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FOREWORD

The entry into a non-expansionary phase of the economic cycle, caused by the financial and economic crisis raised serious budgetary constraints to most countries since 2009, and reopened a debate that reconsiders the institutions and rules governing the functioning of markets. However, even in times of crisis, it is fundamental not to neglect the growth potential of policies that promote green and sustainable development, especially when the global landscape is being reconfigured by new technological paradigms, a new set of players and a high degree of uncertainty.

The emergence of a shift in consumers' preferences, more focused towards a greener economy and the rising concern about sustainable growth and development policies' implementation, call for renewed government intervention. Industrial and environmental policies can no doubt play an important role in supporting the channelling of resources necessary to guide technical change towards more sustainable practices.

Sustained growth is often associated with the creation of a productive manufacturing base and with tailor-made government intervention that usually goes along with it. But in fact, achieving green growth entails a more sophisticated production structure, with reforms that touch on many policy areas ranging from marketing, innovation, to territorial development and financing. The issue is not merely one of being part of the value chain, but of being in a position that allows capturing most of its value.

But growth must be accompanied by development. The traditional priorities of growth, focused on job creation and international competitiveness are increasingly being replaced by policies centred at sustainable development, social cohesion and territorial inclusion. Yet, an international agreement on how to shift towards sustainable industrial and environmental development and who should bear the costs is still pretty far off.

Despite the ongoing debate concerning sustainable development at the global level and its impact on future development strategies, several countries, including developing economies, are already prioritising sustainable development and investing in sustainable business models and technologies. The pursuit of sustainable development creates further opportunities in new environmental-related technologies and in environmentally friendly business models. Developed and developing countries are exploring new ways of entering into new sectors and engaging on new activities. Most of them are implementing new schemes to finance innovation and innovative marketing on a larger scale.

Different countries use different mechanisms, but overall this can be done in two basic ways, by providing financing to green projects at favourable interest rates and by presenting specific lines of financing for renewable energy projects; or by making use of direct subsidies, tax credits and regulations to foster the development of sustainable industries.

Policy actions are bound to include incentives that enable the shift towards new production and consumption patterns, aiming at diversifying the production structure, either by creating capacities in new economic sectors (e.g. biotechnology) or in new types of activities (e.g. new value-added services). Other



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actions seek to promote specialisation and the upgrading of existing activities and/or sectors (e.g. retail; alternative financial services such as green car loans, energy efficiency mortgages, and alternative energy venture capital).

Furthermore, as sustainable development involves more than sustainable technologies, new dimensions are also being built into the design and implementation of sustainable policies. These new dimensions include incentives to influence consumption patterns and cultural behaviours. Several countries are investing in improving legal frameworks and in awareness campaigns, making use of green marketing, sustainable retail development and social responsibility campaigns, among others.

This edition of the Journal of Economic Development, Environment and People dwells on these aspects and offers additional evidence as to how environmental, marketing and banking strategies can foster an economy's structural transformation towards increased sustainable development, corporate responsibility and environmental protection.

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