

ENVIRONMENT, DEVELOPMENT AND ECONOMIC RECOVERY

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GLOBAL CRISES

- Global Financial Architecture
- Economic Recession/Trade Decline
- Millennium Development Goals
- Climate Change
- Biodiversity Loss
- Future of Globalization

IMPLICATIONS

■ **NEGATIVE ENV. IMPACTS**

- Weaker env. assessments & regulations
- Inadequate safeguards for market supply chains
- Subsidies misdirected and inadequate funding for env. and dev. initiatives
- New protectionism, including env. trade barriers

IMPLICATIONS

■ OPPORTUNITIES

- Lower demand & prices can help meet env. goals
- Incorporate sust. dev. into recovery; seek sustainable production & consumption
- Accelerate innovation for new economic growth paths

IMPLICATIONS

- **REFORMED, WELL-REGULATED FINANCIAL SYSTEM**
- **NEW EMPLOYMENT OPPORTUNITIES**
- **GLOBAL PUBLIC GOODS PROTECTED**

GLOBAL NEGOTIATION

G2

G8

G20

G172

UN General Assembly

STIMULUS SUGGESTIONS

- UNEP & NEF 'Green New Deal'
- Stiglitz 1% of Global Stimulus to Dev. Nations
- Stern 20% of Stimulus for 'Green Component'
- Global Coalition \$750 billion for Green Economy

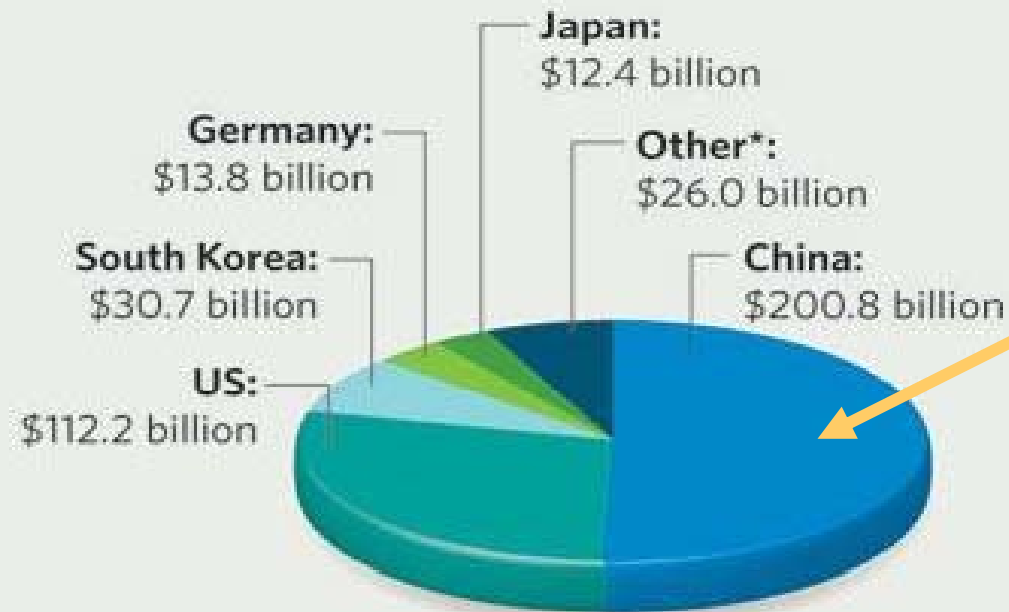
GREEN GLOBAL RECOVERY*

- Stimulus Package is no substitute for long-term env. & dev. action but could reduce ultimate cost of climate & energy policy
- Each \$1 billion Green Recovery = 30K jobs & \$450 million energy savings (USA case)

NATIONAL ACTION

"400 billion of 2610 billion USD total stimulus"

G20 GREEN STIMULUS



*Excluding Brazil, Russia, South Africa and Turkey

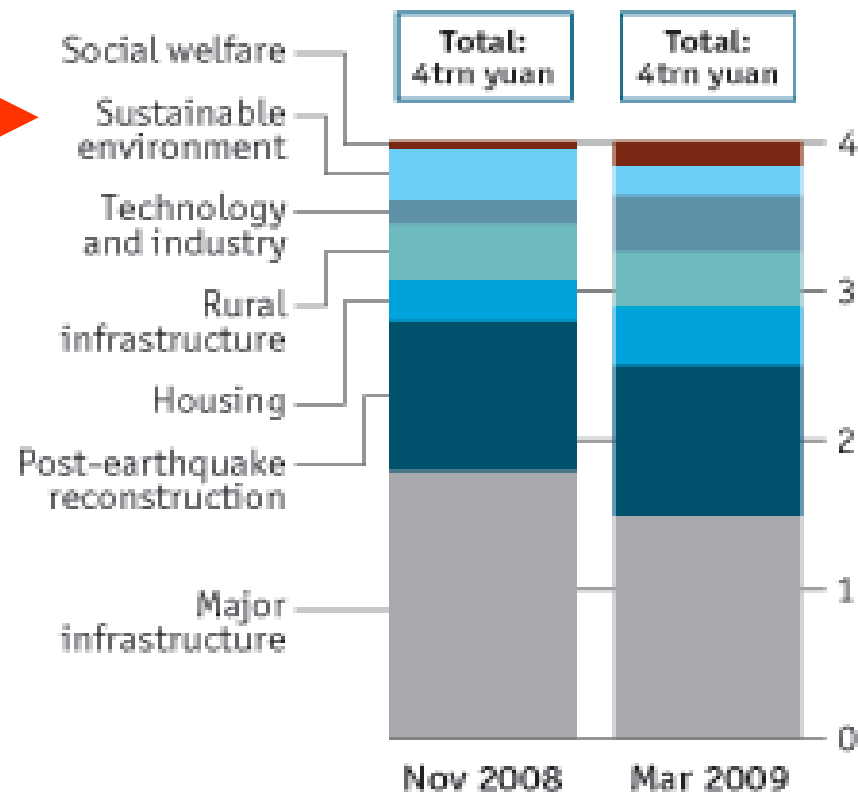
"4.8% of China's 2008 GDP"

Source: naturenews 30March2009, based on Edenhofer & Stern *Towards a Global Green Recovery*

Various Interpretations

New, but any better?

China's economic stimulus spending by category
Yuan trn



Economist
19Mar2009

Source: Government statistics

Key Green Components

- Green infrastructure buildings, transportation; renewable energy; electrical grid; water & sewers
- Env. restoration rural areas, cities & industrial areas
- Ecosystem services sustainable land, water & air use
- Sustainability technologies R&D and commercialization coal; advanced biofuels; solar; etc.

CLIMATE CHANGE

- Resolve exists in G20 that nations should still move towards robust climate agreement in 2009 and follow-up action
- Can Green Recovery lead to Low Carbon Economy/Development/Recovery?
- How can this new pathway to economic growth benefit Millennium Development Goals & reduce poverty?

Monitoring & Accountability

- Unprecedented investment requires sustainability framework and indicators for adequate monitoring
- Accountability of leaders and institutions will depend upon transparency of decision making

Comments Welcome

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