



GE1205

Green Economics

Pursuing sustainable
development in the modern
world

Green economics

- Understand environmental issues by blending:
 - Theory
 - Policy
 - Practice
- Shift focus from *Economic Growth* to *Sustainability*
 - Economic activities that be sustained over the long term
 - Paying heed to the needs of future generations

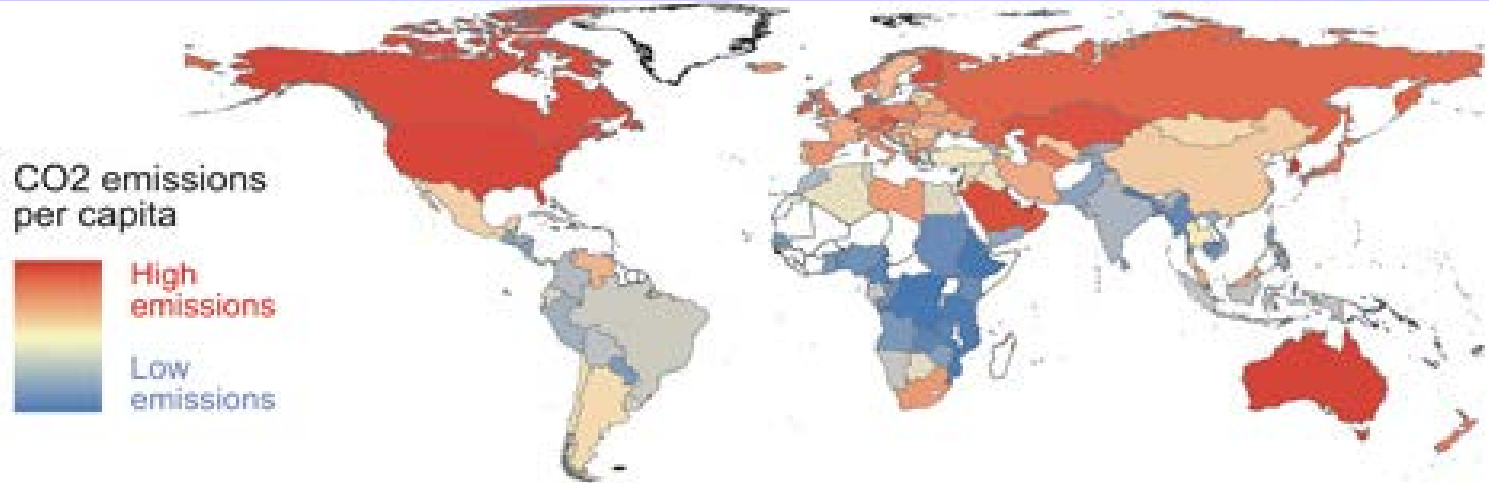
How can society pursue sustainable growth?



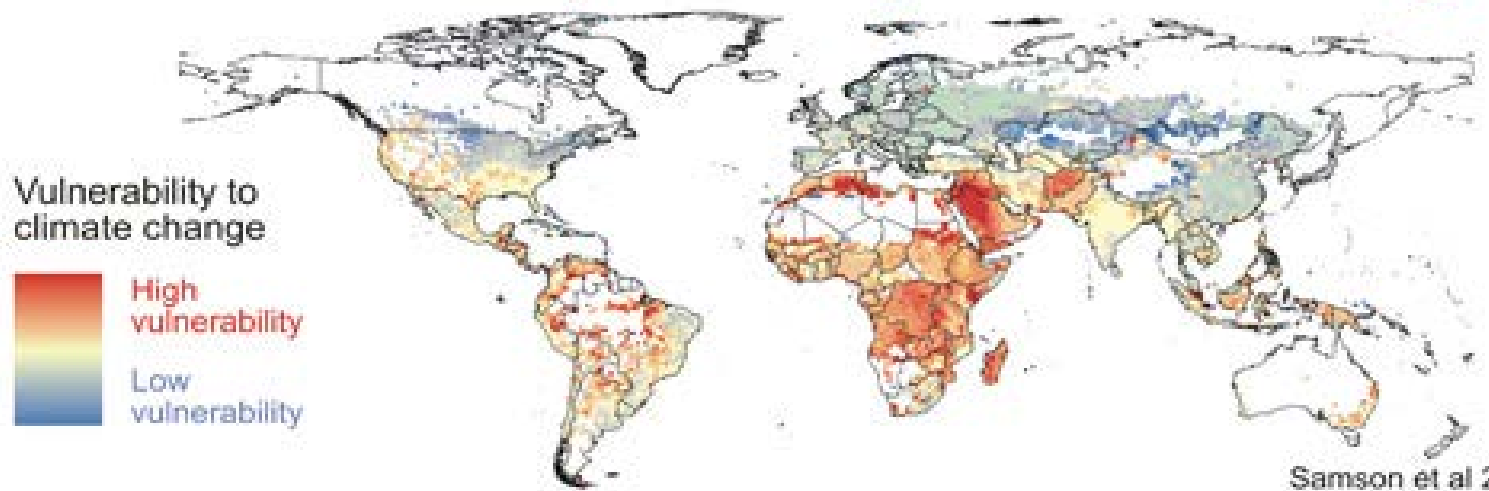
Environmental issues

- Environmental problems we face today:
 - Air and water pollution
 - Energy crisis
 - *Peak oil*
 - Alternative energy sources
 - Global warming
 - Waste disposal
- How can society address these problems?
 - Technological change
 - Environmental policies

What will the world look like to future generations?



Those who contribute the least greenhouse gases will be most impacted by climate change



Market Failures

- Failure of markets to allocate resources efficiently to address societal needs
 - Common with Environmental Issues
- Externalities
 - Pollution
- Common property
 - Beaches, Parklands
- Public Goods
 - Clean Air, Global Climate Change

How can we reduce the drawbacks of economic development?

