Abstract

The concept of Green Development extends the idea of a simple greening of the existing economy. Entrepreneurship in recent times has become a serious area of study. It is considered to be a solution for creating wealth, generating employment and providing new goods and services. Incorporating social and environmental concerns into economic actions are dealing with responsibility of sustainable development for the future of business and meet the needs of future generations. For economic development of India, micro, small and medium enterprises (MSMEs) play a vital role. For sustainable industrial development, particularly of MSMEs, promotion and propelling of green entrepreneurship and green industrial development can go a long way in achieving efficiencies of production, generating employment and supporting in economic growth. In recent years especially in the course of mounting global economic and environmental crises, the discourse on sustainable economic and social models for green economy has been found and implemented in developed countries. In developing countries like India, it is important to create awareness about green economy and sustainable development through innovative technology and effective utilization of resources. This paper provides the concept of Green economy and approaches to Green economy.

Key words: Green economy, resources, sustainable development, entrepreneurship, environment

Introduction

Green economy was identified as an important tool for achieving sustainable development. The green economy is more than just environmental in scope; it is also about development and the economy. From a development perspective there are a number of ways in which a green economy might benefit both developed and developing countries. A green economy should not only maintain, but should enhance the value that the poor in developing countries derive from agriculture, fisheries and forest harvest – all activities that depend fundamentally on a sound environment. It should help reduce energy poverty through the provision of low-cost distributed renewable energy systems. And if successful it should help reduce the vulnerability of the poor to the impacts of unchecked climate change, desertification ocean degradation and loss of biodiversity, as well as the impacts of local air, soil and water pollution.

Green economy

Green Economy has been defined by the UN Environment Programme as one "that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. In its simplest expression, a Green Economy can be thought of as one which is low carbon, resource efficient and socially inclusive."

Why move to a green economy?

Most international organizations - including the World Bank, UNCTAD, OECD, UNIDO, WTO and FAO share the view that there needs to be a global transformation towards a greener economy. There is an emerging need to promote new generations of entrepreneurs who are able to
identify and take advantage of green business opportunities. The perspectives of developed and developing countries on this issue are often diverging, due to conflicting interests and unanswered questions. In the past few years considerable interest and research have been devoted to understanding the determinants of green growth. However, an important and relevant issue seems to have escaped the attention of both economists and policy-makers: ultimately, green products and technologies are to be introduced into the marketplace by 'green' entrepreneurs. These are the economic actors who make it possible to turn ideas into a reality, by transforming prototypes into commercially viable products.

**Previous Researches**

Most of the existing literature on organisational greening, including that specifically addressed at small and medium-sized enterprises (SMEs), focuses on greening existing businesses (Hillary 2000; Hutchinson and Hutchinson 1997; Walley and Stubbs 2000). Academic perspectives on corporate environmental strategy and performance typically theorizes stage models of corporate environmental improvement in which companies progress from a resistant or reactive stance to a sustainable, transcendent state (Roome 1992; Welford 1996), but, clearly, an additional and significant element of moving towards a sustainable future is the formation of new green businesses, or green start-ups. Although there can be more attention paid to the greening of SMEs (Hillary 2000), there has until recently been surprisingly little written on green entrepreneurs. In this paper, an attempt has been made to establish a framework for investigating the motives of, and influences on, entrepreneurs who set up green businesses. According to Partha Dasgupta (2008), ecosystems are capital assets. Like reproducible capital assets and ecosystems depreciate if they are misused or are overused. But they differ from reproducible capital assets in three ways such as depreciation of natural capital is frequently irreversible, except in a very limited sense, it isn’t possible to replace a depleted or degraded ecosystem by a new one and ecosystems can collapse abruptly, without much prior warning. Many developed countries are very wary and their transition to a low carbon economy, have been adopting strategies and policies to develop new opportunities and to attract new green investments. To this regard very diverse economic entities have emphasized the role that the public sector can play to influence markets towards sustainable paths without increasing pressure on tax payers or altering competition among different industries. Although additional research is needed to understand how to create a more conducive environment for sustainable development and to explore the potential of sovereign wealth funds (SWFs), governments are increasingly encouraging public-private partnerships to attract green investments and creating competitive locations for green Foreign Direct Investments (FDIs). The concept of Green Development extends the idea of a simple greening of the existing economy. Incorporating social and environmental concerns into economic actions are dealing with responsibility of sustainable development for the future of business and meet the needs of future generations. For economic development of India, micro, small and medium enterprises (MSMEs) play a vital role. For sustainable industrial development, particularly of MSMEs, promotion and propelling of green entrepreneurships and green industrial development can go a long way in achieving efficiencies of production, generating employment and supporting in economic growth. With supportive national policies and institutions in place, trade opportunities offered by a global green economy can enhance economic growth and contribute significantly to national environmental and developmental objectives. This green growth should be inclusive; building developing countries’ human and productive capacities to enable them to participate in a global green economy and thereby stimulate economic diversification, generate employment for the poor, and increase access of the poor to basic services such as energy, water, housing, education, communications and transport. A study was commissioned by the European Commission, Directorate-General for the Environment, as a contribution to improve current understanding of the relationship between climate change and employment. The study was carried out by a consortium led by the European Trade Union Confederation (ETUC) and the Social Development Agency (SDA), which includes Syndex, the Wuppertal Institute and ISTAS. The report considers the challenge for employment of the transition
towards a lower CO₂ European economy up to 2020, in four key economic sectors: energy production, transport, steel and cement industries, construction/housing (ETUC et al., 2007).

Green Economy - An urgent need in India

In recent years especially in the course of mounting global economic and environmental crises, the discourse on sustainable economic and social models for green economy has been found and implemented in developed countries. In developing countries like India, it is important to create awareness among green economy and sustainable development through innovative technology and effective utilization of resources.

Benefits of Green Economy

According to the report of UNEP (2012) the benefits of Green economy are:
- More resilient supply chains
- New investment opportunities
- Increased consumer demand for sustainable goods and services
- Sales growth and duration of sales
- Training and job creation
- Reduced dependency on natural resources
- Mitigation against the negative financial risk from environmental impact

Approaches to Green Economy

The implementation of environmentally accountable business practices can, believably, open up an additional range of opportunities for entrepreneurs. The move to a sustainable business framework provides plentiful niches that enterprising individuals and firms can successfully identify and service. These include, among other things, the development of new products and services, improvements to the efficiency of existing firms, new methods of marketing and the reconfiguration of existing business models and practices. As management disciplines, both entrepreneurship and environmental business management are comparatively new concepts. The greening of management is also a relatively new phenomenon. However, it is less well known, less researched and more poorly understood than entrepreneurship. To date, most written material in the field of greener management has dealt with the greening of existing business organisations. But there have been a number of authors who have argued that greening and sustainability could also provide the basis for substantial new business opportunities.

Based on the idea of "growth without polluting", UNEP defines the green economy concept in macroeconomic terms as “one whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services. This development path should maintain, enhance and, where necessary, rebuild natural capital as a critical economic asset and source of public benefits, especially for poor people whose livelihoods and security depend strongly on nature” (UNEP 2011).

Why Green Entrepreneurship?

Rising ecological scarcity is an indication that we are irrevocably depleting ecosystems too rapidly, and the consequence is that current and future economic welfare is affected. Some important benefits to humankind fall in this category, including fresh water; capture fisheries; water purification and waste treatment; wild foods; genetic resources; biochemicals; wood fuel; pollination; spiritual, religious and aesthetic values; the regulation of regional and local climate; erosion; pests; and natural
hazards. One major difficulty is that the increasing costs associated with rising ecological scarcity are not routinely reflected in markets. The goods, such as capture fisheries, fresh water, wild foods, and wood fuel, are often commercially marketed, but due to the poor management of the biological resources and ecosystems that are the source of these goods, and imperfect information, the market prices do not reflect unsustainable use and overexploitation.

Giving the youth with entrepreneurial spirit and table to identify the opportunity to link new business ideas to a wide range of green issues is the important aspect of green entrepreneurship. Entrepreneurship in recent times has become a serious area of study. It is considered to be a solution for creating wealth, generating employment and providing new goods and services. Developing the spirit of entrepreneurship among the young has become vital because of the government cannot provide jobs to all kinds of unemployed youth. In recent decades, expanding economic growth has led to concerns about climate change, depletion of natural resources, air pollution and diversity loss. All these environmental problems have potentially terrible implications for life on earth. Incorporating social and environmental concerns into economic actions are dealing with responsibility of sustainable development for the future of business and meet the needs of future generations. An entrepreneurial approach for environmental problem is an urgent need to solve these problems of environment and economic slowdown. For sustainable industrial development, particularly of MSMEs, promotion and propelling of green entrepreneurs and green industrial development can go a long way in achieving efficiencies of production, generating employment and supporting in economic growth. This reflects not only the usual lag with which the labour market reacts to a change in economic activity, but also the fact that there has been substantial labour hoarding during the crisis alongside reductions in working time, resulting in widespread under-employment. This initial adjustment to the rise in economic activity has so far mainly come from a reversal of the widespread reductions in working hours rather than through an expansion in employment.

Green business has emerged as the profitable branch of business world. Almost every company across the world is emphasizing on the green way of doing business to be sustainable in the long run. The green business promoted by entrepreneurs is the need of the hour for economic development and environment conservation of the globe.

Conclusion

The transformation to a Green Economy is not an easy way. It can be achieved by step changes in resource efficiency and a shift in prominence from shareholder value to stakeholder value. Some companies, and perhaps whole industries, will not survive the transition. Success over the long term will require new skills, varied collaborations, continuous innovation, investments with uncertain returns, and a change in what the market values.

References:


ETUC et al. (2007), Climate change and employment: impact on employment of climate change and CO2 emission reduction measures in the EU-25 by 2030: synthesis. Brussels: ETUC- European Trade Union Confederation.

