

Climate Change, Africa's Development

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As world leaders are addressing the immediate financial and economic crisis, they should not forget the long run problems such as climate change and Africa's development. Admittedly, the number of public policy issues politicians are able to handle at any given time is limited. This points to the need for integrating the solutions to both short and long run problems.

Large-scale fiscal stimulus packages are becoming popular tools to revive economic growth and save or create new jobs during the current financial and economic crisis. In these packages lie the potential for programmes to achieve both short and long run objectives. Some of the packages are already designed in this fashion. Examples:

US: \$54 billion of targeted investment in clean and efficient energy and \$20.6 billion of tax breaks for reinvestment in renewable energy over ten years.

China: \$70 billion for energy efficiency and environmental improvement and \$85 billion for railway construction over three years.

Korea: \$38 billion to create 960,000 jobs by creating green transport networks, providing two million energy-saving homes and cleaning up the country's four main rivers over four years.

A legitimate question is whether these green investments are able to create jobs immediately as opposed to 3-5 years from now. Balancing these investments between the short and long run programmes is one of the answers to this concern. Retrofitting buildings for energy efficiency, for example, can be implemented more quickly than revamping the entire transport system. Another variable is how quickly specific programmes can be approved for implementation. Streamlined policy procedure is essential while the quality and transparency of decisions still need to be upheld. Furthermore, it should also be recognised that green stimulus is no silver bullet to the financial and economic crisis; targeted job saving programmes and spending on other societal concerns such as health and education also have the potential to save or create jobs in the short run.

Long run issues are not confined to climate change; Africa's development is another such issue. The potential to link the stimulus packages of developed countries and emerging economies with Africa's development should be explored. One example is to allocate part of the stimulus packages to increase the sponsorship for African students to receive education in developed countries and emerging economies with effective mechanisms to ensure their return to home countries after completing the education. Another example is to expand programmes of volunteers to work in African countries. Climate change mitigation and adaptation can be part of such programmes along with other areas of pressing development concerns in Africa.