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A Study On Poverty Reduction Through Green Economy

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Abstract
The concept of the 'green economy' is complex and the international community has yet to come to a political consensus on its meaning, its use, the ensuing policy implications or what it constitutes. The distinctions between 'green economy', 'green growth', 'global green new deal' or 'green recovery' are somewhat blurred, as is the distinction between 'qualitative growth' and 'sustainable economy'. This paper deals with role of green economy in poverty eradication. It outlines the identification of poor in green economics and methods of application of green economy towards upliftment of poor and implications of green economy towards development of women. This paper concludes with some policy measures towards promotion of green economy in poverty eradication.

Introduction

The United Nations Environment Programme (UNEP) emphasizes that a balance between the three dimensions of economy, society and environment is essential to achieving equitable and sustainable development. Thus defined, the green economy embodies the concept of sustainability while offering scope to debate the limits to growth – a debate held in both the industrialized and emerging economies. This gives the impression of a socially and environmentally friendly economy, sensitive to the need to restore and conserve natural resources; one that minimizes pollution, emissions and waste that damage the environment in the production process; and one that produces products and services the existence and consumption of which do not harm the environment. By extension, not harming the environment suggests that all living beings would thrive and even, perhaps, flourish. Interpreted in a holistic manner, the green economy offers hope. Yet differing national circumstances and aspirations prompt different responses to 'greening' the economy. The capital- and technology-intensive industrial economies, for instance, focus on the promises of future market and employment opportunities while emerging economies by and large are suspicious of potential environmentally conditioned trade barriers and mercantilist interests that might further compromise their own economic agendas.

In one report, UNESCAP qualified its own conceptual framework of a green economy and green growth as essentially "the process of greening the conventional economic system" and proceeded to clarify: "In the long run a Green Economy may produce better outcomes in terms of poverty reduction, as it will reduce the vulnerability of socio-economic systems to external shock and crises and sustainably manage the natural resources that underpin such systems. In the transition, however, costs and benefits will not be equally distributed, and it is important that specific measures are put in place to counter-balance the potential negative effects on the most vulnerable, especially the poor. Green Growth does not automatically alleviate poverty in the

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short run and address equity and inclusiveness, neither does the current conventional economy. Economic growth policies need to be complemented by policy measures directly focusing on improving equity and reducing poverty.

Policies for greening economic growth cannot be a substitute for sound social policies". In other words, the principles and assumptions behind 'growth' will not meet the challenge of growing inequalities. This is where the interests around equity, equality and women's development need to be clearly established. Social policies and instruments need to be developed to ensure that the green economy not only alleviates poverty and addresses equality as a matter of course, but that the interests of the very same people who depend on green economy sectors particularly natural capital – are deliberately safeguarded and protected from the very outset.

There is a window for the women's movement to take the green economy concept beyond the primary mandate of today's market economy and the notion of 'economic growth'. The green economy should be based on three imperatives: (a) the environmental imperative; (b) the development in terms of economic and social imperative; and (c) the equity principle.

Identification of Poor in Green Economies

The Brundtland Commission report (1987) made the link between poverty and environment, stating that "many parts of the world are caught in a vicious downwards spiral: poor people are forced to overuse environmental resources to survive from day to day and their impoverishment of their environment further impoverishes them, making their survival more difficult and uncertain". Poverty is now better understood and recognized as a complex issue with socio-institutional and 'structural' factors generally being more important than pure economic or biological aspects. In other words it is not nature's intention to create poverty; poverty is a man-made construct.

The fishing sector provides a perfect illustration. Over-fishing and the potential depletion of fishery resources threaten many coastal livelihoods and small-scale fisheries. Other conditions related to social structures and institutional arrangements play a more central role in engendering poverty by their ways of controlling how and by whom fishery resources can be accessed and used. Critical factors that contribute to poverty in small-scale fishing communities include: insecure rights to both land and fishery resources; energy vulnerability; poor or absent health and educational services; lack of social safety nets; vulnerability to natural disasters and climate change; exclusion from wider development processes; and inadequate representation and participation in decision-making. This is of direct concern to women as more women than men worldwide are employed in the inland fisheries sector when postharvest activities are included. The bulk of inland fisheries production is consumed locally; it is vital to rural populations for food and nutritional security, cash income and as a safety net for the poor. Nearly three quarters of the world's poorest citizens are directly dependent on the environment for a significant part of their daily livelihood. More than 1.1 billion people live within the world's biodiversity 'hotspots', which are home to nearly 60 per cent of the world's poorest people. In other words, the concentration of population and the fragility of eco-systems go hand in hand. Of the 955 million poor people living in rural areas of developing countries in the mid-1990, an estimated 630 million lived on marginal agricultural forested and arid lands. Some 300 million people live in forested areas and another 200 million live around them, most of them poor. Currently, 146 major cities15 are located in or directly adjacent to a hotspot – which has implications for the swelling numbers of urban slum dwellings.

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Global data from the UN Food and Agriculture Organization (FAO) suggests that of the 4 billion poor and hungry, 50 per cent are smallholder farmers, a majority of them women; 20 per cent are rural landless, 10 per cent depend on herding, fishing and forestry; and the remaining 20 per cent are urban. Agricultural livelihoods are essential for about 2.5 billion people worldwide, providing jobs for approximately 1.3 billion people, of whom most are small-scale land holders or landless. Increasingly, men are moving out of the sector in search of employment in urban or peri-urban areas, contributing to the feminization of small-scale agriculture. Women in agriculture tend to perform unpaid labour tied to household or smallholder production and temporary or seasonal work and are principally involved as farmers, food gatherers and custodians of medicinal plants – again a key component of future green economies.

Poor women's vulnerabilities are further accentuated by race, class, ethnicity and age. Even among the poor, women have less access than men to resources that would enhance their capacity to adapt to climate change, including land, credit, agricultural inputs, decision-making bodies, technology and training services. For the vast majority of women working in the informal sector and in small enterprises and lacking capital and access to credit and information, recovering from the devastating effects of environmental disasters is next to impossible.

Role of Green Economy Promotion of Welfare of Poor

Sustained economic growth, which is necessary but not sufficient for poverty reduction. Economic growth in specific sectors that provide employment, production and entrepreneurship opportunities to the poor. These include sectors where the poor are more likely to find their livelihoods, such as agriculture, fishing, forestry and other natural resources, construction, transport infrastructure and other primarily urban sectors, as well as others where unskilled and manual labour is important. In addition, a growing body of evidence suggests that access to energy by the poor can lead to benefits across multiple dimensions ranging from income to education and health outcomes and the well-being of women (UNDP 2010).

Redistribution of the benefits of growth through public spending in the provision of equitable, quality services such as health, education, water and sanitation and social protection for the poor that helps improve their – and their children's – skills and productivity. In turn, the poor boost growth when they are equipped with assets and resources to take part in the development process. Proactive focus on women, the excluded, and hard to reach population groups who may need special help to gain access to employment and quality services these may have important multiplier effects, positively affecting several dimensions of well-being. Educated mothers, for example, tend to have better nourished and educated children.

Empowering the poor and marginalized including women – to play an effective role in the decisions that determine their long-term well-being. In some countries this includes refugees, some of whom are refugees due to ecological insecurity or resource conflict and who would benefit from employment generation if governments would allow them to participate fully in the labour market.

Providing protection against negative shocks – including those arising from global crises such as those due to high food prices – so as to avoid slowdowns or reversals in poverty reduction. Comparing these with the three priority investment targets of a green economy – reducing carbon emissions and pollution; enhancing energy and resource efficiency; and preventing the loss of biodiversity and ecosystem services – it is clear that the relationship between the green economy and poverty reduction is not straightforward, but can be expected to exhibit possible tradeoffs and possible synergies. Understanding and balancing these overall goals would require accurate

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assessments as well as carefully calibrated policies and measures. As it is the poor who are predominantly dependent on ecosystem services, green economy initiatives to prevent the erosion of these services can be important in reducing poverty levels to the extent that they also safeguard the livelihoods of the poor who draw upon them. On the other hand, investments to reduce carbon emissions and pollution need not generate jobs in sectors that employ the poor, even though reducing polluting impacts that often have the worst impact on the poor. Clearly, improved health and quality of life due to avoided pollution needs to be accompanied by improved income and quality of life due to direct and formal employment. In some economies, green investments could also help offset any potential increases in emissions and pollution as a result of growth in sectors that actually employ the poor, thus enabling the economy as a whole to move to a greener path while achieving poverty reduction objectives.

In general, a green economy that works for the poor might be expected to display the following characteristics: It maintains growth and reduces emissions for the economy as a whole, while promoting the creation of jobs and other economic opportunities in sectors that predominantly employ the poor. It generates adequate amounts of public revenues to allow investment in social protection and quality services with equitable access by the poor. It retains biodiversity and ecosystem services, while seeking to maintain in sustainable ways the livelihoods of the poor who are directly dependent on them. It enhances energy and resource efficiency in the economy, including through the equitable access to energy by the poor and the promotion of its efficient use.

It ensures resilience to environmental and other risks through developing adaptive capacities. Achieving these objectives will require governments to weigh apparent trade-offs and dilemmas of short- versus longer-term investment returns, identifying alternative policies and measures. Maintaining biodiversity and ecosystem services might, for example, limit the number of sustainable livelihoods that can be supported, thus requiring the consideration of other forms of economic opportunity for the poor.

Possible policies and measures might also provide opportunities for developing synergies. As an example, South Africa's working for Water initiative started during the 1990s to advance a public employment approach by employing the poor in the highly labour-intensive work of clearing invasive alien vegetation to restore stream flows and water availability. The resultant improvements in land productivity and biodiversity enhanced the provision of ecosystem services, while also strengthening the livelihoods of those dependent on them.

The externalities associated with some of these green economy initiatives may require the active use of well-designed policy instruments to maintain appropriate incentives. For example, the protection of forests in one place to improve carbon sequestration and mitigate climate change would have global benefits. Yet lower levels of income might accompany this in the short term for those whose livelihoods are tied to the forest, requiring some form of transfer from beneficiaries in other locations.

The movement to a green economy will take place against a backdrop of other longer-term transitions, such as increasing urbanization, altering demographic structure and structural change in developing country economies. These transitions are taking place concurrently, albeit at different rates and in different ways, in each country. They present both challenges and opportunities. Policies and measures that promote a green economy with lower levels of poverty would need to recognize and be responsive to these.

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Role of Green Economy in Upliftment of Poor

Several policy and programme approaches in recent years have been proven to be effective in promoting a propoor economy, one that also has green foundations. These include: Low carbon, sustainable agriculture to maintain growth, address poverty, food security and ecosystem services: A majority of the poor live in rural areas and depend on farming for their livelihoods (World Bank 2008). Low carbon, sustainable agriculture has the potential to promote growth, employment and food security while assisting with nutrient cycling and maintaining ecosystem services. This potential can only be realized if poor men and women farmers can be helped to access the relevant knowledge, technologies and green markets.

Similar examples exist for sustainable ecosystems management in sectors such as fisheries and forestry, with real potential for growth, employment and poverty reduction. In addition, opportunities also exist in the urban environment. Urban and peri-urban agriculture is important for delivering food in critical areas, supporting small-scale farmers through improved access to formal and informal markets and reducing farm-to-table distances.

Improved off-grid, green energy sources, these sources have good potential to provide poor people access to energy, with correspondingly large multiplier effects in employment creation, small enterprise generation, poverty reduction, the achievement of health and education outcomes and improvements in the well-being of women. In well-designed systems, the increase in emissions can be small and reduced to zero in aggregate terms through a proportionately greater reduction in emissions from other parts of the economy. Enabling the access of the poor to credit and skills can help these to deliver their full benefits.

Creating green jobs – for poor men, women and youth – that align poverty reduction and employment creation in developing countries with a broader set of investments in ecosystems conservation and rehabilitation to preserve biodiversity, restore degraded land, combat erosion, and remove invasive species, as well as recycling and waste management in urban areas (UNDP 2009). There is also tremendous potential to generate jobs for the poor through developing climate resilient infrastructure and adaptation investments, especially in the urban building and transport sectors, to sustain growth. In most cases, the assets created or refurbished through these jobs continue to deliver benefits that can be harnessed by the poor for continued improvements in their wellbeing. Examples can be found in many public employment initiatives, such as South Africa's working for Water, India's National Rural Employment Guarantee Scheme and the creation of green microenterprises in ecotourism in Kenya.

Fiscal Mechanisms for Pro-Poor Environmental Change

Environmental fiscal reforms offer the potential of internalizing the costs of ecosystems degradation and resource-intensive use through the use of green taxes and user fees, as well as removing environmentally harmful subsidies such as in agriculture and energy. Environmental fiscal reforms have been applied in a number of developing countries and have achieved triple wins in terms of revenue generation, environmental improvement and poverty reduction (OECD 2005). Public resources generated have been used to invest in the provision of quality services to the poor. These can also be used for social protection expenditure to cushion the loss of jobs and to provide training in new green job areas along with investment in renewable energy, energy infrastructure, energy efficiency and related energy services.

Enabling business to innovate, adopt and disseminate green methods of production. The private sector is the driving force in most national economies and plays an important role in influencing sustainable production and consumption patterns. With the capacity to invest and innovate, the

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sector is uniquely positioned to create solutions that reduce emissions and resource use, while at the same time generating growth and employment opportunities for the poor. An example from Ghana is Toyola Energy Limited, which produces cooking stoves and lanterns that target rural dwellers who largely depend on firewood and charcoal for their domestic cooking and on kerosene for lighting. Toyola provides cleaner, healthier and cost-effective means to meet the energy needs of the poor, and has expanded products, generated new jobs and offset carbon emissions (UNDP 2011).

Building the Resilience of the Poor

Climate change scenarios present new challenges to the poor and food insecure by altering ecosystems and their services despite where access is provided or ecosystems maintained. It brings the risk of disrupting growth and livelihoods, reducing food production and access to food, changing disease patterns, increasing vulnerability due to climatic shocks and the occurrence of environmental refugees.

This necessitates protecting the poor from shocks as well as building their assets to increase resilience. Ethiopia's Productive Safety Net Programme, for example, provides transfers to chronically food-insecure people while helping create assets at the community and household level through public works such as soil and water conservation, feeder roads, water supply, small-scale irrigation, etc. Catalysing climate finance and mainstreaming pro-poor green economy in national development plans. There is tremendous potential to raise climate finance through the Reducing Emissions from Deforestation and forest Degradation (REDD) initiative, carbon markets, climate adaptation finance and supplemental government resources to pursue pro-poor, green economy goals through national development plans. Increased public financing will be vital to address upfront investment costs associated with the transition to a green economy.

It will also be vital to ensure that such financial mechanisms include social and environmental safeguards that protect and promote the interests of the poor, so as to fully realize this potential. Safeguards for biodiversity and indigenous and local communities are being developed under the decentralized approaches**.**

There are a number of successful decentralized ecosystem management initiatives around the world that have worked to generate incomes and lift people out of poverty. The UNDP GEF Small Grants Programme has supported many such efforts, but these cases often remain islands of success. Where they have been taken to scale, such as community-based forest management in Nepal and India evidence suggests that the more affluent take control and that, at a national level, political groups and parts of the government are keen to extract a share of the profits. The challenge lies in establishing effective governance mechanisms for the poor to play a role in making the links between national and subnational planning, and in decentralizing budgets to allow local authorities to be effective contributors to the achievement of sustainable development.

Women's vested interests in managing water – how this applies to the green economy research from rural India suggests that understanding contextual water allocation issues while drawing on the local inputs and insights of those who use and manage water, their daily experiences and range of strategies for claiming and obtaining water, as well as the rights of women for defending their access to water is critical. It recommends that the state take ownership of all the country's water – both surface and underground – and extend user rights to individuals for the first 200–300 litres of their daily needs. An all-woman committee could be made responsible for

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the monitoring and allocation of water, as women are more likely to accord the highest priority to domestic usage. Women need to be centrally positioned in the management and monitoring of water in their communities. There are exemplary initiatives in the field for example Barefoot College in India that have successfully involved communities in harnessing and efficiently managing their water sources.

These initiatives resonate with the recommendations put forward by a seasoned water engineer in central Asia who emphasized the roles women play as managers of water: “Women want access to clean water. They have a vested interest in protecting water against pollution. Since Soviet Union times their ‘traditional monitoring role’ has been replaced by machines, pumps, pipes and other technical devices. There needs to be national support for a village-by-village approach that works with a women’s water committee to identify alternate natural water sources, nurturing and protecting these water sources through a combination of eco-management, local governance and communal trust. Rural women representatives could be trained and made responsible for water affairs at the Jamoat level, to save and protect water for the wellbeing of all members of the community. Gravity irrigation, rainwater harvesting, protection of water catchment areas, conversion of mudslide areas into small dams – these are part of a range of small-scale mitigation projects that could source local water such as springs, seasonal ponds, groundwater, derivation of smaller streams and the harvesting of water from snow and episodic rainfall. Establishing these decentralized ‘small scale solutions’ would address water scarcity at the community level while empowering women to maintain their water security.” As an example, farming methods can be improved by capturing water in soils.

These provide an illustration of how green economy initiatives need to integrate the empowerment of women with natural capital development and management of finite resources, through: protecting life-sustaining functions of water cycles in ecosystems for future generations, promoting natural water harvest and storage systems and natural filtration systems managed by local users; capturing virtual water trades and water footprints, and their value and compensation for local communities’ land reform issues.

The case of inland fisheries – linking women’s roles, ecology and food security Fishers are most commonly portrayed as men going out on boats to catch fish while women work on land as fish sellers and processors. This generalization is largely right, but closer examination reveals a more complex situation depending on the economic and cultural context. In some countries – such as Benin, Cambodia, Congo, Mali, Nepal and Thailand – women actively fish. In others, such as Haiti and Uganda, women increasingly own fishing boats and hire men as crew. It is not unusual for women as the fish buyers to provide the working capital for fishing trips against a guaranteed supply of fish when the catch is landed. Worldwide, there are more women (33 million) than men (28 million) employed in the inland fisheries sector when post-harvest activities are included, and 65–90 per cent of the inland capture fish production takes place in the developing and low-income food-deficit countries. The bulk of inland fisheries production is usually consumed locally, and it is important to rural populations for food and nutritional security, cash income, alternative livelihoods and as a safety net for the poor.

Ecological Value

The ecosystem services provided by inland waters include food and water supply, water purification, biodiversity habitat, fibre and raw materials, climate regulation, flood protection and recreational opportunities. Biodiversity has an important role in aquatic habitats, as a large number of aquatic plants and animals are essential in sustaining fisheries and other uses of

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aquatic ecosystems. Where biodiversity is maintained and ecosystem processes remain largely undisturbed, the ecosystem retains its ability to buffer or absorb perturbations, including exploitation by fisheries. Impacts on the aquatic environment and habitats arising from non-fishery uses reduce the adaptive capacity of the fish populations. Therefore, decisions on the management of the fishery should consider any activity that, directly or indirectly, affects the ecosystem and thus the fish stocks of concern. Local management: Small-scale fisheries are presumed to be 'open access'. However, in reality very few inland fisheries are and the right to fish is usually linked to some type of formal or informal, symbolic or substantial management system generally established at the local or community level.

Green Economy Implications for Women

Given what is at stake, and the pivotal roles women play in this food sector, there are at least three immediate actions that need to be taken.

Consciousness Rising

Women de facto play a critical role in determining which fish are caught and when – this needs to be acknowledged and supported. They could be prominent agents in promoting the respect of fishery seasons and the suitable sizes for the catch. This could be implemented by telling the fishers not to take immature fish and by not purchasing the immature fish when they are brought to shore. For this to happen, women need to be brought together for women-only training to begin with, until they feel confident, articulate and empowered to be in mixed-gender meetings to convey their understanding and perspectives on securing fish stocks and their environments alongside their male peers.

Finance Issues

Since women are a growing boat-owning constituency in some countries, they need micro-insurance support to provide contingency funds should their capital assets be damaged by storms and weather-related disasters.

This comprises just one component of a comprehensive credit and savings system for poor women. A fishing finance infrastructure would enable women to become vested players in earning ecosystem payments to restore and conserve mangrove and other marine ecosystems. There has to be some financial compensation that goes hand in hand with a more restrained and ecologically sensitive extraction of natural resources.

Legacy Issues

Women understand the value of what is fished and become the de facto 'enforcers' of maintaining and monitoring ecosystems, which are fundamental to sustainable green economies. They in turn involve and teach their children–bringing up a new generation with a healthy respect for marine and coastal systems.

Conclusion

It is important to recognize that a transition to a green economy can exacerbate poverty and inequality. Therefore, a pro-poor and inclusive approach needs to prioritize and sequence measures that guard against this by protecting the poor during the transition through social protection programmes. Moreover, the transition to a green economy with pro-poor impacts as priority will require a two-pronged approach: climate/environment-proofing growth and poverty

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reduction, while poverty-proofing climate/environmental protection responses. International regulatory environment: In general, a green transformation will not materialize if all that takes place is a retrofitting of the prevailing economic system to secure the 'green' interests of the powerful few while serving the poor with supplemental social policies. The litmus test of the green economy will be whether it takes to heart the perspectives of poor communities, especially the interests, knowledge and priorities of women, to establish an equity stake. These are existential issues for women, for there are real perils and risks if the natural resources on which these communities depend are brought into an economic value system that for all intents and purposes dismisses, negates and displaces the value systems and priorities of the poor.

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