

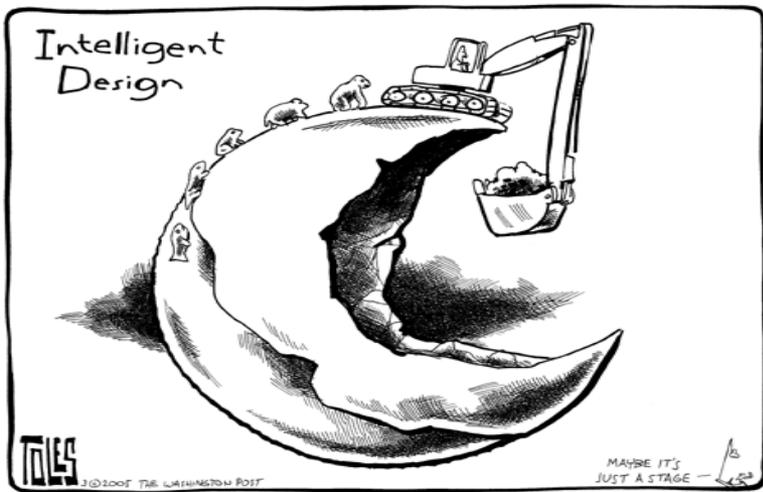


## Towards a Green New Deal?

### *Globalization & the Evolution of Environmental Governance in China's Socialist Market Economy*



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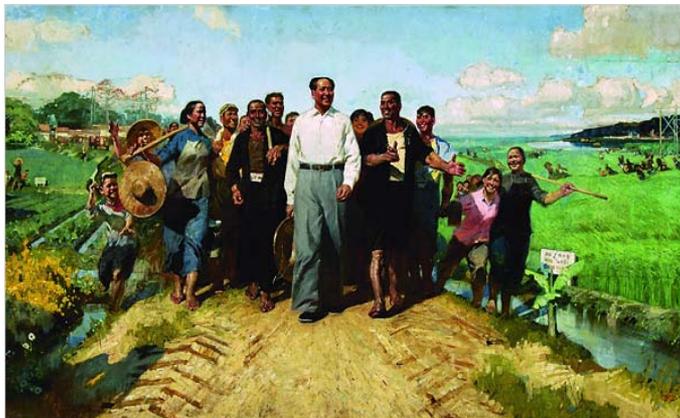
## 1) *Towards a Green New Deal?*

- The convergence of economic and environmental crises has resulted in calls for a **global ‘Green New Deal’**. Alongside China’s re-emergence, a debate has also arisen on China’s important role in leading efforts on the economic and environmental fronts of globalization.
- Progress to sustainability rests on innovations in environmental governance. A **Green New Deal will be as much about the way decisions and policies are enacted and enforced** as it is about new technology transfer and financing mechanisms.



## 2) Globalization & China as Driver of Ecological Change

- As China marks 60 years it is also witnessing a green revolution of sorts, from the Cultural Revolution slogans that 'Man Must Conquer Nature' and 'Battling with Nature is Boundless Joy' to **China's new '*Ecological Civilization*'** principle setting the vision for a new century where China plays a *leading role in the process of globalization and as a global environmental citizen.*





## 2) Globalization & China as Driver of Ecological Change

- **Co-evolution of national policies with China's role in shaping global responses** will be of increasing importance for both China and the world.
- China's re-emergence at center of the world is opening the way for a **multi-polar era in world politics**. This includes a new era of global environmental politics, and China's own environmental ethics and policies shaping global viewpoints.



## 2) Globalization & China as Driver of Ecological Change

- It was 1992 when the Government of China formally announced its official policy to establish a **socialist market economy with Chinese characteristics**. China is now the world's fourth-largest economy; a rapidly growing source of demand for resources.
- The environmental implications of China's rapid growth on ecosystems within China and around the world are clear. However, less attention has been placed on ***China's future role in shaping the principles and approaches of environmental governance*** needed to respond to this challenge.



### 3) China's Ecological Civilization Principle

- In 2007 China's National Peoples Congress (NPC), unveiled new 'Ecological Civilization' vision – a **pragmatic response** to concerns of environmental scarcity and carrying capacity, promoting a future of innovation.
- **China will need to craft its own path** to sustainability – leapfrogging technologies, policies and even cultures that prevail in the West.
- What the Ecological Civilization concept calls for is nothing short of a **new 'social contract with nature'** – **a transformative vision** of the balance between humans and nature



### 3) China's Ecological Civilization Principle

- While environmental governance in China was influenced over decades by Western concepts of environmentalism, **environmental governance in 21<sup>st</sup> century** will also be shaped by China socio-legal culture, including worldviews on balance between humans and nature.
- Just as environmental governance principles in the US and Europe served as models for countries around the world, so too **China's own responses are the source of comparative analysis** for emerging economies.
- Understanding this **process of synthesis between global and local norms** will be helpful for understanding the ongoing and future evolution of environmental governance in China and the world.



## 4) Co-Evolution of Environmentalism in China & the World

- The **evolution of global environmentalism** since the 1972 Stockholm Convention has seen a process of social and cultural change – the environment now a common concern of humanity with a global environmental ethic as a foundation for global and national environmental policy. But it was not always so.
- Before the global environmental movement took shape in the 1970s, the dominant discourse was the long-standing one produced in the West – that the environment was a ‘state of nature’ to be mastered. As stated by Marx, ***man makes himself and is himself only so far as he re-makes the world around him.*** Developing countries were called on to leapfrog across the centuries.



## 4) Co-Evolution of Environmentalism in China & the World

- **The West's modernist paradigm entered China in the early 20th century.** China reveled in a newfound control of nature and industrial growth, leading to the Cultural Revolution slogans that 'Man Must Conquer Nature' and 'Battling with Nature is Boundless Joy'.
- **Since 1972 Stockholm, this worldview has transformed:** the environment is not a 'state of nature' in combat with humanity, but a complex ecosystem, in delicate balance, of which we are a part.
- The last 25 years sought to **reverse** the Enlightenment's great **divide between humans and nature** – an 'ontological transformation of the highest order heralding a ... new order of things'.
- **China now looks over its shoulders** at progress made in past decades, reconsidering evolutionary uncertainties, one-way determination. This includes a re-emergence of traditional concepts and crafting a new Chinese environmentalism.



## 5) From Principles to Action

- **The reworking of ‘modernity’ and ‘tradition’ in China** will lead to new forms of environmental governance. Given its growing influence globally, this process can lead to an infusion of Chinese concepts into global environmentalism.
- **However, at the level of implementation, limits** exists to this new environmentalism. Dedication by the modern State and private sector to ‘modernist’ principles, and the speed and scale of China’s growth, make it difficult to turn values into action.
- **Environmental governance** has a role in balancing evolving civic values with the mandates of the industrial-State complex to continue the process of economic growth.
- **The Environmental Protection Law (1989)** set a system of decentralized governance, broad discretionary decision-making powers to local government. Now there is a need for local agency decision to be infused with inputs by concerned citizens, a new spirit of environmental citizenship.



## A) Environmental Rights

- Citizens increasingly analyze issues from a **rights perspective** – increased media on environmental problems, millions of internet users expressing views, and rise of NGOs and advocacy groups.
- China's first-ever **White Paper on Democratic Governance** by State Council in 2005 emphasized three pillars of access to information, participation and remedy in decision-making.
- Promising trends of **NGOs and local community organizations**, stronger community voice. Growing mutually benefits to cooperation of local government and environmental NGOs, single largest sector of civil society groups in China.



## ***Access to Information and Participation***

- **Law on Public Participation in Environment Appraisals** (2006), and Regulation on Public Participation in Environmental Protection. In April 2007, Ministry of Environmental Protection (MEP) announced Measures on Open Environmental Information starting May 2008.
- **MEP was first agency** to respond to citizen access. New requirements for government and enterprises to disclose 17 different kinds of information, empowering communities to participate and seek action via courts.
- **Environmental Impact Assessment (EIA) Law** (2003) requires public consultations for passage of EIAs. MEP Measures for Environmental Protection Administration Permission (2004) allows affected parties a hearing.
- **Measures for Public Participation in EIA** (2006) include a 'notice and comment' process governing the participatory approach called for by the 2003 EIA Law.



## ***Access to Remedy***

- Key way to **check discretionary powers** in local government through judicial review of arbitrary decisions. About 100,000 lawsuits filed annually; estimates of a 25% annual growth rate of environmental cases.
- Citizen claims are reviewed by **Administrative Review Law (ARL) panels** established by executive agencies, prior to judicial review by **Administrative Courts** under Administrative Litigation Law (ALL). Since launch in 1989, 10-fold growth in caseload to 97,569 cases in first decade.
- **Concerns over ability to achieve significant check** on discretionary powers; co-dependence of administrative courts, local government. ALL judges insufficiently trained in science, difficulty to analyze trade-offs by local governments, large deference to ARL panels.



## B) Environmental Justice & Western China

- China relies on its **Western regions for natural resources**. The West hosts critical energy and minerals that are increasingly scarce and critical to sustaining China's economy. West covers 60% of China's land, hosting 80% of water, 50% of minerals.
- Environmental justice is a key issue for the Ecological Civilization principle; access to **benefit sharing** from use of natural resources and **disproportionate impacts**. Large gaps in development between export-centers in East and landlocked West.
- China is a very **culturally diverse** country. Dealing with issues of legal pluralism in environmental governance in Western China are a key to progress.



## B) Environmental Justice-Western China

- In 2000 China enacted **Western Development Strategy**. During *first phase* (2000-2005), focus on infrastructure; West reported GDP growth over 10%. *Second phase* (2005-2015) focus on increased investment and trade, including natural resources.
- Strategy calls on public and private sector to integrate social and environmental concerns. **Concerns over sustainability**, fragile dryland and mountain ecosystems; socio-political issues in Tibet & Xinjiang.
- Achieving Ecological Civilization in China requires **pluralistic forms of environmental governance**, engaging minorities and balancing national policies with local traditions.



## B) Environmental Justice & Western China

- ❑ **Tibetan Plateau** needs particular attention; vast reserves of minerals, freshwater and other natural resources and socio-political implications.
- ❑ **New found exuberance; commodity boom** - Chinese Geological Survey undertook China's first large-scale survey of Tibetan Plateau. Vast reserves: 30-40 million tons copper, 40 million tons lead/zinc, several billion tons iron ore.
- ❑ Survey called for '**gradual development**' of extractive sector, warns that exploitation will damage the fragile ecosystem, and exacerbate hazards from glacial melting.



## B) Environmental Justice-Western China

- Two strategies to move **from principles to action**:
- Adapt policies to Ecological Civilization principle. New **Strategic Environmental Assessment (SEA)** laws in China, Asia's first SEA legislation, goal to integrate social/environmental concerns in policy and planning.
- Local capacities for sustainability in environmental justice 'hotspots'. A **human development approach** improves capacities to sustain development goals; removing vulnerabilities to ecological change as obstacles to sustaining development goals. Shift from Sen's 'Development as Freedom' to a new '**Sustainable Development as Freedom**' model.



## C) Corporate Citizenship: External Implications of China's Growth

- **Surge in demand for natural resources** owing to emergence of China. Increased levels of activity by multinational extractive sector businesses. China now hosts some of **world's largest extractive firms**, engaged in expanding assets around the world.
- WTO Doha Round and UNCTAD World Investment Outlook advocate an **inclusive form of globalization** with communities hosting resources as part of decision-making and benefit-sharing from extractive sector.
- Too often increasingly scarce natural resources are hosted in **remote indigenous communities** who face historical issues of exclusion and poverty.



## C) Corporate Citizenship: External Implications of China's Growth

- Outwards FDI by Chinese multinationals can support development in indigenous communities, but it can also **spur inequity and ecological devastation** if preventive actions not taken.
- Many resource-rich countries lack manufacturing base like China; caught in a system with an **over-dependence on natural resource** exports.
- Key to Ecological Civilization will be to engage **Chinese firms as new global citizens** and incorporate principles of corporate responsibility into China's outward FDI.



## C) Corporate Citizenship: External Implications of China's Growth

- Opportunity to **prevent repetition of mistakes by Western firms**, bring 'sustainable development dividends' – environment and social protection and local policies to diversify growth beyond resource exports.
- Urgent need for **Chinese multinationals** to engage in socially responsible investment, corporate responsibility and strategic partnerships between government, business and civil society as a vehicle for inclusive decision-making.
- **Two market failures** such approaches can correct: (i) need for information on environmental risks, communities can gauge risks, (ii) Internalize negative costs, support to environmental protection and advocate policies for community access to decisions and natural resources,



# Conclusions

- China's **rapid evolution of environmental policy**, from modernist view of 'Man Must Conquer Nature' to new '**Ecological Civilization**' is a vision for 21<sup>st</sup> century China as a global citizen and a leader in globalization.
- Emergence of laws, public values, **environmental citizenship** to go from principle to action: (1) citizen access to information, participation, remedy; (2) environmental justice in Western China; (3) corporate environmental citizenship.
- **China has a proactive approach to modernizing the state**; and highly adaptable institutions. This adaptability can also be applied towards the rapid evolution of environmental governance systems to move from principle to action.



# Conclusions

- ❑ **China is source of lessons.** As a new pole of global growth, China is source of ‘cognitive stimulation’ as world seeks new paradigms of environmental governance and Green New Deal policies that balance social and market-based approaches.
- ❑ Environmental governance is summarized in Chinese saying – ‘crossing the river by feeling for stones’: a **pragmatic ‘learn as you go’ approach to reforms** piloting projects, introducing reforms, testing success, replicating, if possible, across the country.
- ❑ And as she **continues to innovate** the world will watch with great interest, analyzing the lessons to be learned from the continued evolution of environmental governance in China’s socialist market economy.



***Thank You ...***



**Towards a Green New Deal?**

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