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Economy versus Climate Change

**Abstract**

The current century is facing many complex issues and it has become difficult to define what the most serious issue of this century is. The debates on nuclear proliferation had not started yet and a new debate started: Climate Change. The disturbance in the natural functioning of the environment gives birth to many other disasters like storms, rains, floods, and global warming. This can cause a dramatic decline in the tourism industry of a country. Moreover, it can spoil the natural beauty of the country, famine in the country, and the destruction of infrastructure eventually. The economy of a country can help or spoil environmental changes. If a country is having a rich and stable economy, it can deal with its Climatic challenges because this issue can be addressed by researching the subjects and implement the suggestions of the researchers. These factors demand money. An unfortunate factor in the contemporary world is that the poorer countries like African and South Asian countries do not have enough money to invest in the research and implantation of the Climate Control projects, and the countries that can help it, they do not want to do so. This paper explores how the stronger economy can help fighting Climate Change and what are the current issues regarding Climate Change that are not being addressed and why.

**Introduction**

*Nature is angry, and we fool ourselves if we think we can fool nature because nature always strikes back* (António Guterres, The UN General Secretary). The world has developed and reached a stage where it perhaps never reached any time in history. The contemporary and the previous centuries are called the richest and smart centuries of human history. The contemporary man knows how to use natural resources for the well-being of the human race. The countries that initiated the industrial revolutions are still the richest in the world. Humankind has made such progress that a moon that was the focal point of a poet's imagination is now under the foot of a scientist. The other thing that happened amid this hustle and bustle is that we are losing the natural treasure that was provided us for free: the environment. Climate Change also called Environmental Change is the direct result of our industrial progress. Climate Change was an unknown term before the 20th century, but currently, it has become an issue of grave concern for the whole world. The so-called most developed countries are responsible more than the undeveloped countries what we have done to our environment. This story of environmental change started with Industrial Revolutions which are considered the key actors of human development. They helped the countries to enrich their economies and what they did additionally was Climate Change. In the current scenario, where giant economies cause harm to the natural environment they also spend their wealth to protect it. Thus, on one side the environment is hurt by the economy and on the other side, it is protected by the help of money. This paper discusses the relationship of the economy with Climate Change in detail.

**Thesis Statement**

A strong economy is a boon and bane for the natural environment because the countries with rich economies invest in abundance to protect the natural environment whereas they are the greatest emitters of greenhouse gases. Moreover, it is more likely that a strong economy can do much to protect the natural environment by exploring new environment-friendly sources of energy that weaker economies cannot do.

**Body**

Climate Change is a disturbance in the natural functioning of global climates like the irregular occurrence of rains, floods, and an unexpected increase in the global temperature. Climate Change was never an issue in the past until humans explored the ways to use Arabian oil for commercial purposes; the movie *Black Gold* (2011) directed by Jean-Jacques Annaud also portrays this fact. Oil has been being used by the human race since the 7th century AD, but its proper exploration for commercial purposes was initiated by Colonel Drake in Pennsylvania in 1899. It was followed by Spindletop discovery in Texas in 1901 which set the stage for the new Oil Economy. New inventions in the first score of the 20th century like the electric light bulb and the automobile enhanced the demand for oil (Katz, Richard W., and Allan H. Murphy, eds. N.p). The world began to consider it as a major source of energy when it plays a crucial role in the transportation of the military during the Great Wars. Coal and gas were in use for energy, but oil decreased the demand of both sources. The national economies started relying upon these sources more than anything else. The automobile changed the face of war because military movement became faster when guns already had replaced the centuries-old weapons like arrows and swords. The automobile industry expanded and airplanes entered the warfare. Great Wars stirred the European economies and they started condemning war after losing millions of people and trillions of dollars. Whatever happened afterward the demand for oil kept increasing and major economies like The USA started implanting their oil refineries in the Middle East to boost their economies. *Black Gold* (2011) also portrays how the Americans convinced the Arabs to open oil refineries in the region. The Arabs did not respond positively at the start, but when they realized the impact of this industry on their economy they accepted the American proposals warm-heartedly and thus started the economic golden era of the Middle East that is still going on. One after another discovery and invention appeared on the horizon of the world and everything added to the demand for oil. Oil became a popular source of energy from household to industry and warfare which boosted the growth of the economy. Eventually, large industries founded and innumerable vehicles started running on the net of new-build roads. Vehicle producers and countries with other industries kept progressing and the countries with more industries became the global economic leaders. Knowingly or unknowingly, they ignored one thing that consumption of oil on such a large scale had started depleting the Ozone layer which eventually led to an increase in global temperature and environmental chaos.

We discussed in class the subjects like Global Inequality, Development Project, and Globalization that are related to economy and climate change. Climate change is the consequence of the global economic struggle between the countries. Globalization refers to the formation of the international community. Globalization started after the termination of WW-II and with the formation of the United Nations Organization (UNO) when countries agreed upon the view that a project of cooperation between the countries can open new ways for the progress of the countries and it would enhance their economies when free-trade will take place. It worked and besides the developed world, many countries that were exploited by the colonizers for centuries found ways to enrich their economy, China, India, Malaysia, and South Africa are notable examples. Moreover, it helped war-torn Europe to rebuild its infrastructure and stabilize its economy. The UK, France, Turkey, and Germany rose after the destruction and regained their prestige. Apart from that, the developed countries started Development Projects in the underdeveloped world and in the developing countries to support their economies. Global inequality refers to the unequal distribution of power between the countries depending on their economic state. The stronger countries enjoy not only better infrastructure and lifestyle but they have more *say* in global matters. The developed countries exported their industry and human capital to other countries to make the world a better world for humans but exportation of the industry further added to Climate Change (Driesen, David M. N.p). The global industry does not rely solely on oil rather coal is a major natural source of energy which is used mostly in developed countries like China and Germany. The more industry a country has more harm to the natural environment it causes. It is the reason that all top five greenhouse gas emitters countries are developed countries.

Economy versus Climate Change is such a popular issue that many scholars have done research and written books and articles on the subject. This research paper was written after reviewing many credible shreds of literature on the subject. Neil Leary’s book *Climate Change and Vulnerability* (2008) consists of a comprehensive study on the Intergovernmental Panel on Climate Change (IPCC). IPCC was nominated for Nobel Prize in 2007 for doing a detailed study of the phenomenon and predicting what harm it can bring to humanity if not coped before it is too late. Leary notes that the most considerable work of IPCC was a research study under the project Assessment of Impacts and Adaptation to Climate Change (AIAC). This project was initiated in 2007 and it explored the ways a country’s economy can face setbacks due to Climatic changes. The second reviewed book was *Tourism and Global Environmental Change: Ecological, Social, Economic and Political Interrelationships* (2006) co-authored by Stefan Gosselin and Michael Hal Colin. This book talks about how the economy suffers due to Environmental changes besides human health and behavior (Bulkeley, Harriet, and Peter Newell. N.p). This book talks about an organization Global Environmental Change (GEC) that examines how a country can face setbacks due to environmental changes. The authors argue that natural resources like glaciers, trees, rivers, and minerals in the mountains help the Earth to maintain its environment that is critical for the survival of the human race. As the countries move towards industrialization, they start cutting the trees and planting industry on the agriculture land and minerals are extracted from the mountains on large scale. These both factors cause harm to the natural formation of the Earth and increase the global temperature. If a country loses its natural greenery and other natural scenery, it would become unattractive for foreign and domestic tourists and eventually would lose a major industry: the Tourism industry. The economy of many countries like Maldives and Kiribati rely wholly upon tourism, if they lose their natural beauty because of ultra-industrialization in any other country, it would drain not only their domestic economies but the global economies as well. David Driesen’s book *Economic Thought and US Climate Change Policy* (2010) has been written specifically to the US response to Global Warming or Climate Change. Driesen states that the US was once a leading character in every global project envisioned prospering the world and facilitating the humans on a large scale. This book argues that the failure arose from an unyielding ideological stance that embraced free markets and viewed government action as anathema. The most notorious result of this hands-off approach was the financial meltdown of late 2008, but strict reliance on free markets also hobbled government policymakers' response to the challenge of global warming. The book is a critique of the current US attitude towards global warming.

A strong economy looks the symbol of prosperity and well-being of its people, but the dark side of this factor is that three major economic groups of the world like Peoples Republic of China, The United States of America, and The European Union bring more harm to the global environment than scores of many underdeveloped and developing countries. An article co-authored by [Johannes Friedrich](https://www.wri.org/profile/johannes-friedrich), [Mengpin Ge](https://www.wri.org/profile/mengpin-ge) and [Andrew Pickens](https://www.wri.org/profile/andrew-pickens) which was published on the website of World Resources Institute in April 2017 reveals that these three economic giants are the three top greenhouse gas emitters and they contribute more than half of the total global emissions whereas the bottom 100 emitters contribute only 3.5 to the total. This article also endorses my previous argument that energy is the largest contributor to the emissions since the start of the last century; the time coincides with the proper commercial exploration of oil. It is worthless to fill the pockets of citizens with gross production in the industry if it is causing a life threat to them, and it is actually what these rich economies are doing (Gössling, Stefan, and Colin Michael Hall, eds. N.p). It is an interesting factor that the countries that teach the world to respect the basic rights of the people throughout the world and the countries that demonize the practice of hurting people are the countries that are bringing harm to the majority of the global population with industry. This attitude does not exist on the country level only rather many major companies of the world show the same insensitive attitude (Leary, Neil. N.p). Take the example of a known German car company Exxon which was exposed in 2014 for diesel emissions although they claimed that their cars and plants do not emit CO2. These stronger economies hurt the global environment and the countries that suffer the most are islands like Maldives, Bahamas, and Kiribati. These countries are less than high from sea level and many analysts predict that these countries would fade away from the face of the Earth.

A stronger economy can help to curb Climate Change by investing in research on environmental friendly sources of energy and by taking measures to stop the depletion of the ozone layer that requires money. Since Global Warming is a global issue and it can affect the whole world if not addressed before it too late, it cannot be addressed without money. Thus, the countries who already are suffering from economic setbacks cannot invest in such sophisticated issues and this becomes the responsibility of the developed nations to address this issue as soon as possible. Fortunately, the world leaders acknowledged the gravity of this issue and formed The United Nations Framework Convention on Climate Change (UNFCCC) also called the Paris agreement in May 1992. The mission was acknowledged by the global community and 154 nations had signed the agreement by June 1992. The convention is although respected by the entire world but it is not obligatory to follow the directions given by the convention. Article 4(7) of the convention states that: “The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and [poverty eradication](https://en.wikipedia.org/wiki/Poverty_reduction) are the first and overriding priorities of the developing country Parties” (Hertel, Thomas W., Steven K. Rose, and Richard SJ Tol. N.p). The mission of the convention was to restrict the global temperature to 2 or 1.5 °C relative to the pre-industrial level appears inadequate. Setback to the convention is that because of having the concept of ‘shaming’ instead of ‘binding’ does not help to stop the major contributors to the emissions. The developed countries fulfill their moral duty by providing funds to some developing countries to grow trees. This is a naïve approach to handle such a grave issue. Nevertheless, a stronger economy can help to fight against global warming but it cannot be done if the leaders are not wise enough to consider it as a priority in their development goals.

**Conclusion**

Economy and Climate Change have reciprocal effects upon each other, but the constructive mind of leadership is crucial for that. If Climate Change affects a country, its economy faces setbacks due to a decline in tourism, flooding on crops and destruction of infrastructure due to excessive rains and floods. If it is warming, it can cause a famine that leads to food scarcity in the country *(Epub.wupperinst.org*. N. p.). On the other side, if the economy of a country is going well, the country can invest in research to explore ways to produce environment-friendly sources of energy like solar energy and green energy, etc. Climate Change is an issue that showed itself as the issue of grave concern during the 20th century when oil and nuclear energy came into the use of man. The economic giants like China, the USA, and European Union are the leading greenhouse gas emitters who are showing such an inhumane attitude towards this issue that the ecologists fear that one day the world might face a global catastrophe due to their insanity. They justify their evil acts by investing some wealth in developing countries, but they must be taught what real morality is. Acts of these so-called superpowers are not different from the cruel monarchs who used to slay people in the pursuance of their personal objectives because harmful emissions from their industries are posing threat to the existence of many countries like Maldives and Kiribati. The world must wake up before it too late.

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