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ANALYSIS

Accounting matters: Revisiting claims of decoupling and genuine green growth in Nordic countries

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ABSTRACT

Ecological modernisation in the form of support to the notion of green growth remains the dominant discourse in environmental policy globally. Still, questions of limits to economic expansion and growth on a planet with finite natural resources have been at the core of environmental discourses at least since the 1970's. A recent effort by Stoknes and Rockström (2018) seeks to unite notions of ecological limits with the concept of green growth by proposing genuine green growth as denoting a situation when growth respects planetary boundaries. Focusing on recent trajectories in emissions intensity, they highlight Nordic countries including Denmark as examples of such genuine green growth. In this article, we demonstrate that the specific conceptualization of genuine green growth and resulting claims about the Nordic countries rest on particular assumptions, specifically concerning national-level carbon accounting frameworks and the size of the remaining global carbon budget. By opening up these assumptions for analysis we illustrate the partiality and potentially misleading nature of the conceptualization of GGG.

1. Introduction

Recent years have seen a resurgence of the canonical debate on the role of ecological limits accentuated by the unfolding global climate and environmental crises. Even more recently, debates on the need for post-COVID recovery packages to strike a balance between ecology and economy have surfaced (Hepburn et al., 2020). Some see green growth as 'the sustainable way out of the corona crisis' (State of Green, 2020). Yet, while intuitively appealing, the notion of green growth is notoriously vague and elusive[1] (Stoknes and Rockström, 2018).

If green growth is indeed supposed to be a 'way out', what does such a way entail? How can green growth be specified, operationalized and translated into policy goals? These questions matter not least because the rhetoric of green growth appears to exist unproblematically alongside ever more dire scientific evidence and warnings about the multi-faceted global ecological crisis (IPBES, 2019; IPCC, 2018). As such, it is perhaps not surprising that activists and scholars call for approaches that clearly put ecological concerns and welfare before growth to guide post-COVID trajectories (Taherzadeh, 2021; Barlow et al., 2020).

Typically, claims of green growth are assessed by considering decoupling rates (Wiedenhofer et al., 2020). In the context of climate change, green growth should arguably be judged with reference to decoupling that is both absolute and sufficient for meeting the Paris climate accord goal of limiting the increase in global temperature to 'well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels'[2] (UNFCCC, 2015). Here, recent and comprehensive reviews of the literature demonstrate that observed decoupling rates fall short with no absolute decoupling at the global level and no national-level examples of the decoupling required to meet climate targets without reliance on

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[1] Ironically, the notion of growth itself is also not clear-cut, as illustrated by the long and contested history of the concept (Schmelzer, 2016). The difficulties alone in measuring growth in the Gross Domestic Product (GDP) points to a degree of 'fuzzyness' sorrounding the concept (Fix et al., 2019; Watanabe et al., 2018).

[2] Although we focus mainly on GHG emissions in this article, judging green growth solely in reference to climate change misses the multi-dimensional aspects of ecological concerns (notwithstanding their interrelatedness). We therefore return to such considerations in the discussion.

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