



**AgEcon** SEARCH

RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.*

view, the book does not offer any new ideas, insights, and methods. It is a collection of previously published papers, which will mostly be known by researchers in the field already.

Overall, the book does a good job collecting interesting papers regarding various issues in BCA. It can be a quite valuable asset for practitioners who often face the challenges mentioned in the book. Having a good guideline will definitely increase the quality of analyses done. The book can also help establishing better standards in the profession. Benefit–cost analyses of social policies are relatively a new field and hence attempt to build unifying principles and standards that are quite valuable to build a well-functioning practice. My only concern is that the book does not provide any remedy regarding the lack of the novelty, from which I believe BCA suffers much. Chapters regarding ethical and behavioural benefit–cost analysis are interesting but not powerful enough to enhance the readers' horizons. The book could have been more interesting and reach a wider audience if it established a better balance between establishing standards and revitalising the field. In its current state, it will mostly appeal to BCA practitioners.

CAGRI S. KUMRU

Research School of Economics, The Australian National University,  
Canberra ACT, Australia  
Email: [cagri.kumru@anu.edu.au](mailto:cagri.kumru@anu.edu.au)

*Transitioning to a Green Economy: Political Economy of Approaches in Small States*, edited by Nadine Smith, Anna Halton and Janet Strachan. Published by Commonwealth Secretariat, London UK, 2014, 213 pages, ISBN: 978-1849291279; AU\$ 129.00 (paperback).

'Green Growth' has attracted a great deal of attention in recent years, comprising one of two key themes at the June 2012 United Nations Conference on Sustainable Development (Rio +20). The term is widely used by small states, many of which are especially vulnerable to climate change and other environmental challenges. In our region, the Pacific Island Development Forum has established the promotion of green growth as its official *raison d'être*.

Despite this, there remains a lack of clarity regarding exactly what a green economy entails or should look like in practice. This is a legacy, no doubt, of conflict that surfaced in the lead up to Rio+20 about the term's definition, which was never fully resolved. It is especially unclear what Green Growth looks like in small states, which suffer from a range of unique challenges.

*Transitioning to a Green Economy: Political Economy of Approaches in Small States*, edited by Nadine Smith, Anna Halton and Janet Strachan, aims to fill this gap in the literature. The purpose of the publication is ‘... to explore the process of transformation to a green economy in small states: the opportunities, constraints and challenges it presents, and what sort of policies it means in practice...’ The volume consists of eight case study chapters that detail initiatives to promote a green economy in small states: three taken from the Caribbean (Jamaica, Guyana, Grenada), two from the Pacific (Nauru, Samoa), one from Africa (Botswana) and two from the Indian Ocean (Mauritius, Seychelles). An introductory chapter summarises the lessons from these case studies.

The title of the volume is, for want of a better word, *optimistic*. Only a small number of the case studies can be said to be transitioning to a green economy in any meaningful sense. Even in these cases, the authors identify policies that have significant adverse environmental consequences (such as uniform subsidies for power consumption). In the majority of countries, it is clear that there is in fact very little change; existing modes of economic activity prevail. There is also almost no discussion of political economy constraints to a green economy. Instead, the focus of case studies is on ‘green’ projects and policies in the case study countries – a focus that, arguably, better addresses the editors’ objectives for the book.

The final product is rather disappointing. The terms ‘green growth’ and ‘green economy’ are never satisfactorily defined; each chapter adopts a slightly different view of the term, with a number of the authors acknowledging that the term is commonly ‘considered far too fuzzy for meaningful implementation’. Most of the chapters are concerned primarily with summarising existing development and environment plans, as well as a multitude of donor-funded projects (many of them are demonstration projects). Although this provides a good introduction to environmental planning and policies in the case study countries, it is hardly inspiring as a new development paradigm. The introductory chapter fails to develop a compelling argument, primarily limiting itself to a summarisation of the other chapters.

There are sections of the book which are better, as the quality of chapters varies considerably. The discussion of access to finance for ‘green technology’ is justified, although much more discussion is warranted about the fact that many ‘green’ policies could actually save money (such as establishing minimum energy performance standards). The book is also right to point towards the gap between policy/planning and implementation, which is always an issue in small states.

One of the most interesting chapters is focused on Nauru (a neighbour of Australia about which most Australians know nothing, aside from the fact that it houses asylum seekers). Nauru is perhaps as far from ‘green’ as a Pacific island economy can get: most of the country has the appearance of a lunar landscape, a remnant of Nauru’s profitable phosphate days, and the

population lives on an unhealthy mix of imported rice and tinned meats (including, imported tinned fish – fishing as an activity has all but disappeared in this island nation). The chapter provides an overview of what little is occurring to rehabilitate the mined interior of Nauru, discussing challenges such as land ownership arrangements.

The chapter about Nauru also raises the extremely important subject of donor-aid relations. Many aid projects (and fads) in small states are driven by donors, and effectively end along with donor funding. Especially, poignant in this respect is the author's citation of a Nauru Government publication, which describes efforts to improve water management as 'lack(ing) continuity and strategic direction' and as being 'driven by the goals of the proponents (generally aid donors) rather than by national priorities'.

One cannot help but wonder whether this quote is also relevant to donor efforts designed to promote a 'green economy' in small states. Indeed, one of the 'lessons' identified by the introductory chapter is that the concept of green growth has not yet been 'mainstreamed into government practice or public thinking'. The implication is that it is lack of awareness in small states that is the problem, not the limited development of 'green growth' as a strategy to address economic growth and environmental challenges.

This reflects the tone of the volume as a whole. The book is written for an audience that considers 'green growth' a valuable strategy for development. The assumption throughout is that movement towards a 'green economy' is a good thing. There is no discussion of potential trade-offs between environmental and economic outcomes. There is little distinction between environmental policies that could be expected to improve economic growth and those that could have negative economic impacts.

It is a shame that the discussion is not more nuanced, because these trade-offs require greater study if 'green growth' is to develop into a useful paradigm for sustainable development. There are many 'green' policies that are good for economic growth. For example, energy efficiency measures and standards which generally have negative economic and financial costs, improvements in the ease of doing business, an end to fossil fuel subsidies (many of which are hidden as losses by state-owned enterprises).

But there are also trade-offs and limits to what can be achieved in small states as a result of capacity constraints and an absence of economies of scale. Development of 'green industries', such as renewable technology manufacture, is unlikely to be economically viable in most small states. Power generation from renewable technologies is in many (but certainly not all) cases more expensive than the use of conventional technologies. Even activities that are often taken for granted, such as recycling, are not feasible in small countries (the chapter on Samoa, for example, points out that material for recycling needs to be exported).

Differentiation between 'green' policies on the basis of their economic impact would have provided a welcome and useful contribution in the development of a term that is frequently used, but not often critically studied.

Acknowledgement and discussion of what is, and what is not, feasible in the case study countries would have helped clarify the relevance of 'green growth' as a development paradigm for small states. This book provides a good overview of environmental policy in the eight case study countries, but it does not adequately explore these broader issues.

MATTHEW DORNAN

Development Policy Centre, Crawford School of Public Policy,  
The Australian National University, Canberra ACT, Australia  
Email: [matthew.dornan@anu.edu.au](mailto:matthew.dornan@anu.edu.au)