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The Green Economy

Setting Out the Agenda

JENNY M. FAIRBRASS AND NICHOLAS VASILAKOS

1.1 Introduction

This chapter provides an introduction to the collection of eight case studies presented in this edited volume, all of which are concerned with the processes of 'greening' of the European economy, analysed through the lens of governance or multi-level governance (MLG). In doing so, the main aims are to briefly outline the following: the notion of a 'green' economy; the academic origins of the book and the rationale for the volume, and the choice of case studies; the chosen conceptual framework and the research questions; and, finally, the structure of the book. However, before turning specifically to the idea of a 'green economy', the chapter first sets the scene by examining the real-world context that has triggered and surrounds the debate.

Even the most cursory review of events of recent months and years reveals and highlights the magnitude, scope and urgency of the sustainability issues facing humanity. At local, national, international and global levels of governance, human populations (and other species) face mounting existential and interconnected challenges associated with, inter alia, climate change, food and water supply, energy security and declining biodiversity linked to habitat loss and ecosystem degradation. For example, at the time of writing (late 2019, early 2020), it is clear that 'extreme weather events' are occurring with growing frequency and are having a major impact across the globe.[1] Whilst some parts of the world have suffered exceptionally high levels of rainfall leading to flooding, other places have been subjected to sustained and abnormally high temperatures with lower than average rainfall levels resulting in drought and major fires. These actual episodes, and the

[1] For example, during 2019 Indonesia and parts of Europe were subject to major flooding events and in late 2019, early 2020, several parts of Australia were experiencing their worst bush fires for many years. Both types of events have led to loss of life (both human and other species) and had a devastating impact on the environment. At the time of writing the long-term impacts are unknown but are expected to be highly damaging to life on earth.

forecasts about their attendant longer-term trends, have captured the attention of private individuals, community groups,[2] business actors and public policy-makers alike, and, arguably, have focused minds on the need to take urgent corrective action. There appears to be an intensifying recognition and appreciation that a failure to act swiftly and decisively could be catastrophic for humans and other species. Crucially, however, whilst such understanding is a critical first step towards addressing the prevailing threats; such thinking does need to be translated into real and effective remedial action. To date, such action has not entirely been forthcoming, and those measures that have been taken could be described as 'too little and too late'.

Unsurprisingly, in the absence of significant and impactful practical and definitive strides to address the sustainability challenges referred to immediately above, one typical response tends to be yet another 'call for action' to create or develop a 'green' or 'greener' economy. In other words, members of the public, politicians, civil servants, the media, business organisations and certain interest groups reiterate demands for a greater commitment to and re-doubled efforts geared towards shifting to a low(er)-carbon economy. Amongst those who have issued such a clarion call is the European Union (EU). In its vision of a 'green' economy, entitled 'The European Green Deal' (Commission of the European Communities (CEC), 2019), the EU has very recently repeated its plea for sustainable transport systems, environmentally friendly and energy-efficient food production, cleaner and more affordable secure energy supplies coupled with improved efficiency of use and the means for preserving and restoring ecosystems and biodiversity. Appeals of this type have been issued for a number of years until now but with limited effect to date.

It is against the background of the real-world events and debates briefly mentioned above that this edited volume ponders what it means to speak of a 'green economy' in a European context. As a collection, the book also reflects on what actions may be required (or should or must be taken) to implement 'green' ideas and considers which actors can and need to act (or interact) in realising such a green economy. The various case studies contained in the volume also permit an evaluation of the various green policies advocated and measures taken in shifting (or not) towards a green economy in Europe.

1.2 The Green Economy: Terminology and Definitions

Clearly, the notion of the 'green economy' is not a new idea. Taking a long-term view, its antecedents are discernible in many previous discussions and debates. Its

[2] For example, as reflected in the media attention to Greta Thunberg and as manifested in the high-profile actions of Extinction Rebellion.

origins may be traced over several decades (if not centuries), although different terms have been favoured or fashionable at different points in time and this has somewhat obfuscated deliberations (see Chapter 2 which follows and traces the development of the idea over time). In the past, for example, some governmental bodies, business actors and other non-government organisational actors (NGOs) have deliberately opted to adopt terms such as 'sustainable development', and more recently, 'sustainability' labels that reflect their underpinning bias or approach to the issue. Equally, alternative phrases such as 'low-carbon economy' or a 'circular economy' are also in use now. Furthermore, adding to the fog surrounding this topic, currently, there are now a number of substitute phrases in use that include the word 'green' as an adjective in conjunction with other terms such as 'jobs', 'collar' and 'economy', often used as a direct proxy for 'sustainability'. These patterns signal that over time, notions such as 'sustainability' have been repackaged or rebranded as a 'green economy' by some, partly in an effort to make the idea more appealing and palatable to a wider audience. Business actors, for example, seem to be more comfortable with the term 'green economy' than the other preceding alternative labels and their undertones.

Despite the changes in the use of terminology outlined above, the elements that would typically be thought to comprise the earlier concepts of 'sustainable development' or 'sustainability' are also to be found contained within the notion of the 'green economy', although the nuances and emphases may vary between the different sobriquets or tags. In other words, the 'green economy' can be viewed as one in which various actors seek to address and meet sustainability goals such as those identified in the European Commission's 'Green Deal' document mentioned above and represented by Figure 1.1 taken from that policy document.

What is significant for the purposes of contemporary debates and this edited volume is that the term 'green economy' re-emerged and found favour about a decade ago, used notably as a buzzword in inconclusive discussions across the globe amongst politicians, civil servants, business, NGOs, community interest groups, the media and academics at that point in time. Some of those actors would undoubtedly have argued that by offering the possibility of integrating economic priorities with more ecologically sensitive and socially just forms of overall progress, the concept of a green economy could outwardly provide some direction in terms of the efforts to attain long-term sustainability goals and ambitions across a range of tiers of governance and in different types of economy. Unfortunately, it is likely that for as long as a range of terms can be employed, each conveying different subtexts, the actual words and notion of the 'green economy' (and its synonyms) will remain elusive, deeply disputed, often poorly understood and unevenly applied. Whilst those circumstances prevail, there is every danger that the notion will remain both unworkable and marginalised.

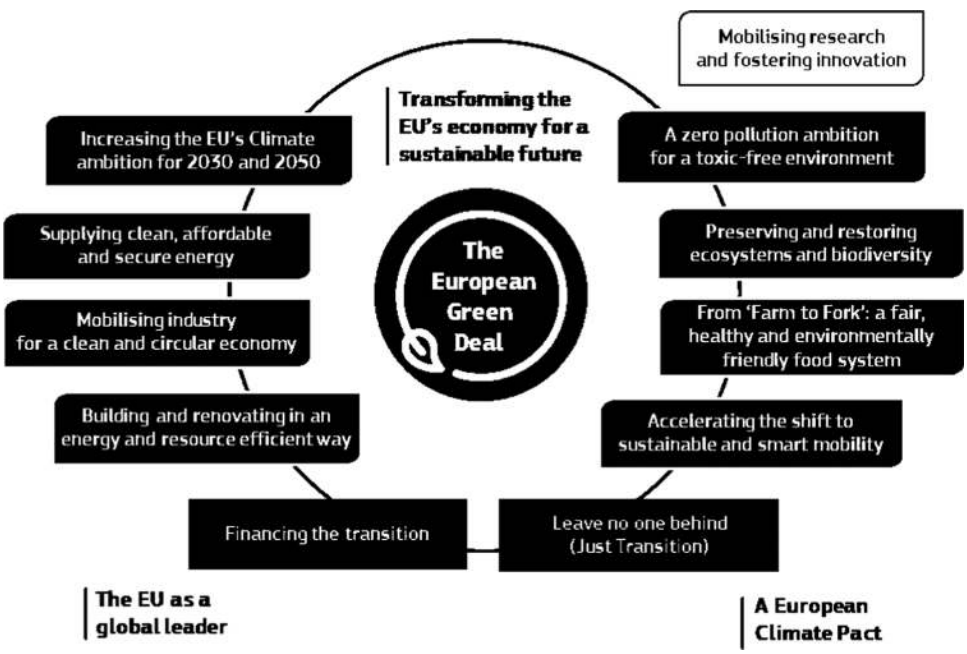

Figure 1.1. The European Green Deal.
Source: European Commission (2019, p. 3)

1.3 Origins and Rationale

1.3.1 Origins of the Collection

The contributions assembled for this edited book represent the culmination of more than a dozen years of collaborative research work. Some of the origins of the book can be traced back to the work of two consecutive University Association for Contemporary European Studies (UACES) – funded research groups.[3] The first was established in 2006, operated for two years, and focused on 'EU Environmental Policy'. The second UACES-funded group commenced its work in 2009 and ran for three years, focusing on the 'Governance of Sustainability in the EU'. Ideas were then further developed through an ESRC-funded seminar series,[4] entitled 'Constructing the green economy: integrating sustainability for governance' that operated during 2013–2014. Additionally, this edited collection draws on a subsequent Society for the Advancement of Management Studies (SAMS) funded a two-day workshop, held at the University of East Anglia – Norwich Business School in July 2015. Finally, the shape and contents of the

[3] Typically, during the life of the UACES-funded research groups, a series of at least three workshops was held at which original research work would be presented by scholars and/or practitioners.
[4] The ESRC-funded seminar series held four workshops during a two-year period.

edited book were decided at another UACES-funded event held at the University of East Anglia – Norwich Business School in July 2019.[5] Crucially, continuity for the work was provided by the continual involvement of one academic[6] in all of these research groups and workshops and the fact that a number of the scholars and practitioners were also involved in, or were present at, all or more than one of the research groups or workshops. In effect, the development of this edited volume took the form of a sustained discussion over several years.

It is also worth highlighting the point that the various events brought together a variety of participants, ranging from established, eminent academics and leading practitioners to PhD students and early career researchers. The workshops and seminars drew on inter- and multi-disciplinary approaches, combining ideas from disciplines such as management studies, economics, political science, geography and environmental studies and law.

1.3.2 Motivations for Assembling the Collection

We had several reasons for undertaking the research that has led to the subsequent construction of this edited collection. Firstly, for the editors and contributors of this edited volume, the burgeoning debate surrounding the topic of the 'green economy' and the variety of terms and meanings in use, provided one of the main reasons for undertaking the project. By assembling this edited book, we aimed to remove, or at least reduce, some of the miasma surrounding the subject and bring some clarity and greater precision to the debate. Secondly, we were inspired by awareness that the issue of the 'transition to a green economy' is especially important at this point in time. This is primarily because it has come to the forefront of public and private agendas and concerns, partly as a result of the real-world events and trends alluded to earlier in this chapter. Thirdly, we were propelled to publish the research accumulated because of the intrinsic importance of the 'green' European economy. As scholars (and citizens) we recognise the critical significance of the potential benefits to humanity of a 'green economy', as well as the dangers of failing to create one. Finally, we were motivated by the

[5] Most importantly, all the contributors present at the UACES-funded workshop in July 2019 were specifically invited to participate because of their proven track-records and acknowledged expertise in the chosen field of the 'Green Economy', established over the course of several years. As a result, the papers gathered for this edited book represent the best of the papers developed during roughly a dozen or more years of research work.

[6] Jenny M. Fairbrass was the common factor. She co-convened all of the research groups named above but on each occasion worked in harness with different colleagues. In the first instance, Jenny M. Fairbrass co-convened the UACES study group with Charlotte Burns who was then at Leeds University. For the second UACES research group, Jenny was joined by Simon Lightfoot (University of Leeds) and Thomas Hoerber (ESSCA). The ERSC seminar series was led by David Benson, Duncan Russel, Tim O'Riordan, Irene Lorenzoni, Camy Adelle and Jenny M. Fairbrass (all associated with the University of East Anglia at one point in time or another). The SAMS workshop in 2015 and the UACES-funded workshop in 2019 were both co-convened by Jenny M. Fairbrass and Nicholas Vasilakos (both at the University of East Anglia), the joint editors of this volume.

desire to create a volume that would have relevance for both scholars and practitioners, and for that reasons, both types of individuals participated in the seminars and workshops that have led to the preparation of this book. As a result, we contend that the book is germane to both categories of readers. Overall, we see this collection as timely and pertinent, and one that addresses a number of significant aims.

1.3.3 Case Study Selection

The case studies selected for this collection were those that best illustrated the emergence of the European 'green' economy from among the papers that were delivered during the development of this edited book (more than twenty-five papers over the course of several years as outlined above), particularly when viewed as an MLG system. Here, it is important to underscore the point that we selected 'Europe' as our focal point and geographical boundary for the book because that region perceives itself to be a 'leader' in this field. As a regional actor that places such a heavy weighting on the formation of a 'green economy', we anticipated that by scrutinising it, we would be able to uncover some vital insights and lessons.

Additionally, in terms of the choices made when assembling the book, we would argue that although this collection is essentially about the very broad topic of 'greening' the European economy, we decided to give greater prominence to energy transitions. Several of the chosen case studies focus on energy and particularly on renewable energy (see Chapters 4–7). That choice was based on the grounds that energy forms an important element of the most characterisations of a green economy. Notably, the EU's 'Green Deal' gives prominence to energy. In addition, energy is not only an important aspect of a 'green economy' in its own right but also has close connections to other dimensions or provides the foundations for other green goals (such as climate change, creating a toxic-free, zero pollution environment and sustainable transport systems). Having outlined the motivations and rationale for this collection and the case studies that it contains, we now turn to the underpinning conceptual frameworks and research questions selected.

1.4 Conceptual Framework Adopted and Research Questions

1.4.1 Literature and Underpinning Concepts

The contributing case study authors were all asked to adopt the same conceptual framework(s) so that the edited collection would have coherence and a shared

approach. The notions of 'governance' and 'MLG' were selected as the central, underpinning, common frameworks for the debates contained in this collected volume. Crucially, both concepts have a long and well-developed track record in the context of EU studies and whilst they have both been criticised (and to a certain extent been discarded in recent years), they do still provide a useful, shared point of entry into a discussion about EU public policy-making. Critically, the decision to employ a combined governance/MLG approach was based on preliminary observations that 'governance' (rather than 'government') and MLG are vital and striking features of our chosen policy field: the greening of the European economy.

At this juncture, it is worth underscoring the point that seminal governance literature (Heritier and Rhodes 2011; Jordan and Schout 2006; Kohler-Koch and Eising 1999; Kohler-Koch and Rittberger 2006) invites us to consider the relationships between and the roles of three main sets of public policy actors: government, business and what might be labelled civil society.[7] The relationships and interactions between these actors combine to produce public policy. Empirically speaking, we observe EU level policy being determined or affected by international forums such as the United Nations Framework Convention on Climate Change (UNFCCC), the EU's own commission, parliament and other actors, national governments and subnational governmental bodies. We also witness private sector actors such as the 'big' energy producers endeavouring to influence policy in relation to this critical area. Additionally, civil society in the form of NGOs such as Greenpeace and Friends of the Earth (FoE) also play a role in helping to construct a European 'Green Economic' policy. In other words, the policy-making process has been and is characterised by 'governance' rather than 'government'. Then, given the peculiarities of the EU, we also invoke the idea of MLG (Bache and Flinders 2004; Conzelmann and Smith 2008; Fairbrass and Jordan 2004; Hooghe and Marks 2001, 2003; Jessop 2004; Jordan 2001; Knill and Tosun 2008; Kohler-Koch and Larat 2009; Marks 1993, 1996; Marks and Hooghe 2004; Peters and Pierre 2004; Piattoni 2009; Rosenau 2004), given that the EU exhibits a markedly multi-level or multi-centred character with actors from the international (above the EU), the regional (i.e. the EU's institutions), the national and the subnational all striving to set the 'green' policy agenda, shape that policy and then to varying degrees, implement the agreed policy.

The observations and reflections above then led to the common, underpinning research questions that have been used to shape this edited book. We now turn to those questions.

[7] The term 'civil society' is one of several alternatives in use that essentially points to the same type of organisation. Other labels include 'third sector organisations', 'interest group', 'lobby groups' and 'pressure groups'.

1.4.2 Central Research Questions

To further reinforce the collective effort of the contributors, in addition to highlighting the concepts above, the authors were also asked to address a set of common questions in each of their chapters. Whilst the contributors were given flexibility in terms of their research content about how to respond to the questions, each of the papers included in this volume has addressed one or more of the following questions:

- How is the term 'green economy' being defined in the context of your research?
- What role can businesses play in engendering a 'green economy'?
- What changes can/should businesses undertake with regard to the following in their endeavours to create or help build a 'green economy'?
- What incentives or opportunities do businesses require to encourage them to innovate to help develop a 'green economy'?
- What sort of funding structures/sources and types of capital would assist businesses to shift towards a 'green economy'?
- What types of political/economic environments are required to 'encourage' business organisations to assist in the construction of a 'green economy'?
- What forms of business organisation might be most effective in addressing the shift towards a 'green economy' (e.g. social enterprise, large multi-national, community based)?
- How might the form of business adopted affect or assist in creating 'green local communities'?
- How and to what extent might businesses help to eradicate poverty via their efforts with regard to the construction of a 'green economy' (locally, nationally, and internationally)?
- How do businesses, governmental and civil society organisations relate to one another in seeking to establish a vibrant 'green economy'?
- To what extent and how can 'green jobs' contribute to the construction of the wider 'green economy'?
- What lessons can be drawn for policy-making in this area?

In the concluding chapter of this volume, we summarise the responses to these questions and reflect on what the results reveal.

1.5 Structure and Contents

The seven chapters that form the core of this volume (excluding the Introduction and Chapter 9) were all selected because they highlight or spotlight particular issues relating to the 'greening' of the European economy. Chapter 2 is included

because it sets out the terms of the debate about 'greening' an economy and highlights the practical policy issues and obstacles. Chapter 3 was selected because it adopts a more overtly theoretical stance and addresses key questions about the vital role(s) played by key governance actors such as governments in seeking to create a green economy. The first three chapters provide the context and tone for the chapters that follow.

Other contributions (Chapters 4–8) were chosen because they offer fresh empirical data and focus on particular national contexts in 'older' EU member states such as the UK and Germany (in the case of Chapter 6) or on 'newer' EU member states such as Romania (as is the case with Chapter 5). Additionally, the chapters proffered here were selected because they highlight the significant (potential or actual) role of the energy sector in helping (or hindering) the transition to low carbon or green European economy. In effect, evidence about the role played by the energy sector is one of the central themes or topics that lends coherence and commonality to the volume. Moreover, given that all of the chapters utilise certain shared underpinning frameworks and concepts (i.e. 'governance' and 'MLG'), all of the chapters grapple with the issue of the role played by a range of governance actors, at EU, national and subnational or local levels in the private, public and voluntary sectors in 'greening' the European economy. This again provides consistency and cohesion to the collection.

In further detail, Chapter 2 starts with a discussion of the definition of green economies and how this has changed over time. In particular, Benson, Fairbrass, Lorenzoni, O'Riordan and Russel discuss the origins of the term 'green economy', and how this concept re-emerged more than a decade ago in discussions across the globe amongst politicians, civil servants, business, NGOs, community interest groups, the media and academics. The authors argue that the notion of a green economy remains elusive and is deeply disputed, often poorly understood and unevenly applied. Their analysis traces the development of the concept, not only in Europe but beyond, in order to provide context for the deliberations in Europe. The chapter also outlines contemporary debates and identifies emerging themes in order to argue that the idea of a green economy, as currently practiced, requires urgent rethinking and application.

In Chapter 3, Rozema, Fairbrass and Vasilakos consider the ways in which policy actors may advance the notion of a 'green economy' by making it compatible with 'good governance'. As one way of shaping order in advanced industrialised societies, the idea of green economy translates into a discourse propagated by government and non-state actors where it is conceived as 'the right thing to do', thereby fitting current economic activity into governance arrangements which are also tailored to meet environmental objectives. The authors reflect on current theoretical debates about a 'green economy' in the EU as

a conception of 'good governance', the latter being an umbrella concept encompassing principles of legitimate public policy-making such as accountability, transparency, public engagement or institutional reform. They conclude that a European green economy can be achieved as a product of 'good governance', whilst also simultaneously considered as 'the right thing to do'. This theoretical reflection reinvigorates interest in normative power and the will to govern as productive forces for governance, through its capacity to instil affinity with a particular rendition of economic ordering.

In Chapter 4, Hoerber, Agafonow and Akhabbar propose a change in the ownership structure of energy utilities through the introduction of social enterprises. This seems to be a pertinent approach, because in parallel to the EU 2020 strategy, the EU has introduced a Social Business Initiative (SBI). The authors of this chapter believe that the combination of both policies can change the ground rules of energy production and provision within the EU. To explain this, the authors use a theoretical model that draws on a MLG framework, which enables the analysis to consider the effects and interdependencies of governance on various actors of the energy sector, namely national governments and energy producers. Their analysis shows that although using social enterprises in the renewable energy sector will foster the emergence of greener communities, it is also more likely to benefit well-off estate owners than less affluent tenants. This effect could be reversed with the design of a regulatory framework that requires social enterprises to use a pricing policy that discriminates clients by their tenure status, charging more affordable prices to tenants only.

Davidescu in Chapter 5 discusses the experience of Romania in transitioning towards a green economy. As the author explains, until recently Romania had limited credentials with regard to ambitious environmental policy and a difficult transition to market economy and democracy. However, the country has surprisingly experienced the emergence of a green economy discourse separate from sustainable development and a range of green economy initiatives in niche sectors and across different levels of government, with a peak of activity in 2016–2017. The chapter links this to the agenda of a technocratic caretaker government, as well as the emergence of subnational actors from the environmental movement and local and regional level, who were able to successfully engage in green economy initiatives, bypassing the national government level. Using the example of the renewable energy sector, this chapter shows that significant growth in this area usually associated with the green economy, does not necessarily ensure either sustained or green practices.

Chapter 6 assesses the attempts of maritime port cities to use the green economy in a bid to overcome long-term structural disadvantages. Moulton, Osthorst, Deutz, Jonas and Wurzel argue that these cities perceive climate change not only as a