pardee Center, we asked participants to think big and bold. We did not try to force a consensus but encouraged the expression of a diversity of views and opinion. Nor was the idea to define a set of precise recommendations. Rather, we set the goal of identifying broad themes and trends in the area of institutional frameworks for sustainable development and the actualization of a green economy. Instead of shackling participants in repetitive debates on the minutia of what may or may not be done by or to a particular UN agency, or how the existing system can be tweaked at its periphery, we asked them to identify key lessons that have the greatest potential to trigger bold and systemic change beyond UNCED. We asked them to consider trends and ideas that match the importance and scale of the planetary challenge.

Five+1 Suggestions for Rio+20

In this brief introduction to the symposium section, we outline some key insights that emerged from the Pardee Center discussions as well as several observations and ideas expressed in the separate papers, formulated as five+1 suggestions for Rio+20. We realize of course that the necessary political will for making some of the proposed changes may not yet be available. We also recognize that while some of the propositions put forward here may be considered bold; they are not necessarily new. We do believe, however, that they are of great significance and that they can—and should—inform the more specific policies and programs that we and many others hope will emerge from the organization of UNCSD.

One: Think Boldly and Move Incrementally

Discussions of global institutional reform can sometimes seem like a futile endeavor akin to the rearranging of the deck chairs on the Titanic. Any truly meaningful institutional reform process must begin with a basic recognition of the urgency for action. It must also start with a commitment to the proposition that societies need to engage fundamental shifts in political and economic practices to avoid significantly accelerated ecological damage with disastrous consequences for people all over the world. The enormity of the challenge calls for ambitious thinking, but it should not paralyze action just because big change is often difficult to achieve.

Moving forward, there is a need for radical incrementalism—recognizing and strengthening those elements within the existing institutional architecture that do work, identifying the strategic direction of change, and implementing measured and pragmatic shifts to move the system in that direction. Progressively evaluating implementation progress and making careful adjustments to bring about the desired shifts is a critical component of this process. One example of this would be to break the deadlock that often arises in the search for a single, “perfect” solution by instead adopting a portfolio approach that uses a plethora of initiatives and avenues to build knowledge, raise awareness, set goals, support capacity development, and generate financial and human resources.

One specific area where an approach based on radical incrementalism is called for concerns the much-stalled debate on creating a new international environmental organization modeled in part on the World Trade Organization. This debate has not only remained inconclusive but saps energy away from needed reform of the United Nations Environment Programme (UNEP)—for which there is already much international political agreement. The idea that UNCSD and other political efforts should lead to a stronger—and not a weaker—UNEP is already broadly accepted. This much-needed development should not be held hostage to the debate about the designs of a superorganization for the environment. That is, the benefits of a radical incrementalism approach should not be lost in the debate on grand institutional reform.

Two: Take Economic Policy Seriously

The proposition that the world needs to move toward a green economy implies that the current economic system is not working, at least not for the environment and future generations. Change is required in economic policy institutions as much as in environmental ones. Consequently, a genuine transition to a green economy needs to involve essential changes to both macroeconomic and microeconomic conditions and institutions. Business as usual with respect to economic policy is not a viable alternative to meet the challenges of the future. Recent economic upheavals that left the global economy in a state of flux create uncertainty but can also be an opportunity for a green economy shift.

The most obvious area in need of change is found in macroeconomic policy instruments relating to structures and principles for international trade and finance issues. For example, the role of trade in natural resources—especially in energy-related resources and security implications of resource trade—is central to the development of a green economy. Any shift in this area will require carefully crafted

incentives to align international markets toward meeting environmental and resource goals. At the microeconomic level, the institutional challenge is to create individual incentives (including negative ones) to realign consumption and production decisions that have significant environmental and economic consequences.

A central challenge is not only to think creatively about the development of a new economic policy but also to engage the major international economic organizations to also do so. While the necessity of such engagement is now understood by environmental as well as economic decision makers, making it real will not be easy because the necessary incentives for such change do not yet exist. An excellent and critical goal for all those delegates attending UNCSA would be to at least begin the realignment of institutional incentives to facilitate the achievement of a goal that was already agreed at the 1992 Rio Earth Summit but has not yet been achieved: making environmental considerations central to global economic decision making.

Three: Recognize What Is Working and What Is Not Working

There is no need to reinvent the wheel. There are already a number of public and private sector efforts that seek to promote a transition to a green economy world. These include initiatives from United Nations agencies and the World Bank to operationalize green economy concepts as well as actions by some firms to advance green technology and other green economy ideas. At the same time, current policies and practices must be subject to critical evaluation and changed as needed. Furthermore, activities and regulations across organizations, states, and issue areas must be coordinated. Policy goals should be formulated clearly and followed by monitoring and reporting (related to discussions about targets and timetables). There should be actual consequences for failing to meet agreed-upon goals.

The desire to fundamentally redesign things, to create new institutions without first thinking about what will happen to old ones, and to simply assume that problems that have plagued institutions in the past will somehow disappear in the future remains as prevalent as it is misguided. The period right before and right after the 1992 Rio Earth Summit was extremely productive in the negotiation of new instruments to deal with emerging problems. There is now a variety of instruments available for a range of pressing issues, including a variety of financial mechanisms intended to support sustainable development projects (although many have few or no resources). The challenge is no longer creating new instruments but of making existing ones effective and functional.

A worthy goal for UNCSA and any initiatives coming out of the conference would be to enhance the efficacy of the main elements of the current system of international environmental governance. For example, there is a need to strengthen UNEP—including in terms of giving it much more financial authority and stability—so that it can more effectively deal with the growing number of responsibilities that member states are piling upon an organization stretched to its limits. There are also strong reasons to return to the original mandate of the Commission on Sustainable Development and make it an actual review mechanism for progress toward sustainable development. In addition, the process of rationalization of multilateral environmental agreements through linking and consolidation should be accelerated.

Four: Make Implementation the Focus

A very long list of political efforts since the 1972 Stockholm conference has provided a rich edifice of institutions and instruments central to creating and managing a green economy as part of a sustainable development transition. However, the international political system remains too focused on negotiation. A functional green economy will require that societies shift their attention much more toward implementation and the realization of actual change. There is a growing restlessness among industrialized and developing countries alike—although for different reasons—to make implementation a more central focus, and UNCSD should become the marker that signifies this shift in attention.

A stronger emphasis on the actualization and implementation of policy goals will have to involve at least two important changes to current institutions and practices. First, it will require better incorporating a diverse set of public, private, and civil society actors in policy efforts across international, national, and local governance levels. This must entail coordinated multilevel governance from major intergovernmental forums down to town halls and households. The subsidiarity principle should guide these policy and management efforts. That is, each green economy issue should be addressed at the lowest, most appropriate level to bring decision making and implementation as close as possible to each person who is affected by change.

Second, it is clear that effective implementation does not just happen by chance, but it is typically dependent on careful monitoring and evaluation leading to appropriate adjustments. Existing institutions and organizations—including, but not only, the Commission on Sustainable Development—should be given mandates to become more active in these areas. Accountability issues also are crucial at each level to ensure policy implementation and durable change. This includes thinking carefully about what kind of accountability mechanisms are needed and how they may be established, given that they are largely missing in the current system. To this end, a host of scientific, economic, and political information needs to be generated and shared in an open and transparent manner.

Five: The State Remains Central But Nonstate Actors Have to Be Better Accommodated

A focus on green economic issues highlights the importance of markets and consumers to both ecology and politics. However, national and local governments remain, and will remain, central to this enterprise. There is a tendency (often by those outside of governments) to downplay the importance of states. There is also a tendency (often among those within governments) to push much of the responsibility for action and change on to nonstate institutions. Both these tendencies should be rejected. The model here is not so much state responsibility being “replaced” or “taken over” by other institutions but state responsibility evolving to becoming an enabler of more and better action by nonstate actors.

UNCSD should support a process of deploying new and expanded ways of making the engagement with citizen and market groups deeper and more directly related to implementation challenges. Just as the state has to learn how to create a space where markets and citizens can spur institutional innovation at a planetary

scale, it also has to retain its role as rule setter and enforcer. This is evident, for example, in the area of climate change where large-scale carbon markets cannot effectively operate independently of state action. As market instruments not only become more important in the greening of natural resource supply chains but also may become defined more and more by national security concerns, the importance of the state will increase in the evolving institutional needs of the planet.

As the future roles of states are debated, it is important to realize that the state itself has changed over time, so has the structure of states that make up the international political system. Also, no single bloc of countries or region holds all the answers. Compared with 1972 and 1992, the North today is a little less “North” and the South is a little less “South” than they used to be. As global power balances shift, as corporations as well as citizens and their consumption become more central to the global enterprise, international politics and policy must confront new realities about North–South differences. Neither is ready to wither away but both have evolved—as have the relations of both to the many nonstate actors critical to the realization of a green economy.

Five+1: Put Equity at the Center

Finally, and incorporating all of the first five ideas, we make a concerted and strong argument that equity and human well-being has to be the central and unwavering goal of UNCSD and all future sustainable development efforts. The new institutions for a green economy must have as their core focus the well-being of people—of all people, everywhere—across present and future generations. This essential idea puts the notion of equity—intra-generational as well as inter-generational—smack at the center of the green economy enterprise. It also brings to the fore the centrality of consumption questions, not only between nations, but also within societies. It would be a folly to forget that a green economy demands not just “green consumers” but also “green citizens.”

The goal of a green economy is making the economy more ecologically efficient—meeting economic needs without compromising ecological integrity. However, the ultimate goal is to do so in a way that the needs of all people—today and in the future—can be met and sustained. That, after all, is the central premise of sustainable development. Therefore, a deep commitment to issues of fairness and social justice is central to the green economy transformation. Indeed, a key role of institutional frameworks required for a green economy is to maintain a focus on equity. It is necessary that UNCSD be a forum that helps ensure that the desire for ecological efficiency complements, and not displaces, a commitment to equity.

Engaging Policy Change

The ideas coming out of the Pardee Center meeting were first made publicly available in a special Pardee Center report, in part prepared for UNCED negotiators and other stakeholder groups engaged in the conference preparations (Selin & Najam, 2011). The papers presented in this symposium are revised and updated versions of the ones in this report. Related arguments and insights have also been presented in multiple international forums, including to members of the UNCSD

preparatory committee. This has been our attempt to bring ideas and perspectives from academia into political processes, which we strongly encourage more scholars to do. This is of mutual benefit to universities, national governments, and international organizations.

Both the number of people who still live in abject poverty and the rapid increase in the number of people who engage in high-consumption lifestyles raise crucial challenges for change. Rio+20 delegates should seek to craft a global new deal for sustainable development; a deal that finally helps bridge the North–South divide by tackling poverty as well as over-consumption, environmental degradation as well as social justice, and greenness of the economy along with sustainable livelihoods. Many of the ideas presented in this synthesis and the subsequent papers are not new *per se*. It has been said many times before but it will hopefully inspire action this time: more aggressive policy change for sustainable development and implementation are badly needed.

The papers that follow this introduction detail many important ideas, summarize a wealth of lessons from past experiences and efforts, and lay out broad visions of a future where green economy and sustainable development issues are taken seriously. Our discussion of five+1 suggestions for Rio+20 should not be read as a summary of these ideas and visions but should be seen as an invitation to explore the many thought-provoking arguments presented in each of the individual papers in more detail. We hope that readers from across public, private, and civil society sectors will find these papers as useful and stimulating as we have. It is, after all, a discussion fundamental to all of our shared futures.

About the Authors

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