
Foreword

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Biographical notes: Miriam Kennet is a member of Mansfield College, Oxford University and currently researching at Oxford Brookes into the supply chain and the stakeholder theory from a Green Economics perspective. Her research at South Bank University, London and at Templeton College, Oxford University focused on Green issues and strategic management of international firms. She is coeditor (with Molly Scott Cato), of one of the few books on Green Economics, *Green Economics, Beyond Supply and Demand to Meeting People's Needs*, and author of articles on corporate backlash and supply chain issues, including the reduction in supplier base diversity and transparency. She is a Director and co-founder of the Green Economics Institute, a member of the Chartered Institute of Purchasing and Supply (MCIPS) and founder and Editor of the *International Journal of Green Economics*.

Volker Heinemann is an Economist who studied at the Universities of Goettingen, Kiel and Nottingham. He is a Specialist in international and developing economics, monetary economics and macroeconomic theory and policy. He is the author of the book *Die Oekonomie der Zukunft, (The Economy of the Future)*, a book outlining the principal structure for a modern economy that accepts the pressing changes required to the outdated current economic thinking. He is co-founder and Director of the Green Economics Institute, a member of the Institute of Chartered Accountants in England and Wales and Associate Editor of the *International Journal of Green Economics*.

1 Introduction

This foreword introduces the vision, aims and scope of our new journal, *The International Journal of Green Economics*. In this inaugural issue, we present papers that are designed to introduce and set the scene for Green Economics to develop. As a result, several of the papers are from writers especially selected for their novel approach in this field. They have all published other books or articles before. They are joined by more well-established writers in the field, such as Professor Mary Mellor, Delyse Springett and

Philip Lawn. Subsequent issues will explore the subjects they raise in more depth and will include such well-known writers as Hazel Henderson, David Toke, John Barry and Professor Maria Mies, for example. The journal attempts to develop a progressive alternative to conventional economics with the aim of achieving a more sustainable and equitable society.

Our vision for this new journal is to facilitate debate about alternative perspectives to existing and future economic questions and problems. New and alternative views are required to address the situation effectively in an economic and natural environment that is under constant evolutionary change and to remove the normative bias that has been accumulated over time in conventional economics. Many of the current problems both the national and international economies face cannot adequately be explained by the standard mainstream economic tools, theories and concepts. The main reason for this is that past development of economic thinking has manoeuvred itself, by the application of a very limited and narrow set of methods and tools to every question considered, into a situation where the wider scope and context of issues is not considered. A more holistic approach is required to understand the much more complex problems of today. In addition, traditional values have been quietly introduced into the structure and the assumptions of far too many models. At a time when the economy faces post-industrial problems with a shift of the basic economics assumption of scarcity, from goods markets to the labour market in an increasing number of countries, traditional assumptions are hindering a correct assessment of the situation the society faces. The social, technological and environmental challenges will not be resolved. There is a tendency in conventional economic thinking to deny these problems or suggest solutions that preserve the existing path the economy has taken. There is also a tendency to suggest the same solutions, unchanged over time, in any region of the world. Conventional economics is surprisingly deprived of time, geographic location and any historic or social context.

Given the severe deficiencies of the work of the existing academic economics discipline, a new approach beginning right from the start is suggested. The existing discourse between contradicting schools of thought and the ever-increasing discontent between economists requires a substantially new look at the entire subject.

This journal will therefore include papers on basic concepts and methods, critique of existing principles and beliefs (the content for this inaugural issue) as well as case studies dealing with issues of the application of practical economic policies and their implementation (content of subsequent issues).

The general theme will always be the modernisation of the academic principles to bring them in line with the world where we live and to do so without excluding awkward and difficult real-life issues, questions and problems, and without including the usual value-ridden normative concepts.

There are many journals dealing with economics and several dealing with environmental or ecological issues. However, we wanted to provide an analytical journal, which could take a really radical stance on major issues and to go beyond individual isolated and unconnected literatures such as:

- the managerial solutions of environmental economics offering sustainable development, or mathematical prescriptions and solutions or managing the environment for business as usual as advocated in business schools
- the mathematical and formulaic solutions offered and rewarded by mainstream economic practices coming from university economics departments

- the mainly critical stance of alternative protest based more in social theory than in practical economics problem solving.

We aim to create a solution-based real-world, problem-solving economics that speaks the language of other 'different' viewpoints and fills a much needed gap in the literature.

We felt that the most recent UK Research Assessment criteria has split economics into a science concerned with mathematics and statistics, removing humans and nature from this social science and from the geography and environment, on which all economic activity is based and founded and without which there is no success or wealth creation. Xenophon's work, *Oikonomikos* (369 B.C.E) was the origin of the word economics, which can be translated by Estate Management or household management and efficiency using administrative authority in order to interact with nature and agriculture. Green Economics rediscovers these meanings. Aristotle (384–322 B.C.E) in *Nichomachean Ethics*, distinguished between three types of economic justice: distributive or geometric; rectificatory justice or arithmetic proportion; and justice in exchange or harmonic; and three types of economies:

- 1 *Oikonomia*, the management of the household, which is the essential part of economics, with the other part being.
- 2 Wealth acquisition through exchange, which was regarded as unnatural as it involved gain through someone else's expense, and high levels of consumption were not regarded as part of the good life and therefore wealth acquisition should be limited.
- 3 The good life, the highest human good or *eudaemonia*, which was often translated as happiness and attainable through virtuous activities that had the double meaning of capability for a particular goal and also one's moral capability as a person and trade activity – also nothing to do with maths and statistics.

These original economics definitions have salience in our search for new perspectives in economics. Sen (1987) suggested that most economic concepts have polarity of roots either in an ethics origin, or an engineering root. The development of modern neo-classical economics was influenced by Bentham (1748–1832) and the marginal revolution. Bentham's theory of psychological hedonism analysed all behaviour in terms of pursuit of pleasure or pain. His systematic application of the greatest happiness principle of utility was used in ethics and political economy. We argue that economics has to be integrated with the rest of the 'life world' and also has to be holistic in order to provide practical solutions that have a wider practical usefulness.

We would fundamentally disagree with departmentalising economics. We argue for a radical reform of economics. We build on ideas of ecologism, conservation, socialism, feminism, political economy, civil society and counter hegemony, as well as all aspects and limits of natural science. These areas are indivisible – not one of them can be simply a social or positivist science. They are an indivisible unit, which must now be explored in a holistic manner.

As Harrison (1992, p.365) has argued, "it means creating the framework for a more interdisciplinary approach to research and first degrees. The demands of the environment will break down the compartmentalisation of knowledge. It could well become the science overarching all the others. As part of this, we desperately

need an overarching science of human interactions with the environment combining socio-economic and technological studies with dynamic analysis of the physical environment.” The institute will try to foster the realisation of Harrison’s vision.

1.1 The aims of the journal

The practical objectives of the *IJGE* are to establish an effective channel of communication among policy makers, government agencies, academic and research institutions concerned with the running and impact of the economy on all sections of society. It aims to bridge the gap that exists between academic economic theory and literature with more practical requests for suggestions for the implementation of modern economic concepts in the political sphere, within the general economic debate and structures of political power and public discussion.

The development of an objective alternative view for our times and the future, in contrast to the traditional, backward-orientated, normatively biased view of economics is the prime objective. The study of Green Economics naturally has to be very multi and interdisciplinary in nature, as the problems it addresses are partly social in aspect and causes, partly scientific in technical development, partly environmental as this is a fundamental limit to all human activity, and partly economic and historical in how the current situations have evolved and are functioning. Green Economics is also particularly influenced by developments in ethical thinking and values and in anthropology in its explanations of past and future trends.

The *IJGE* takes a truly global perspective on all activities it undertakes, as modern economies are interdependent and internationally linked, having meaning in this context by not only considering aspects and considerations relevant to the so-called ‘Western world’ and only assuming that all other parts of the world can be explained or even scientifically analysed on similar grounds. We use an approach appreciating specific differences in other parts of the world in order to generate a real, sophisticated and objective understanding of the subject as a whole, rather than imposing one narrow set of conventions to a wider range of countries and people, effectively reducing their freedom further. The Green Economics discipline therefore has to be ‘truly’ international in scope and in the solutions it proposes; even simple terms, such as ‘global’, are already twisted in the conventional debate, to an extent that it becomes impossible to use them without a detailed explanation of the normative intentions behind such strategic use of terms and definitions. The editorial board consists of a host of academics and practitioners, government members, policy makers and campaigners from around the world in order to meet the demands and the wide scope of the subject as explained above.

1.2 The scope of the journal

The *IJGE* publishes original papers, review papers, technical reports, case studies, educational papers, conference reports, book reviews, notes, commentaries and news. Special issues will be devoted to subjects, such as globalisation and international economics, ecological economic concepts, equity, sustainability, long-termism and intergenerational equity, community, economic goals and well-being, social and environmental justice versus definitions of freedom, *etc.*, depending on practical requirements and developments in the political field.

Subjects and issues dealt with include:

- Theories and concepts
 - a Environmental economics, Ecological economics and Green economics
 - b Welfare economics
 - c Development economics
 - d Fair trade issues
 - e Freedom/social justice
 - f Classical (neo-classical, neo-liberal) theoretical concepts and their limitations
 - g Eco-feminism and women's economics
 - h Patriarchy and accumulation: problems in resource allocation
 - i Trickle-down theories
 - j New theories of human needs hierarchy versus supply and demand
 - k Democracy and privatisation
 - l International governance and managed trade
 - m Offshoring/outsourcing and the multinational enterprise.
- New initiatives and cases, experience and applications
 - a Green economic policies
 - b Eco taxes
 - c Tobin tax and other innovative solutions
 - d Resource management
 - e New economic indicators
 - f Site here to sell here
 - g Reuse, recycle, repair
 - h Quality of life and consumerism
 - i Human happiness
 - j Coops
 - k New paradigms of the economy: nature, biosphere, non-human species, minorities, women.
- Critique of corporate activity
 - a Stakeholder perspectives
 - b Roles and activity within multinational enterprises
 - c Promoting consumerism

- d Procurement
- e Corporate governance.
- Social justice in the economy
 - a Indigenous rights
 - b Aspects in less developed countries
 - c The role of local economies
 - d Balance of rich and poor in different societies
 - e Poverty and its effects
 - f Environmental justice.

The Journal has decided to propose a new approach in economics, which it defines under the term 'Green Economics'. From the perspective of the Journal, it is required to follow such a new approach despite some previous attempts to address at least part of the newly recognised issues the modern world faces, as existing attempts to address these concerns and problems are unsatisfactory. The Journal recognises the progress that has been achieved in moving on from the Environmental Economics approach towards an Ecological Economics approach.

In this introduction, only a brief overview of the different streams of thought is attempted, as this subject needs to be addressed in far greater detail and is effectively hitting the core issues of the problem with the current economic debate very quickly.

Environmental Economics is an attempt to incorporate the undeniable environmental problems seamlessly into existing economic concepts. The method preserves as much of conventional economic thinking as possible by firstly reducing environmental considerations from its more philosophical level to a mere simplistic interpretation that might otherwise be defined as nature conservation. In addition there is a tendency to summarise existing economic thinking like the theory of public goods, the theory of external effects, aspects of welfare economics and even game theory under this approach, despite the fact that major contributors to these developments did not have in mind to be used to preserve conventional and conservative economic thinking. There is not so much of a problem with existing economic concepts but more so with the resultant conservative picture of the economic world out of an amalgamation of selected concepts and skilfully designed assumptions.

Ecological Economics goes much further than Environmental Economics by accepting that there might be a change necessary to conventional wisdom. Concepts of Ecological Economics can therefore be very useful for the Green Economics approach. The central difference is, however, that Green Economics adds the distinctively holistic view to incorporate the wider social and cultural sphere into the issue and derives a truly integrated discussion about the subject. Green Economics therefore is the first ever attempt to address economics in the modern world as a social rather than a natural science that has great degrees of freedom and comfortably incorporates scientific findings from other real world, natural sciences in its thinking. The limitations and external effects caused by other human beings and nature are important restrictive factors in economics, which are acknowledged and included within the central themes of Green Economics.

All this needs to be explained in greater detail in the articles, as it is why economics has to be addressed from an entirely different perspective. Conventional economic thinking is so limited in scope in comparison to this new concept and as such proves that the very nature of economics, as a science of resource and requirements provision analysis and distribution, has still not been fully understood or is deliberately presented in a certain way because conventional 'economists' pursue other interests that can only be promoted by keeping economic research relatively simple and based on specific assumptions. This new critique is a topic to develop, which will be explored further during the life of this academic journal.

1.3 How the International Journal of Green Economics is related to the Green Economics Institute

The *International Journal of Green Economics* is backed up by the Institute of Green Economics, which was founded shortly after the journal's inception. In its short one-year history, it has had more than 170 000 hits on the website and is a very fast-growing body. The aim of the journal is to further the spread and study of economics and social and environmental justice and to reflect these concepts in economic practise and theory at all levels. In this way, it is hoped to bring some balance into global economic life. It is an ambitious project but one that is already bearing fruit; the list of the Institute's Advisory board members is already both influential and impressive. The *International Journal of Green Economics* underpins the academic side of the approach the Institute follows, which complements the practical focus, the educational work, the communication with the wider public and the campaigning activities it also engages in. The journal will include specific articles that analyse a particular issue in depth to really challenge the conventions mainstream economics has created and the articles together will develop the holistic, long-term alternative in economics for which the Institute has been founded. The Institute's website is www.greeneconomics.org.uk.

1.4 How the International Journal of Green Economics relates to the Green Economics Institute Conferences

The Green Economic Institute's regular and popular conferences are used as a tool to communicate on a regular basis with the wider public. Speakers are invited to present recent ideas to the attendees and the contributions may form the bases of some of the new articles in the journal. Some of the concepts used for conferences are innovative, including a Green Economics Retreat focusing on economic well-being, and a lively conference on feminist economics. In addition, contributors to the journal may present their concepts at conferences. The conferences form a vital part in the educational activities of the Institute, making available most recent economic ideas in the area of Green Economics.

IJGE is intended to provide a vehicle to help professionals; academics (including students and researchers); policy makers and campaigners working in the fields of international business, economics and local, regional and national government to educate, influence, propose solutions and share information and to learn from each others' work and best practice in the field, as well as to provide a forum to explore and share new ideas to economic problems.

The general flavour of *IJGE* is captured by the papers included in this Inaugural Issue. The articles in the journal will be firstly theoretical and philosophical, with defining articles exploring the potential of Green Economics. They are arranged in the following sections: scene setting, methodology discussions, examples, and suggestions for an overall research agenda and finally, some book reviews.

2 Definitions of Green Economics

The theory, background, definitions and philosophy of Green Economics has still to be explored. It includes concepts to be found in other literatures, which have informed our thinking in launching the current Green Economics Project. Our article later in this issue, discusses the roots of Green thinking in the general philosophical literature, in the economics literature, and in particular draws on Hodgsons' (2001) book, *How Economics Forgot History* about how economics at the turn of the 20th century left its German historical school roots, where it sat firmly in the political economy and context, but then moved on to become a more and more technical, positivist analysis of a social subject. Adam Smith had given economics a strong transformational and moral aspect. It then, was influenced by modern philosophical ideas of form rather than content or context and became allegedly value-free and influenced by modern intellectual climates. A largely context-free and positivist, statistical and numerical exercise emerged. Under the new rules of logic, anything complicated or initially illogical was not considered. Indeed, the idea of peer review in Anglo-Saxon tradition became sovereign. Green Economics perspectives reclaims the idea, proven by both Noah and Copernicus, that the more people believing in an idea does not make the idea anymore correct or true. Nature carries on regardless of what people believe about it.

The approach taken in the article is intensely practical and quite specific in time and space. Green Economics also focuses on social and environmental equity and indeed offers solutions, which seem very attractive and are gaining in popularity and can help solve today's problems. Our article discusses what Green Economics might mean, how it draws on Green Literature, how it relates to Environmental Economics, Ecological Economics, and other economic projects. It also discusses the issues that are worthy of particular re-evaluation and definition, such as globalisation, social and environmental equity, intergenerational equity and ecology. The article, the journal in general and the Institute all argue for the complete reform of economic aims and practice. Additionally, the article appeals strongly for economics to develop into a multidisciplinary discourse of the kind advocated by Harrison (1992).

There is also discussion about the proper scope of Green Economics. Should it include notions of strong and weak sustainability, and managerial and environmental management concerns? There are two branches of this discourse and echoes of both can be found in other literatures. For example, it seems that the managerial strand has strong links to sustainable development, environmental economics, technological fixes for environmental problems, such as tradable permits, and at one end tries to manage the environment for business as usual and to mitigate and quantify and cost environmental problems. At this end perhaps, it might be argued that this logic can be found in Corporate Social Responsibility concepts and some aspects of stakeholder instrumental theory.

At the other end of the spectrum are strong sustainability arguments, animal rights, the idea that the biosphere and non-human species should have standing and that only a complete rethink of economics is appropriate to deal with the issues, as Porritt and Winner (1988) argued this is nothing short of a non-violent revolution in the way we live our economic life. Strong sustainability and deep ecology does not compromise with the managerial arguments and there does appear to be evidence that in compromising with corporate interests in the voluntary management of the environment, the underlying destruction does continue. The difficulties of accepting that a new attitude and a change in what Dobson (2000) calls 'hearts and minds' are huge and there is a feeling of panic that if nothing was to be done until that mind set is achieved by the public, then it will be too late especially on such issues as climate change.

The journal editors therefore take the attitude that although the journal is intended to move the debate forward and to produce new scenarios and landscapes in Green Economics discourse, we need to understand what is wrong with the weak sustainability arguments and the power relationship issues that prevent corporate social responsibility from working.

The articles chosen in this first issue all provide a general insight into the temporal or spatial scope and other concepts that Green Economics explores. The journal is divided into a section of scene-setting articles, which all examine the basis of Green Economics, a section exploring the issues and methodology of Green Economics concepts, and a section of examples of where a Green Economics perspective is particularly useful. This is followed by a paper providing a research agenda and finally, a section of book reviews that help to shed light on the unique Green Economics perspective and vision. Subsequent issues of *IJGE* will provide papers, which will go into much more detail about these areas and provide research agendas for further investigation, as well as detailed examination of particular philosophical points, policy instruments and others, which develop a political economy theme.

3 Concluding remarks to the foreword

As one can probably gather from this Foreword, the papers in this Inaugural Issue constitute a small introductory sample of the matters we hope to see addressed in *IJGE*. Upcoming issues of *IJGE* will be set aside to deal with philosophical developments and the complete reform of economics as it stands as a discipline. We look forward to the receipt of papers that shed new light on how Green Economics can be further developed, including contributions towards environmental and social equity and sustainability together with the prevention and elimination of poverty. We cordially invite all people interested in contributing to solve these dilemmas, to become engaged in the discussion and to join us and the Editorial Board on this new, exciting and fruitful journey.

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