



# A Review of the Development of Green Capitalism

Lili Yang\*, Huimin Yang

School of Marxism, Dalian University of Technology, Dalian, China

yanglili1993@mail.dlut.edu.cn  
yhm7426@dlut.edu.cn

**Abstract.** In recent years, global natural resources are increasingly depleted and environmental problems are becoming more and more serious. As a new ecological trend of thought and development model, green capitalism is committed to realizing the win-win situation of economy and ecology under the capitalist system, which has been widely discussed by the international academic community. But green capitalism is self-contradictory, because the "green" that contains "ecological" and the "capital" that is essentially "anti-ecological" cannot be truly combined. Through market mechanism and technological innovation, green capitalism cannot effectively solve the economic crisis and ecological crisis within the existing capitalist system.

**Keywords:** green capitalism; green economy; ecological crisis

## 1 Introduction

In the third volume of *Das Kapital*, when Marx talked about "big industry" and "big agriculture operated in an industrial way", he said: "The former more abuse and destroy labor force, that is, the natural power of human beings, while the latter more directly abuse and destroy the natural power of land"<sup>1</sup>. As Marx pointed out, the abuse of nature by capital is no different from the exploitation of workers by capital. Anti-ecology is an inherent characteristic of capitalism. Faced with the global ecological crisis, the capitalist developed countries put forward the solution of green capitalism. However, this is a pseudo-agenda in which "green" contradicts "capital". The first part of this article focuses on the development of green capitalism, the second part discusses the two different voices on green capitalism in the current academic community, and the third part presents the author's reflections and evaluation of green capitalism.

## 2 The development of green capitalism

In the 1960s, Rachel Carlson published the book *Silent Spring*, which declared to human beings would face a silent spring due to environmental degradation. In the 1970s, the Club of Rome published its first study - *Limits to Growth* - which mentioned that "Human beings has in many ways exceeded the carrying capacity of the planet, has

gone beyond its limits, and the world economy is in an unsustainable state of development. "2 In the 1980s, the World Commission on Environment and Development published its report, *Our Common Future - From One Planet to One World*, which formally introduced the concept of "sustainable development", arguing that the environmental, energy and development crises are inseparable, that the Earth's resources and energy sources are far from adequate for human development and that development models must be changed for the benefit of present and future generations.

In 1989, British environmental economist David Pearce published a book called *Blueprint for a Green Economy*, which started the history of "green" entering the economic field. There is a growing consensus in society that natural resources must not be abused in the pursuit of the economy. At the same time, the international community is also taking different environmental protection measures. International environmental cooperation conventions such as *the Declaration on the Human Environment*, *the Convention on the Protection of Biological Diversity* and *the Framework Treaty on Climate Change* have emerged.

Since the beginning of the 21st century, global environmental and development issues are becoming increasingly contradictory, and ecological problems and economic crises are interacting with each other. On the one hand, this situation has led to the continued dominance of a "brown economy" dominated by "brown" capital. On the other hand, capitalist countries are desperate to find new areas of investment and economic breakthroughs in order to develop their economies and solve their environmental problems. This has focused global attention on the so-called "green economy". In the green economy strategy, capitalism commodifies nature. According to Brand, "A green economy strategy could contribute significantly to the formation of a new capitalism that would replace the archaic and crisis-ridden post-Fordist form of neoliberalism." 3 This new form of capitalism is green capitalism.

Green capitalism is a combination of the capitalist system and ecology, aiming to provide solutions for the sustainable development of capitalism. First of all, green capitalism believes that capitalist economic development and environmental protection can coexist under the capitalist system. Secondly, green capitalism sees the ecological crisis not as a form of crisis embedded in the capitalist system. Finally, green capitalism argues that natural resources, while not in unlimited free supply, do not act as an ecological constraint on capitalist growth.

### **3 The debate on green capitalism**

Regarding the feasibility of green capitalism, the international academic community generally holds two attitudes: One is against green capitalism, arguing that "green" and "capitalism" cannot be combined, and that slowing down or limiting economic development goes against the logic of capital. The other is to support green capitalism, believing that green capitalism is an economic and ecological win-win model that can successfully solve environmental problems through market and technological innovation and create the next industrial revolution.

Faced with a growing ecological crisis, Lester Brown turned to green capitalism. In 1992, Brown first put forward the concept of "environmental revolution", arguing that "building a sustainable future depends on the restructuring of the global economy, major changes in human reproduction behavior, and major shifts in values and lifestyles. To do it quickly would be a revolution."<sup>4</sup> Brown believes that the environmental revolution can realize the transformation from the traditional economic model to the ecological economic model, that is, to the B mode of green capitalism with the harmonious development of ecology and economy, and achieve the social goal of green capitalism.

Paul Hawken is also a proponent of green capitalism. For the first time, he has systematically synthesised the business principles of sustainability, practicality and profitability into a theoretical basis for 'green capitalism', leading the way in planning an industrial development model that meets economic costs and ecological conservation. Paul Hawken emphasized that we should regard the whole nature as a kind of capital and capitalize it. He believes that the four strategies of improving natural resource productivity, biological simulation, services and flows, and investing in green capital can reduce environmental damage and promote economic growth.

Forster is a representative of criticizing green capitalism. He believes that "Capitalizing nature, in fact, covers up the fact of the extreme plunder of nature for Commodity Exchange, and only makes nature further subordinate to the needs of Commodity Exchange."<sup>5</sup> Obviously, Forster has a negative attitude towards the combination of "ecology" and "capitalism". He believes that ecology and the development logic of capitalism are opposite to each other and cannot be integrated.

Brand is also critical of green capitalism. He believes that the abuse of nature is the norm of capital, because it is the basis of capital's pursuit of profit. Brand notes that "like all social-natural relations under capitalist conditions, 'green capitalism' would be selective, allowing some people to earn more and enjoy a higher standard of living, while excluding others and regions, and even destroying the material basis of life of the latter."<sup>6</sup> In essence, "green capitalism" is an exclusive plan that uses hegemonic contracts or violent military to realize the development of developed capitalist countries in Europe and America, but does not overcome the essence of capitalist exploitation. In Brand's opinion, green capitalism cannot effectively solve the global ecological crisis and guarantee the sustainable economic growth within the framework of capitalism. Therefore, capitalist society must carry out socio-ecological transformation to surpass green capitalism.

#### **4 Comments on green capitalism**

In recent years, the convening of the Rio+20 Summit and the announcement of the US withdrawal from the *Paris Agreement* have led scholars concerned with international ecological thinking to focus their attention on green capitalism. However, the production of surplus value is an absolute law of the capitalist mode of production. The current capitalist system protects and promotes unsustainable patterns of production and con-

sumption. "Green capitalism" does not really allow for the integration of "green" and "capitalism".

Firstly, within the capitalist system, the market mechanism cannot allocate natural resources in a timely and efficient manner. Marx said that capitalism "must either accumulate or die". Capitalism cannot distinguish between optimal growth and maximum growth. In order to achieve sustained economic growth, capitalism, driven by the logic of proliferation, constantly uses large amounts of natural resources to produce goods. When the scarcity of natural resources is reflected in the law of value, the market regulation at this time cannot recover the damage caused to nature. Even if the productivity of natural resources is increased through green technologies or if alternative resources are sought to restructure the energy economy, this will only encourage capital to use saved natural resources or more readily available alternatives to produce more cheap, 'surplus' goods, exacerbating the misuse of resources and environmental damage in all sectors.

Secondly, capitalism is naturally anti-ecological. Brown argues that the economic system must be seen as a sub-system of the ecosystem in order to achieve harmonious ecological and economic development. However, Foster argues that ecosystems are opposed to capitalist economic systems and that it is this economically expanding logic of capitalist development that leads to ecological crises. Ecology and capitalism are opposed to each other, and the causes of the ecological crisis and environmental problems should be explored in the capitalist system itself. Green capitalism is only an upgraded version of capitalism, and remains a strategy of European and American developed capitalism to maintain the hegemonic order. As Victor Voris put it, "the trampling of the ecology is inherent in the capitalist system itself".<sup>7</sup>

Thirdly, valuing natural resources is not practicable and controlling natural prices does not shift consumer attitudes. Paul proposed the concept of green capital in addition to human capital, financial capital and industrial capital, which incorporated natural resources into the economic system and required the realization of the economic operation of nature. However, we can't put a proper price on natural resources like sunlight, water and air. In addition, resources such as sunlight, wind and water are unstable and unpredictable. For new sources of energy such as solar, wind and water, current technology cannot support their cheap generation and availability in large quantities and we have difficulty in obtaining them on a sustainable basis. However, non-renewable natural resources such as oil and coal, once developed, can be guaranteed to be available for a period of time.

Finally, the realization of green capitalism is "selective". This 'selectivity' is evident in the fact that green growth in some areas has been achieved at the expense of other areas and future social development. Green capitalism is the self-adjustment of capitalist societies facilitated by green economic strategies, which is essentially an exclusionary scheme to achieve the development of developed capitalist countries by means of hegemonic contracts or violent militaries. Green capitalism embodies a sense of environmental protection. However, this consciousness is 'realised' by appropriating the 'green' of others and diverting its own 'pollution'. Lawrence Summers's "Let them Eat the Pollution" shows what the people behind green capitalism really think.

## 5 Conclusions

Through strategies such as green technology, market mechanisms and environmental policies, capitalist countries are seeking change and improving their living environment to some extent. However, this improvement comes at the expense of the living environment of other countries and regions, affecting their ecology and economy. As Marx said in the Preface to the Critique of Political Economy, "No social formation will ever perish until all the productive forces it can accommodate have been brought into play; The new and higher relations of production will never appear until the material conditions of their existence have ripened in the womb of the old society."<sup>8</sup> If we want to solve the global ecological crisis once and for all, we must start with the roots of the capitalist economy itself. The transformation of capitalist society is imperative.

## References

1. *MAKESI ENGESI WENJI (Vol. 7)* [M]. Beijing: People's Publishing House, 2009:919.
2. Denella Meadows, Jorgen Landers, Dennis Meadows. *Limits of Growth* [M]. Beijing: China Machine Press, 2013: XV.
3. Ulrich Brand, Markus Wiesen, Qingzhi Huan, Li Qing. Green Economic Strategies and Green Capitalism[J]. *Foreign Theoretical Trends*, 2014(10):22-29.
4. Kang Ruihua. Ecological Socialism and Green Capitalism: A Comparison of Foster's Ecological Revolution and Brown's Environmental Revolution[J]. *Socialism Studies*, 2008(03):18-22.
5. John Bellamy Foster. *Ecology Against Capitalism*[M]. Shanghai: Shanghai Translation Publishing House, 2006:28.
6. Ulrich Brand. Green Capitalism and Social Ecological Transformation as an Analytical Framework[J]. *Journal of Poyang Lake*, 2015(03):59-60.
7. Victor Wallis. Beyond "Green Capitalism"[J]. *Monthly Review*, 2010(9):32-48.
8. *MAKESI ENGESI WENJI (Vol. 2)* [M]. Beijing: People's Publishing House, 2009:592.

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

