

ECON 8006	Green Economics	L	T	P	C
Version 1.0		3	0	0	3
Pre-requisites/Exposure	- Graduation				
Co-requisites					

OBJECTIVE:

To familiarize students with green economics theories and practices.

Course Outcomes

CO1: Have skills about green economics practices in different energy sectors.

CO2: Understanding about technologies available for green energy generation

CO3: Able to evaluate economy of green energy generated from various energy sources

CO4: Able to optimize the cost of green energy.

CO5: To extend the understanding of green economics.

Catalog Description

Understanding of Green Economics is important to study the macro economy beyond the usual circular flow of income and sectors. This will take account of the natural resource and human resource economy beyond usual circular flow sectors. The ideas of sustainable economic development, cost benefit analysis shadow pricing etc. as the green economic tools are of utmost importance to the managers for decision-making. This course aims to address all the issues relevant to the Green Economics and which other branches of Economics could not address.

Course Content

Unit I: 8 lecture hours
FUNDAMENTALS OF GREEN ECONOMICS

Green economy, Green growth, Low-carbon development

Unit II: 12 lecture hours

GREEN ECONOMY

Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication – UNEP, Working Towards a Balanced and Inclusive Green Economy – Environmental Management Group, United Nations, Why a Green Economy Matters for the Least Developed Countries -UNEP, UNCTAD, UN-OHRLLS, Measuring Progress Towards a Green Economy - UNEP, Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World - UNEP, ILO, Forests in a Green Economy – A Synthesis, UNEP, Green Economy and Trade Opportunities, UNEP, Adapting for a Green Economy: Companies, Communities and Climate Change – WRI, Oxfam, UNEP, The Transition to a Green Economy: Benefits, Challenges and Risks from a Sustainable Development, Perspective, The Green Economy: Trade and Sustainable Development Implications – UNCTAD, Principles for the Green Economy – Stakeholder Forum

Unit III: **10 lecture hours**
GREEN GROWTH

Towards Green Growth – OECD, Fostering Innovation for Green Growth – OECD, Green Growth and Developing Countries – Consultation Draft – OECD, Inclusive Green Growth: For the Future We Want – OECD, Greening Development: Enhancing Capacity for Environmental Management and Governance – OECD, Incorporating Green Growth and Sustainable Development Policies into Structural Reform Agendas, OECD, World Bank, UN, Resilient People Resilient Planet – SG’s High-Level Panel on Global Sustainability From Growth to Green Growth: A Framework – World Bank, Inclusive Green Growth: The Pathway to Sustainable Development – World Bank, Shaping the Green Growth Economy – Green Growth Leaders, Life Beyond Growth – AtKisson, Green Growth, Resources and Resilience – UNESCAP, ADB, UNEP, Low Carbon Green Growth Roadmap for Asia and the Pacific – UNESCAP

Unit IV **06 lecture hour**
LOW CARBON DEVELOPMENT

Low Emission Development Strategies (LEDS) – OECD/IEA, Low Carbon Growth Plans: Advancing Good Practice – Project Catalyst, Promoting poles of clean growth to foster the transition to a more sustainable economy – UNCTAD, Preparing Low-Emission Climate-Resilient Development Strategies – UNDP, Climate Change and the World Bank Group: The Challenge of Low-Carbon Development – World Bank

Text Books

1. Allen, C., & Clouth, S. (2012). A Guidebook to the Green Economy. Issue 1: Green economy, Green growth, and Low-carbon development—history, definitions, and a guide to recent publications. Division for Sustainable Development, Department of Economic and Social Affairs, United Nations, New York, August.

WEB SOURCES:

1. <http://www.iea.org/>
2. <http://www.cea.nic.in/>
3. <http://www.mnre.gov.in>
4. <http://www.powermin.gov.in>

Modes of Evaluation: Quiz/Assignment/ presentation/ extempore/ Written Examination Examination Scheme:

Components	Class Test	Assignment	Presentation	ESE
Weightage (%)	20	20	10	50

Relationship between the Course Outcomes (COs) and Program Outcomes (POs)

Mapping between COs and POs		
	Course Outcomes (COs)	Mapped Programme Outcomes
CO1	Have skills about green economics practices in different energy sectors	PO1, PO2, PO3, PO8, PO9, PO11, PO12, PO13, PO14
CO2	Understanding about technologies available for green energy generation	PO3, PO8, PO11, PO12, PO14
CO3	Able to evaluate economy of energy generated from various energy sources	PO8, PO9, PO10
CO4	Able to optimize the cost of green energy	PO2, PO3, PO10, PO11,
CO5	To extend the understanding of green economics.	PO1, PO2, PO3, PO8,

		PO9, PO11, PO12, PO13, PO14
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Program Outcome / Course Outcome mapping

Course Outcomes	CO 1	CO 2	CO 3	CO 4	CO5
PO 1	3				3
PO 2	3			3	3
PO 3	3	3		3	3
PO 4					
PO 5					
PO 6					
PO 7					
PO 8	3	3	3		3
PSO 9	3		3		2
PSO 10			3	2	
PSO 11	3	3		2	3
PSO 12	3	2			3
PSO 13	3				3
PSO 14	3	3			3

Course Code	Course Title	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12	PO13	PO14
ECON 8006	Green Economics	1	2	2					3	2	1	2	2	1	2
		Students will be able to develop and evaluate alternate managerial choices	Students will demonstrate application capabilities of their conceptual	Students will be able to exhibit effective decision-making skills, employing	Students will demonstrate oral and written communication skills to present	Students will be able to work effectively in teams and demonstrate team-working	Students will exhibit leadership and	Students will demonstrate sensitivity	Students will demonstrate employability	Students will demonstrate strong	Students will demonstrate effective	Students will demonstrate analytical	Students will exhibit the ability to	Students will have domestic and global	Students will exhibit deployable skills

1=weakly mapped
2= moderately mapped
3=strongly mapped

Model Question Paper

Name:			
Enrolment No:			
Green Economics			
Section A: Objective Type. Answer all questions			2 X 10 = 20
(i)	Mention two reasons why companies invest in green investment strategy.	[2]	CO1
(ii)	Mention Approaches to Integrating Environmental Issues into Business Strategy.	[2]	CO2
(iii)	Define green growth.	[2]	CO2
(iv)	What do you mean by environmental accounting?	[2]	CO1
(v)	Is economies of scale applicable to green strategy?	[2]	CO1
(vi)	What do you mean by social compliance?	[2]	CO1
(vii)	What is SA8000?	[2]	CO3
(vii i)	Is air pollution and water pollution a part of social compliance?	[2]	CO3
(ix)	Give two examples of social compliance issues in Brazil and China.	[2]	CO8
(x)	What do you mean by social accountability?	[2]	CO9

	Section B: Objective Type. Answer all questions	5 X 4 = 20	
a	Explain the green investment pyramid.	[5]	CO13
b	Discuss the different motivations for green investment.	[5]	CO14
c	Elaborate “Governance approach” or Open dynamic strategy to green investment.	[5]	CO12
d	What are the qualitative and quantitative indicators of green investment strategy?	[5]	CO14
	Section C: Objective Type. Answer any two	15 X 2 = 30	
a	Discuss the stages of environmental strategy.	[5]	CO9
b	Analyze the OECD policy framework for green infrastructure investment.	[5]	CO10
c	Explain the concept of socially responsible investment (SRI) and environmental and social governance (ESG) with reference to green investment strategy. Elaborate with few examples.	[5]	CO13
	Section D: Q4. Analytical /Case Study questions. Answer all the questions given at the end of the case study.	15 X 2 = 30	
	Ikea, the international retailer of furniture and household goods, has a reputation for low prices and fresh, innovative design. However, it is also keen to develop a reputation for environmental stewardship and sensitivity to social issues. The Ikea Group of Companies has around 150 stores in 22 countries. It was founded in 1943, and in 2001 had a turnover of 11.3 billion euros. It employs 70,000 people, and purchases its raw materials from more than 50 countries, principally China, Sweden, Poland, Germany and Italy.	CO12, CO13, CO14	

Most of Ikea's sales take place in Germany (21%), the USA (13%), the UK (12%), France (9%) and Sweden (7%).

In September 2000, Ikea launched *The Ikea way on purchasing home furnishing products*, a three-page 'code of conduct' for its 2,000 suppliers, focusing on working conditions and environmental impacts (see below). As a first step, suppliers were asked to return a questionnaire to ascertain how well they already complied with the code.

External auditors have been appointed to carry out more detailed reviews and to verify the information provided by Ikea's suppliers. Where shortcomings are identified, the companies will be asked to put in place an action plan to remedy them. The code warns suppliers: 'Repeated violations of IKEA's requirements will result in the termination of co-operation.'

Ikea has also shown itself not to be shy of working with lobby groups. As long ago as 1991, it collaborated with Greenpeace to find a way of printing its catalogues on chlorine-free paper.

Several years later, Greenpeace was enlisted again, this time to advise Ikea on how to phase out PVC from its product range. Since then, PVC has been eliminated from all goods with the exception of electrical cables, and a 100% phase-out is scheduled for 2006.

One of Ikea's most weighty environmental issues is forestry, and in particular the impact of timber extraction on ancient forests. At the end of the 1990s, pressure from Greenpeace and other environmental groups led Ikea to introduce a policy prohibiting the use of wood from intact natural forests, except those certified by the **Forest Stewardship Council**. This was formally launched in November 1999.

'Ikea is joining the movement of responsible corporate consumers concerned about ancient forests,' commented Greenpeace's forest campaigner, Christoph Thies.

At the beginning of 2000, the company has donated US\$2.5 million to help launch Global Forest Watch, a World Resources Institute project set up to gather information about the world's remaining intact natural forests. 'We hope this initiative will encourage other companies to strive in the same direction,' said Ikea's environmental manager, Susanne Pulverer Bergstrand.

Ikea is also keen to send its customers the right signals about social and welfare issues. A two-page code of conduct relating specifically to the subject of child labour makes clear: 'Ikea disassociates itself from child labour, and works actively against it.' To this end, the retailer requires suppliers to keep it informed about where production is taking place - including the activities of subcontractors.

In 2000 Ikea donated US\$500,000 to a three-year project aimed at eliminating child labour in Uttar Pradesh, one of India's least developed states. The focus of the project is the introduction of education facilities for children and women alike.

Ingvar Hjärtsö of UNICEF said: 'We consider Ikea to be setting an excellent example for other corporations to follow. Ikea is prepared to go further than just saying "no" to a supplier who exploits children.'

Hjärtsö added: 'The company is showing a genuine interest in bringing about improvement for children by assuming a responsibility for child labour issues.'

The Ikea code of conduct for suppliers

1. Legal

Suppliers must comply with national laws and regulations and with international conventions concerning the protection of the environment, working conditions and regarding child labour.

2. Working conditions

IKEA expects its suppliers to respect fundamental human rights, and to treat their workforce fairly and with respect.

Suppliers must:

- Provide a healthy and safe working environment;
- Pay the legal minimum wage or the local industry standard and compensate for overtime;
- If housing facilities are provided, ensure reasonable privacy, quietness and personal hygiene.

Suppliers must not:

- Make use of child labour;
- Make use of forced or bonded labour;
- Discriminate;
- Use illegal overtime;
- Prevent workers from associating freely with any workers' association or group of their choosing or collective bargaining;
- Accept any form of mental or physical disciplinary action, including harassment.

3. Environment and forestry

At IKEA, we shall always strive to minimize any possible damaging effects to the environment, which may result as a consequence of our activities. Therefore, IKEA and its suppliers shall continuously reduce the environmental impacts of operations.

Suppliers must:

- Reduce waste and emissions to air, ground and water;
- Handle, store and dispose of hazardous waste in an environmentally safe manner;

	<ul style="list-style-type: none"> • Contribute to the recycling of materials and used products; • Use solid wood from known areas and, if possible, from sources that are well managed and preferably independently certified as such. <p>Suppliers must not:</p> <ul style="list-style-type: none"> • Use or exceed the use of substances forbidden or restricted in the IKEA list of 'Chemical Compounds and Substances'; • Use wood originating from national parks, nature reserves, intact natural forests or any areas with officially declared high conservation values, unless certified. <p>Answer the following questions</p> <p>Q1. Analyze the social compliance initiatives of IKEA.</p> <p>Q2. How far these initiatives are successful? Give your opinion.</p>		