

Study: Environmental protection policies, clean technology mandates can spur economic growth

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The economic ideas that dominate global climate policy have undergone a "major transformation" over the past three decades, from strictly market-based notions to recent diversified approaches featuring more



government intervention, according to new research published in *Nature Climate Change* by a Johns Hopkins University political scientist.

The evolution of climate-related policy ideas reflects an expanding embrace of the concept that environmental protection policies and clean technology mandates by governments can spur <u>economic growth</u>.

"When climate policy emerged in the 1990s, market-based ideas dominated the set of available policy solutions," write Bentley B. Allan, an assistant professor at JHU, and his co-author. "In recent years, green growth has emerged as a key concept in climate policy. Green growth has been associated with new thinking that advocates a strong role for the state in climate policy."

As climate change rose on the political agenda, international organizations and national governments pivoted toward a greater acceptance of a "more interventionist role of the state in climate policy to drive green economic transformation," states the paper that Allan published with Jonas Meckling from the University of California, Berkeley.

"While climate policy remains focused on economic growth, it is no longer confined to market-based policy but has rediscovered the state in economic and technological change."

The authors see this shift playing out in domestic policies as well, as the evolution from market-based concepts such as cap-and-trade schemes to state-based interventions has played a role in debates over the Green New Deal and Green Stimulus. The Great Recession beginning in 2008 accelerated burgeoning interest in a broader government role to support advances in clean technologies to help spark economic and job growth.

Developing "green growth" policies that view environmental protections



as driving economic growth have been embraced by the United Nations, the World Bank, the Organization for Economic Cooperation and Development and other <u>international organizations</u>.

"In this view, climate action generates both private and collective benefits," states the paper, which is available online and appears in the May issue. "The emergence of a diversified global policy discourse is important because ... it helped change the frame of <u>climate policy</u> from a zero-sum to a win-win logic."

More information: Jonas Meckling et al. The evolution of ideas in global climate policy, *Nature Climate Change* (2020). DOI: 10.1038/s41558-020-0739-7

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