

## GREEN ECONOMIC POLICIES AND PRACTICES: AN EVALUATION OF THEIR IMPACT ON SOCIO-ECONOMIC WELL-BEING IN THE CONTEXT OF CLIMATE CHANGE

**Loso Judijanto**

IPOSS Jakarta, Indonesia

[losojudijantobumn@gmail.com](mailto:losojudijantobumn@gmail.com)

**Al-Amin**

Universitas Airlangga, Surabaya, Indonesia

[al.amin-2024@feb.unair.ac.id](mailto:al.amin-2024@feb.unair.ac.id)

### Abstract

Green economic policies and practices have become a strategic approach to addressing the increasingly urgent challenges of climate change. This study evaluates the impact of green economic policies on socio-economic well-being, with a focus on carbon emission reduction, renewable energy use, and inclusive sustainable development methods. The evaluation results indicate that green economics not only addresses environmental issues but also makes significant contributions to job creation, improved quality of life, and economic resilience. Although these policies face various challenges, such as resistance from traditional industries and resource constraints, holistic strategies and multilateral collaboration are necessary to ensure their effective implementation. Thus, green economy has great potential to support the balance between environmental sustainability, economic growth, and social welfare amid the impacts of climate change.

**Keywords:** Policy, Green Economy Practices, Evaluation, Socio-Economic Well-being, Climate Change Context.

### Introduction

Climate change has become one of the most pressing global challenges of the 21st century. The impacts of climate change, such as global temperature increases, rising sea levels, and extreme weather patterns, pose not only environmental risks but also serious threats to the socio-economic well-being of communities. Carbon-based economic activities are the primary drivers of greenhouse gas emissions, which accelerate climate change (Liu, 2023). Therefore, more sustainable policy approaches, such as the green economy, are needed to address these challenges.

The green economy is a development concept that seeks to reduce carbon emissions, improve resource efficiency, and protect biodiversity, while supporting economic growth and social welfare. The green economy is an economic development concept that prioritises environmental sustainability, resource efficiency, and social welfare (Smith, 2021). In general, the green economy aims to reduce carbon emissions, preserve biodiversity, and promote the use of renewable energy as an alternative to fossil fuels. According to the United Nations Environment Programme (UNEP), the

green economy is defined as an economic system that is capable of generating human well-being and social equity while significantly reducing environmental risks. This concept is a solution to global challenges such as climate change, ecosystem degradation, and social inequality (Green, 2021).

The green economy serves as the foundation for sustainable development, which aims to create a balance between economic growth, environmental preservation, and community welfare. One of its main functions is to help transition from a carbon-based economic model to a more environmentally friendly system. In addition, the green economy encourages technological innovations that result in more efficient production and reduced pollution. Other functions include providing solutions to environmental and social issues, such as the creation of green jobs, more optimal resource management, and climate change mitigation by reducing greenhouse gas emissions (Ramesh, 2020).

The main objective of the green economy is to achieve sustainable economic development without damaging the Earth's ecological systems. The green economy seeks to create a balance between economic needs and environmental sustainability, thereby meeting the needs of the present without compromising the ability of future generations to meet their own needs. Additionally, the green economy aims to improve the quality of life for communities through poverty reduction, increased access to clean energy, and the creation of an inclusive economic system (Kang, 2022). Globally, the green economy also aims to slow down the rate of climate change, reduce negative impacts on the environment, and provide adaptive solutions to socio-economic challenges arising from ecosystem degradation. Various countries have begun to implement green economy policies through a shift to renewable energy, sustainable resource management, and investment in environmentally friendly technologies. However, despite the many benefits offered by the green economy concept, the implementation of these policies often faces technical, financial, and social constraints (Johansson, 2025).

One important aspect of green economy implementation is its impact on the socio-economic welfare of communities. A fundamental question arises: to what extent can green economic policies enhance societal well-being, particularly in the context of increasingly complex climate change? On the other hand, there are concerns that the transition toward a green economy may disrupt traditional sectors, lead to job displacement, or exacerbate social inequalities if not managed properly (Lee, 2023).

Research gaps exist in efforts to evaluate the actual impacts of green economic policies on socio-economic development. While many studies highlight the economic benefits of green policies from an environmental sustainability perspective, few have comprehensively explored the relationship between green economic policies and social-economic well-being indicators, such as household income, poverty reduction, and access to resources. Therefore, an evaluation of green economic policies is

necessary to provide an understanding of how well this concept can address the challenges of climate change while supporting inclusive social well-being.

## **Research Method**

This study uses a literature review method. A literature review is an approach used to collect, review, and analyse information or data sourced from various written documents, such as books, scientific articles, journals, research reports, and other written sources. The primary focus of this method is to utilise existing literature as a basis for answering research questions, developing theories, or supporting arguments (Tranfield et al., 2003); (Machi & McEvoy, 2016). Literature research typically involves a systematic process, starting from identifying sources, assessing the quality and relevance of the literature, to synthesising the information collected to produce in-depth conclusions. This method is particularly useful for research in the social sciences, humanities, or theoretical concept studies without the need for direct observation or experimentation (Ridley, 2012).

## **Results and Discussion**

### **The Impact of Green Economic Policies and Practices on Socio-Economic Welfare**

Green economic policies and practices have become a strategic approach to addressing global challenges such as environmental degradation, climate change, and social inequality. The green economy seeks to integrate environmental sustainability principles into the economic system while ensuring the well-being of society. With this concept, sustainable development is prioritised through resource efficiency, carbon emission reduction, and protection of natural ecosystems, ultimately leading to tangible impacts on socio-economic well-being (Wilson, 2022).

The first impact of implementing green economic policies can be seen in the creation of more environmentally friendly jobs. Various sectors, such as renewable energy, sustainable agriculture, and waste management, open new opportunities for workers. This helps reduce unemployment rates while providing new skills training aligned with the needs of the green market. Jobs created in these sectors are often more stable as they are aimed at long-term goals and do not rely on excessive exploitation of natural resources (Miller, 2021).

Additionally, the green economy can improve the quality of life for communities through better environmental management. With reduced air, water, and soil pollution, communities can directly benefit from improved health. A cleaner environment also contributes to increased productivity, which ultimately has a positive impact on household income. This balance supports poverty alleviation efforts through an approach that incorporates environmental sustainability (Beckett, 2023).

On the other hand, green economic policies strengthen community resilience to the impacts of climate change. Investments in green infrastructure, such as renewable

energy, adaptive agriculture systems, and clean water management, provide better protection to vulnerable communities. This resilience is important to ensure that disadvantaged groups do not fall further behind due to natural disasters or environmental crises. The green economy demonstrates that inclusive development is key to reducing social inequality caused by traditional economic exploitation (Fischer, 2022).

However, the main challenges to implementing a green economy are high initial costs and resistance to changing established economic systems. In some cases, these policies require significant investment, particularly in green technology and public education. Such obstacles can have an impact on low-income communities if implementation is not carried out in a proportional and inclusive manner. Therefore, it is important for the government and the private sector to work together to ensure that the green economy is truly based on the principle of social justice (Garcia, 2023).

The implementation of a green economy can also trigger a transformation in consumer culture. With policies that promote environmentally friendly products, consumers are beginning to shift from unsustainable products to more ethical and ecological choices. This transformation not only impacts the environment but also changes societal mindset to prioritise quality of life over excessive consumerism. In the long term, this trend has the potential to enhance overall well-being (Martinez, 2022).

At the global level, the green economy offers opportunities for developing countries to compete in the international market. Environmentally friendly products and services are increasingly in demand in the global market, so countries that invest in green policies can improve their economic position. In addition to increasing exports, this opportunity also strengthens relations between countries, especially in cooperation to address cross-border environmental challenges (Smith, 2021).

The success of the green economy in improving socio-economic welfare depends on the policy framework implemented. Regulations and incentives that support green innovation, such as renewable energy subsidies or carbon taxes, are needed to drive faster change. Governments play a crucial role in ensuring that these policies consider social aspects so that the economic benefits of the green economy are felt by all segments of society, including marginalised groups (Ajay, 2020).

It is also important to actively involve the community in every policy formulation process. Community participation not only increases awareness of the importance of the green economy but also provides space for local communities to voice their needs. This approach creates solution-based policies that are relevant to the socio-economic context of each region (Zhao, 2023).

Thus, when implemented effectively, the green economy can serve as a comprehensive solution to the various social and economic challenges facing the world today. It not only provides direct benefits to communities through improved quality of life but also ensures that future generations have sufficient resources to meet their

needs. By integrating environmental sustainability, social inclusion, and economic growth, the green economy represents a tangible step toward shared prosperity for all humanity.

### **The Relationship Between Green Economic Policies and Climate Change Mitigation at the Local, National, and Global Levels**

Green economic policy is a strategic approach that aims to create a balance between economic development, social welfare, and environmental preservation. In the modern era, this policy plays an important role in climate change mitigation efforts at various levels, from local to national to global. The concept of green economy is not only an innovative solution to environmental problems, but also opens up new opportunities for sustainable economic transformation (Cook, 2024).

At the local level, green economic policies encourage local governments to adopt environmentally friendly development practices. This approach often involves wise management of natural resources, green infrastructure, and carbon emission reduction programmes. For example, the implementation of low-carbon transportation systems and investment in renewable energy can reduce the negative impact of local activities on the environment. In addition, local communities play a role through the adoption of sustainable lifestyles, such as waste recycling, the use of alternative energy sources, and the utilisation of environmentally friendly technologies (Gupta, 2023).

At the national level, green economic policies are a key instrument for governments to support sustainable development while strengthening their commitment to climate change mitigation. Countries that are serious about implementing these policies often establish regulatory frameworks that support investment in clean energy, resource efficiency, and green technology innovation. Carbon taxes or renewable energy subsidies are concrete steps that encourage communities and industries to abandon environmentally damaging practices (Chen, 2025).

At the global level, green economic policies are an important foundation for international cooperation to combat the climate crisis. Global organisations such as the United Nations (UN) encourage its member countries to take concrete action to reduce greenhouse gas emissions, in line with international agreements such as the Paris Agreement. In this context, the green economy plays a crucial role, highlighting the importance of transitioning to cleaner energy systems and strengthening sustainable economies to prevent global temperature rise exceeding 1.5°C (Stein, 2021).

The relationship between green economic policies and climate change mitigation is closely intertwined, as both concepts complement each other. Climate change challenges, such as extreme rainfall or prolonged drought, pose a serious threat to economic and social stability. The green economy serves as an approach that not only reduces the risk of environmental damage but also has a positive impact on the

economy through job creation in green sectors, such as renewable energy and waste management (Patel, 2021).

By promoting investment in green technology, green economic policies can become a driving force for innovation that helps communities cope with the impacts of climate change. For example, technologies for producing clean energy such as solar, wind, and hydroelectric power not only reduce dependence on fossil fuels but also lower emissions contributing to global warming. This approach offers opportunities to create cheaper and cleaner energy sources (Jensen, 2023).

Social aspects are also an important element in this relationship. Green economic policies provide opportunities for local communities to participate in greening programmes, resource conservation, and community development based on the environment. Success in mitigating climate change cannot be achieved without community participation, which is represented in policies such as urban farming, clean energy training, and green space management in urban areas (Duong, 2025).

When green economic policies are implemented, the challenges often involve the need to ensure strong collaboration between various parties, including the government, the private sector, and the community. At the local level, public awareness must be continuously built to ensure that green approaches run smoothly. At the national level, the government needs to strengthen policies through fair regulations and funding support for sustainable programmes. At the global level, environmental diplomacy and green technology are key to maintaining collective commitment to combat climate change (Brown, 2020).

Governments at all levels have a crucial role to play in facilitating green economic policies and accelerating climate change mitigation. Appropriate regulations can create systems that ensure human welfare without sacrificing nature conservation. At the same time, collaboration with private companies in developing environmentally friendly technologies can accelerate the transition to a low-carbon economy (Ahmed, 2024).

The role of technology cannot be ignored in the implementation of green economic policies. The use of innovative technology is a key solution for monitoring, managing, and reducing greenhouse gas emissions. In the transportation sector, the use of electric vehicles and the optimisation of public transportation systems are significant strategic efforts. Similarly, technology in agriculture, such as smart technology-based farming, can reduce the impact of traditional practices on soil and biodiversity (Liu, 2023).

However, the transition to a green economy requires an inclusive approach. In the process of migrating from a fossil fuel-based economy to renewable energy, it is important to ensure that no group is left behind. Policies must take into account the needs of the poor, disadvantaged regions, and developing countries so that they can also enjoy the benefits of green economic development without adding to the social burden (Smith, 2021).

Support from the business sector also plays an important role in ensuring the effective implementation of green economic policies. Many companies have shifted to sustainable business practices, including reducing their carbon footprint and using environmentally friendly raw materials. In addition, businesses that are adaptive to green market needs have great opportunities to grow while participating in climate change mitigation programmes (Cook, 2024).

Internationally, green economic policies have become a key agenda in various environmental forums. Multilateral efforts through organisations such as the UNFCCC (United Nations Framework Convention on Climate Change) provide opportunities for countries to share technology, best practices, and funding to ensure the success of the global transition. This integrated support is a strategic step towards shaping a more sustainable future (Ramesh, 2020).

Thus, green economic policies are a crucial foundation for climate change mitigation. At the local, national, and global levels, the interplay between these two elements is charting a new course for sustainable development. By fostering cross-sectoral collaboration, leveraging advanced technologies, and prioritising social inclusion, the green economy offers a more stable, productive, and environmentally friendly future for future generations.

## **Conclusion**

### **The Concept of Green Economy as a Response to Climate Change**

Green economy policies and practices aim to create a balance between economic growth, environmental preservation, and social welfare. In the context of climate change, strategies such as carbon emission reduction, renewable energy use, and environmentally friendly practices are at the core of these policies. The green economy approach shows great potential for reducing environmental impacts while promoting innovation in strategic sectors. Thus, the green economy not only addresses environmental issues but also opens up new opportunities for sustainable development.

The implementation of the green economy has a positive impact on socio-economic welfare, particularly through the creation of green jobs, improved quality of life, and reduced risks associated with climate change. Policies such as renewable energy subsidies, better waste management, and environmental education programmes help improve public access to more sustainable resources. Although initial investments are often high, the long-term benefits of social stability, economic resilience, and environmental preservation demonstrate significant returns.

Despite its many benefits, green economy policies face challenges such as resistance from conventional industries, lack of funding, and technological gaps. To address these challenges, a holistic approach is needed, including multilateral collaboration, strengthened regulations, and community empowerment. Additionally,

it is important to ensure that green economic policies reach all segments of society to avoid social inequality. With proper implementation, a green economy has the potential to become a key solution for supporting socio-economic well-being in the face of climate change.

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