EMERGENCE OF GREEN MARKETING CAPITALISM IN SOUTH AFRICA: IMPLICATIONS FOR GREEN ECONOMY AGENDA.

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-Abstract-
This conceptual paper discusses the emergence of green marketing capitalism in South Africa and its implications on the green economy agenda. The research methodology employed involved a systematic review and synthesis of extant literature and secondary data sources. It analyses the underlying contradictions of green marketing and how it is situated within the green economy agenda. It argues that green marketing, as a key lever of the transition to green economy, is immersed within a capitalist hegemony and is failing short in its potential roles of enhancing environmental sustainability, economic growth and social justice. The paper concludes pessimistically that big multinational companies dominating the green marketing discourse tend to cherry pick green marketing initiatives that are skewed towards enhancing profitability often at the expense of environmental sustainability. Organic food, plastic bag levy, eco-labels, ISO 14001 environmental management systems and green marketing metrics are identified as forms of green marketing capitalism and symbols of the commercialisation of green marketing in South Africa. This paper advocates for a transformative approach that allows for a holistic migration to a green economy. It concludes that the opportunities accorded by the transition to a green economy are more likely to be missed if green marketing practices continue on a neoclassical economic pathway. In order to address the challenge of marketisation and commodification of green marketing, It suggests a co-regulatory green marketing governance approach, which includes key stakeholders such as government, environmentalists and consumers.

Key words: green marketing, green economy, green marketing capitalism, forms of green capital.
1. INTRODUCTION
Green marketing is gaining in prominence as a pathway to green economies (Polonsky, 2011). It has been defined as the production, marketing, consumption and disposal of products in a manner that is less detrimental to the natural environment (Mishra & Sharma, 2010), capital’s response to the environmental problems (Cock, 2011) and as a fusion of capitalism and environmentalism (Prudham, 2009). The relevance of green marketing emanates from its potential role of addressing the scourge of climate change (Dangelico & Vocalli, 2017). Globally, the majority of companies are adopting green marketing principles with the objective of meeting their social responsibility obligations and enhancing business performance (Cock, 2011).

As the concept of green marketing evolves, there is a growing perception that it is failing to achieve its potential role of enhancing environmental sustainability and improving the quality of life (Papadas, Avlonitis & Carrigan, 2017). In the same vein, Polonsky (2011) notes that companies appear to be more interested in rolling out green marketing initiatives that are skewed towards profitability as opposed to those that seek to improve environmental well-being. There is also a growing perception that the benefits of green economies are far from being realised (Cock, 2011). It is against this backdrop that this paper discusses and interrogates the emergence of green marketing capitalism in South Africa and its implications for green economy agenda. Specifically, this paper attempts to answer the following questions:
- Is green marketing delivering on the green economy agenda?
- What are the forms of green marketing capitalism in South Africa?
- How can green marketing be decommodified and decommercialised?

2. RESEARCH METHODOLOGY
The research methodology employed involved a systematic review and synthesis of extant literature and secondary data sources. It analyses the underlying contradictions of green marketing and how it is situated within the green economy agenda.
3. GREEN MARKETING AND GREEN ECONOMY PROMISE

The adoption and implementation of green marketing is regarded as a strategic imperative for the realisation of a green economy (Tienhaara, 2014). A green economy is defined as a system of coherent economic activities that seeks to enhance inclusive growth by implementing pro-environmental sustainability strategies (Buseth, 2017). To enhance the realisation of a green economy vision, the United Nations Environmental Programme developed two blueprints, that is, the Green New Deal and Green Stimulus (Tienhaara, 2014). However, these blueprints have been criticised for being pro-capitalist and as epitomising globalisation elitism which does not translate to tangible environmental benefits (Brand, 2012). According to Greenpeace International (2012), the divergent views on the conceptualisation of a green economy has given room for each and every country to “define for themselves what is green and what is not.” In practice, a well-functioning green economy is premised on, according to the World Bank (2012), enhancing inclusive green growth, that is, economic growth that is environmentally sustainable (World Bank, 2012). The pillars that underpin a green economy include environmental sustainability, social equity and economic sustainability (Wanner, 2015). Reduction in environmental degradation and risks, green growth and improvement in social equity are considered as key performance indicators of a green economy (UNEP, 2011). In its application, the green economy revolves on the 5R-concept of recovering, reusing, recycling, reducing and remanufacturing (Tienhaara, 2014). South Africa’s green economy strategy is aligned to the national development agenda of addressing inequalities and unemployment (DEA, 2016). South Africa’s green economy vision in National Framework for Sustainable Development of 2008, which has nine focus areas that include environmental sustainability, sustainable production and consumption, water management, sustainable transport and infrastructure, clean energy and energy efficiency, green buildings and the built environment, resource conservation and management, Sustainable waste management practices, agriculture, food production and forestry (DEA, 2016). The overriding objective of South Africa’s green economy vision is to promote efficiency in resource utilisation, reduce carbon emission and create green jobs (DEA, 2016).
Although green marketing appears to be delivering on business performance especially on cost reduction and operating efficiencies (Dauvergne & Lister, 2012), less can be said about its success in enhancing environmental sustainability and social justice. Polonsky (2011) notes that environmental problems continue to escalate as the desire for economic growth continues to pose a challenge to the institutional responses to environmental sustainability. In South Africa, the green economy scorecard points to a bleak future. Statistics indicate that South Africans produce 110 million tons of waste per annum with almost 90 percent ending up in landfill sites (Overy, 2017). The foregoing evidence suggests the weakness of waste management practices such as recycling in South Africa. Additionally, the majority of South Africans are still being exposed to health threatening waste management practices (Overy, 2017). For example, in 2017, the Department of Environmental Affairs had to revoke the operating license of one of the major waste management companies due to poor waste management practices (DEA, 2017). The promise of green jobs remains a mirage as unemployment continues to be a major challenge in South Africa and is currently estimated at 26 percent (Stats SA, 2018). Water shortages is a major challenge and remains a challenge in Cape Town, one of South Africa’s economic hubs (Ministry of Water & Sanitation, 2018). The failure to adopt a broader systems approach in green marketing implementation is blamed for causing a disconnection between macro-marketing and micro-marketing and inhibiting the implementation of transformational green strategies (Russell & Russell, 2010). From a marketing perspective, this paper argues that the benefits that were supposed to accrue to consumers were lost due to the commercialisation of green marketing tools, which now epitomises green marketing capitalism.

4. GREEN MARKETING TOOLS AS FORMS OF GREEN CAPITALISM

There is growing concern that by promoting green consumerism, policy makers and marketers are placing a burden on consumers yet corporates that cause significant environmental harm are exonerated (Cock, 2011; Overy, 2017). In what has been dubbed a deluded fantasy (Baldassarre & Campo, 2016) and "campaign of systematic misdirection" (Jensen, 2009:4), corporates are increasingly challenged to assume responsibility to environmental problems commensurate with their ecological footprints. This view is substantiated by
estimates of water and energy consumption in South Africa, indicating that corporates are responsible for depletion of natural resources more than consumers. In terms of water consumption, households account for 12 percent while the rest is shared by municipalities 14 percent, commercial sector 11 percent and agriculture sector 63 percent (Overy, 2017).

With regards to energy consumption, households consume almost 20 percent, manufacturing, commercial and agriculture industries account for approximately 50 percent and transport industry accounting for 30 percent (Overy, 2017). Foregoing statistics suggest that even if consumers heed the call of going green, the reduction in ecological footprint will be insignificant. Additionally, in 2013, big corporates in South Africa such as Eskom, BHP Billiton, ArcelorMittal and Silicon Smelters were cited by the Environmental Management Inspectorate (Green Scorpions) for breaching environmental laws (Gosling, 2013). There is also a growing concern in developing countries that the use of eco-labels and environmental management systems such as ISO14001 amounts to trade protectionist policies that are skewed towards developed economies (Docena, 2012; Cariboni, 2012). Based on Cock’s (2011:45) view of ‘capital’s response to ecological crisis’, this paper argues that green marketing tools such as eco-labels, green products, plastic bag levy, reusable shopping bags, green fuel, ISO 14001 and sustainability metrics are forms of green marketing capitalism, which represent the commodification and marketisation of nature. The following sections discuss why the aforementioned green marketing tools are classified as forms of green capitalism.

4.1 Green product fallacy
The general sentiment among consumers in developing countries is that the introduction of premium priced green products is a ploy by marketers to enhance profitability (Husted, Russo, Meza & Tilleman, 2013). According to Husted et al. (2013), the profit motive that drives the production and marketing of green products is masked under the green marketing orthodox of green innovation. The Nielsen Report (2014) found that the price of green products in South Africa is twice as much that of conventional products, making them beyond the reach of the majority of consumers who are low income earners. The premium price charged
for green products is grossly unjustifiable as the majority of such products are of lower quality (Shafie & Rennie, 2012). Although green products are designed with the prime intention of preventing and limiting environmental harm, their environmental benefits remains unsubstantiated (Husted et al., 2013). Green marketing researchers such as Shafie and Rennie (2012) also note that even some of the marketers of green products are failing to justify the exorbitant prices of green products. Thus, the continued use of a premium pricing strategy, according to Overy (2017), amounts to market exclusion and social injustice to low income earners. Apart from the exorbitant prices of green products, controversies still exist in the market place on what constitutes a green product (Husted et al., 2013). In 2009, the Terrachoice Report (2010) revealed that 98 percent of the 2219 green products selected in Northern America retail outlets were not genuine green products. Based on this realisation, Pickett-Baker and Ozaki (2008) assert that marketers and consumers still need to confront the undeniable truth that there is no product that is wholly green.

4.2 Eco-labels as technical market access barriers
Eco-labels gained mainstream market appeal in 1992 following their ratification by the Rio Earth Summit Agenda 21 as tools for promoting sustainable development (Horne, 2009). The overriding objectives of eco-labels is to minimise the depletion of natural resources, reduce pollution, promote sustainable land use and protect employees in the agricultural sector from unfair labour practices (Ponte, 2008). Environmental concern, environmental regulation, creation of competitive advantage and green consumerism movement are the key drivers for the adoption of eco-labels (UNEP, 2014). The scope of eco-labels varies, based on the information they provide and whether they are voluntary or mandatory (Belz & Peattie, 2009). To be effective in their role as a sustainable development tool, the World Summit on Sustainable Development emphasises the importance of transparency and use of verifiable environmental claims (UNEP, 2014). As of 2017, a total of 46 eco-labels were listed on South Africa’s Eco-label Index with Fairtrade and Marine Stewardship Council (MSC) identified as the most popular. Fairtrade promotes sustainable farming practices through the production of organic food (Fairtrade International, 2017), while MSC promotes sustainable fishing practices (Brockington & Ponte, 2015).
In spite of the environmental benefits MSC and Fairtrade, in recent years, they have been subjected to severe scrutiny (Ponte, 2008). First, MSC and Fairtrade eco-labels are criticised as unjustified market protectionism instruments used by big supply chain companies to globalise the agro-food industry (Oosterveer, Adjei, Vellema & Slingerland, 2014). This, according to Ponte (2008), explains the reluctance by companies in developing countries to support eco-labels. For instance, in South Africa the use of MSC has resulted in the marginalisation of small scale fisheries (Ponte, 2008). Fairtrade and MSC are also criticised for acting as technical barriers to trade due to the cumbersome and cost of the certification process, which is often unaffordable to small scale farmers and fisheries (Oosterveer et al., 2014). For example, Ponte (2008) identified lack of know-how and exorbitant financial costs as the challenges impeding MSC certification in South Africa.

Another line of criticism is that eco-labels are increasingly being used as marketing tools as opposed to environmental sustainability enhancing tools (Oosterveer et al., 2014). For instance, the UNEP (2014) notes that eco-labels are increasingly used as criteria for shelf-space allocation and negotiation of favourable trade agreements, all of which are tied to improved profitability (UNEP, 2014). This criticism gains support from a study conducted by Brockington and Ponte (2015) that showed that the primary objectives driving the use of eco-labels revolve on accessing markets and gaining market share. In South Africa, MSC and Fairtrade certified products are highly premium priced and remain unaffordable to the majority of consumers (Ponte, 2008). Additionally, the MSC has been criticised for failing to protect endangered fish species (Ponte, 2008). In order to enhance the integrity of eco-labels the UNEP (2014) emphasises the importance of developing effective monitoring systems to curb the proliferation of eco-labels using unsubstantiated environmental claims. Another concern associated with the production of Fairtrade certified products is related to land ownership. In what have been dubbed as the “new scramble for Africa” (Evers, Seagle & Krijtenburg, 2013), whereby large corporates amass large farmland in the guise of organic farming.
4.3 Plastic bag tax and green bags rhetoric
Globally, several interventions have been suggested and implemented to curb the use of single-use ultra-thin plastic bags (Jalil, Mian & Rahman, 2013). Such interventions were motivated by the need to reduce pollution, conserve petroleum reserves, preserving the aesthetic value of oceans and prevent leaching of toxic chemicals in water bodies (Muralidharan & Sheehan, 2017). Examples of anti-plastic bag interventions include outright bans, anti-plastic bag campaigns, legislation, recycling projects and promotion of non-plastic reusable shopping bags also known as green bags (Jalil et al., 2013). In South Africa, plastic bag levy and reusable shopping are the main tools utilised to discourage use of single-use plastic bags (Dikgang, Leiman & Visser, 2010; McLellan, 2014). In South Africa, the plastic bag levy is currently fixed at 12 cents per plastic bag (National Treasury, 2018).

The plastic bag levy has been criticised in South Africa. For instance, McLellan (2014) notes the failure of a plastic bag levy to address the problem of plastic bag litter. The use of a single use plastic bag remains high with an estimated consumption of eight billion per annum (Chothia, 2016). The plastic bag tax is perceived as a ploy by the South African government to raise money as very little of the collected tax is directed towards environmental enhancing projects (Chothia, 2016), resulting in calls for transparency on how the levy is being used (McLellan, 2014). In addition to plastic bag tax concerns, retailers in South Africa voluntarily introduced reusable shopping, which command a higher price resulting in consumers perceiving them as a way of generating profits (Chothia, 2016). The greatest concern is that a life cycle analysis of some reusable shopping revealed that they are not environmentally friendly as claimed (Department of Environmental Affairs, 2017). Overall, consumers in South Africa are confronted by a double challenge of a plastic bag tax regime which is not aligned to environmental projects and reusable shopping bags with misleading environmental benefits.

4.4 ISO 14001 EMS Symbolism
The ISO 14001:2015 is one of the most popular environmental management systems (EMS) in the world (Vílchez, 2017). In its application, the ISO
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14001:2015 promotes sustainable sourcing of raw materials, sustainable energy consumption and responsible disposal of waste with the objective of reducing carbon footprint (Castka & Prajogo, 2013). As of December 2017, the International Organization for Standardisation reported that more than 300,000 companies were certified to ISO 14001 in 171 countries. Although accurate statistics are not readily available, a number of companies are also certified to the ISO 14001:2015 in South Africa (South African Bureau of Standards, 2017). The main drivers for adopting and implementing ISO14001:2015 are public pressure and government regulations (Heras-Saizarbitoria, Dogui & Boiral, 2013). The benefits that accrue to ISO14001 certified companies include effective management of environmental risks, reduction in ecological footprint and improved reputation (Castka & Prajogo, 2013).

Despite the potential of ISO14001:2015 to enhance environmental sustainability, there are concerns related to its symbolic adoption and implementation (Aravind & Christmann, 2011; Iatridis & Kesidou, 2016). For instance, Iatridis and Kesidou (2016) lament the piecemeal approach of ISO14001:2015 implementation, which is primarily aimed at enhancing the legitimacy of the company without substantial commitment to enhance environmental sustainability. This view resonates with the findings of studies conducted by Aravind and Christmann (2011) that showed that ISO14001 certified companies still perform poorly when it comes to environmental performance. These findings are also supported by evidence in South Africa. For example, despite being accredited to the ISO14001 EMS, ESKOM, Sasol, PPC, Anglo American Platinum and ArcelorMittal are the major contributors of air pollution and greenhouses in South Africa and breach emission thresholds’ levels recommended under the National Environmental Management Air Quality Act (Dlwati, 2017).

4.5 Integrity of environmental sustainability metrics
Besides the credibility of green marketing tools, the achievement of sustainability marketing objectives remains a challenge because of the problems associated with the measurement of the environmental impact of green practices (Dangelico & Pujari, 2010). The challenge emanates mainly from the lack of consensus on what should be measured and how (Delai & Takahashi, 2011). This has resulted in the
use of various sets of environmental performance measures, making it difficult to devise universally accepted practices in sustainability marketing thereby limiting environmental performance improvements (Delai & Takahashi, 2011). For instance, Epstein and Buhovac (2010) contend that the subjective nature of social and environmental impact assessments makes it difficult to quantify in objective terms the return on green marketing initiatives. It is also difficult to promote environmental accountability among employees owing to the challenge of integrating sustainability performance targets in their day-to-day activities (Delai & Takahashi, 2011). Although there is a plethora of sustainability metrics in the marketplace, very few sustainability measurement initiatives follow an integrated approach of reporting that encompass environmental, economic and social dimensions (Singh, Murty, Gupta & Dikshit, 2009). Given this background, Epstein and Buhovac (2010) note that the lack of an integrated approach to sustainability measurement has the potential to dilute the long-term commitment of key stakeholders in the implementation of sustainability initiatives.

5. CONCLUSION
This paper discusses the emergence of green marketing capitalism in South Africa and its implications for a green economy agenda. In South Africa, the green economy vision was premised to create green growth by exploiting green marketing opportunities. This paper notes that in the context of emerging countries, green marketing is failing to achieve its intended objectives of enhancing economic sustainability, and sustainable economic growth, social sustainability and social justice, and environmental sustainability and environmental justice. It concludes that green marketing in its current form in South Africa amounts to a masked frontier to profit from environmental challenges. It identifies green products, eco-labels, reusable shopping bags and green marketing metrics as forms of green capitalism. This paper notes that the aforementioned green meeting tools are increasingly used by corporates as wealth-generating tools, displacement, conflict and present avenues for green washing. It calls for a more integrated and holistic analysis of green marketing practice in order to prioritise environmental governance that fosters environmental sustainability as opposed to profiteering. In order to enhance green growth, this paper calls for the redirecting the concept of green marketing to achieve its
intended objectives. It recommends that companies adopt and implement extreme green marketing strategies that fully integrate environmental issues and responsibilities in their corporate strategies in a manner that enhances sustainable development.

6. REFERENCES


