

The Politics of the European Green Deal: Environmental Sustainability and Economic Transformation

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Abstract: The European Green Deal is one of the most ambitious policy agendas that will help the European Union become sustainable and climate-neutral economy by as early as 2050. The paper has explored the political aspects of the Green Deal, considering how the aims of environmental sustainability interlock with economic change and political struggle in the European Union. The key question of the present research lies in the capacity to find a compromise between the safety of the environment and the competitiveness of industries, as well as between the distributional justice and the social transparency. This article is going to adopt a qualitative approach of analysis using policy papers, institutional reports, and available scholarly literature that discusses the creation, implementation, and identification of the Green Deal. The findings also suggest that despite the fact that the strategy has seen an increase in funding towards green technology, sustainable infrastructure, as well as renewable energy, it has also contributed to the political conflicts between the member states as they hold diverse economic interests and capabilities. A transition that is equitable and fair across the board during the green transition is not easily attained hence industrial players as well as labour markets are subjected to intense transitional problems. The report identifies disparity in policy goals and implementation actuals especially in the areas of funding, readiness of technology, and coordination of governance. Nevertheless, the European Green Deal turns out to be a key tool towards making the EU the leader in climate laws globally. The conclusion of the article is that the success of the initiative will be determined by the continuation of the political power, flexibility of the policy machinery and the fair sharing of costs and rewards. This information can be useful for shaping sustainability policies worldwide in the future.

Keywords: European Green Deal, Environmental Sustainability, Economic Transformation, Climate Policy, EU Politics, Green Economy, Sustainable Development

INTRODUCTION

One of the most pressing global problems of the 21st century, climate change calls for immediate action in the form of policies that take into account both environmental sustainability and economic transformation (Dupont, 2020). With a goal of reaching climate neutrality by 2050 and reorganising its economic system into a more sustainable and competitive model, the European Union has launched the European Green Deal as a landmark program in this respect (Buzogány, 2021). Energy systems, industrial production and

transportation, agriculture, and financial investment are all envisioned to undergo radical transformations under the Green Deal's political and economic framework (Skjærseth, 2021). The goal of the European Union to spearhead global efforts to address climate change and promote sustainable development is reflected in this. However, the EU is a union of distinct member states with varied economic forces, energy demands, and policy agendas, thus the implementation of the Green Deal is deeply anchored in the calculations of a complex political dimension (Meadowcroft, 2020). Some countries are fiercely in favour of lofty climate goals because they have invested much in renewable energy infrastructure; however, others are worried about the financial burden of change, particularly for industries that use a lot of fossil fuels (Jordan, 2022). The Green Deal is becoming a point of contention rather than a unified strategy due to the fact that policymaking and its implementation produce policy conflicts (Hickel, 2020).

The Green Deal focuses on more economic aspects of creating clean technologies and sustainable infrastructure to generate more innovation, more green jobs, and competitiveness. All the concerns concerning the industry reorganisation, the loss of jobs in the corresponding industries, and the inequality in the region are raised simultaneously (Tagliapietra, 2021). The two effects reveal that a balance between environmental objectives and economic atrocity and social equity is a challenging issue. Theoretically, three frameworks (sustainability transition, political economics, and environmental governance) guide the research into the Green Deal (Oberthür, 2023). The focus of these structures is on the interplay of institutions, markets and environmental constraints. Literature reviews have shown that strong political consensus and collaborative governance institutions are essential for a successful green transition, in addition to technological innovation (Steffen, 2021). With this context in mind, the critical research article examines the Green Deal's political components and how they aided in the drive for economic and environmental sustainability (Zoboli, 2024). It delves at the interplay between several factors, including policy procedures, institutional frameworks, and conflicting aspects, to determine how this grand undertaking turns out. The investigation will also try to determine if the Green Deal can hold up economically, socially, and in the long run if it stays in the EU (Newell, 2021).

LITERATURE REVIEWS

Green, (2020) Academic discussions around the European Green Deal have centred on defining it as a paradigm shift in policy that integrates eco-friendly initiatives with reorganisation of the economy. The Green Deal aims to reimagine Europe's economic model through decarbonisation and the circular economy, as highlighted in recent studies. However, it is more than just an environmental agenda; it is also a political endeavour. Taking this step shows that the EU wants to lead the way in global climate policy while also addressing its own socioeconomic disparities. However, studies indicate that political conflicts exist within the EU with varying levels of commitment to the union as a result of differences in the availability of energy sources and industrial dependency ways among various EU member states. As academics have demonstrated, countries that rely on coal are more prone to economic instability and social instability both of which contribute to their resistance to the harsh policies implemented on climate. The success of the Green Deal depends on the presence of Just Transition Fund and other effective systems of institutional coordination, and financial solidarity, the research evidences. The Green Deal is broadly perceived in the modern literature as a bid to create a compromise between the realism of the economic process and the radical environmentalism, fruit of political and economic dialog.

Averchenkova, (2020) The impact of European Green Deal on the economy has been greatly written, mainly on the impact of how labour, restructuring industry, and investment will be impacted. New jobs in renewable energy, greener technology in transportation, and environmental work are quickly being created due to the Green Deal push to move toward less dependence on fossil fuels and towards less dependence on renewable technology. Nevertheless, research indicates that those countries having advanced economies have gained faster than those with underdeveloped economies. Research indicates that the conservative industries, and more so those that predominantly rely on fossil energy, will be relegated to a structural fall thus causing loss of jobs and make the region economically unpopular. Two of the policy solutions that have been found in the research and which may be helpful in the reduction of these impacts are reskilling and social protection programs. To back up the green transition, analysts say the government and the economy need to make huge investments. While many see the Green Deal as a means to modernise the European economy, others caution that without inclusive measures to supplement the EU, it has the potential to exacerbate existing disparities.

Kern, (2022) An economic political perspective, the European Green Deal is an intricate web of interdependent environmental objectives and power dynamics among interested parties. Many groups and individuals, including the European Union, national governments, business groups, and civil society organisations, are said to have a hand in shaping policy outcomes. The research indicates that while environmental groups strongly endorse aggressive climate objectives, corporate stakeholders often advocate for laws that are more flexible in order to protect competitiveness. This has led to compromised policies which have weakened environmental commitments in certain situations. Researchers have observed that European Commission employs strategic evocation of legislative tools and financial alternatives, to ensure cooperation by the members states, this exerts pressure on the Commission to embark on Green Deal agenda. Additionally, the sources give prominence to voter and politics in influencing country stand on climate policy. Sustainability shifts seem to be driven by conflicting ideologies and interests, casting the Green Deal as a politically divisive process. The main takeaway is that, according to the research, the Green Deal's implementation is still largely dependent on political negotiations.

Meadowcroft, (2021) The European Green Deal's effects on the environment and the difficulties it poses to governments are the subject of several scholarly articles. According to the research, the strategy has substantially increased the share of renewable energy in the European Union and decreased emissions of greenhouse gases. But experts think that more detailed procedures for implementation and assessment are required to achieve carbon neutrality in the long run. Researchers have shown that member states' environmental performance varies, with variations in financial competence, technological aptitude, and administrative efficiency being the most common explanations. Other facets of government might be cited as well, such as policy fragmentation and a lack of cooperation between the EU and member states. Climate goals should be in harmony with agricultural, industrial, and energy policies, according to scholars, who point out the necessity to integrate policy frameworks. There is a lot of talk about a fair transition as well, and the literature stresses the importance of avoiding disproportionate disadvantages and over-representation of marginalised groups during the green economy transition.

METHODOLOGY

Research Design

The present study will examine the European green deal's economic and political components via qualitative and analytical research methods. Policymaking processes and issues, the interplay between environmental sustainability and economic development, and intricacies of the policy making processes are well discussed through the application of qualitative methods. The descriptive accounts of how the program was organized, what its goals and outcomes were, are finished off with an attempt at a critical analysis of the political implications and effects of the Green Deal. One can even compare how various EU member states react to the responses based on the variables, such as economic ability and policy priorities, to determine whether there are noteworthy differences. To illuminate the legal framework, strategy and implementation, a policies analysis is also included in the design. These methodologies, together with the descriptive and analytical approaches which the study is conducted in make sure that the theoretical and practical implications of this policy are looked at comprehensively, enabling the study to do an equal analysis of the strengths or weaknesses of this policy.

Data Collection

The study will be rich in terms of data and believability as it will be a combination of both primary and secondary data. Official EU policy papers, studies, and communications, such as legislation and legislative initiatives in the area of the Green Deal and its strategic frameworks, form part of the source materials. These sources are handy since they contain first-hand narrations of the policy objectives, approaches to the realization of such objectives, and institutional views. The secondary data set will be based on articles on EU politics, environmental economics, and climate governance as well as rely on books, scholarly journals, and authoritative internet sources. In addition, there is academic research on green economic policy critique and the processes of sustainable transitions. For an up-to-date study, the sources are chosen based on recency, reliability, and relevance. Data on emissions and the use of renewable energy sources may be found, among other things, by looking at statistical rates of environmental performance and economic transformation. The use of triangulation and cross-testing in this qualitative mixed approach helps to get the study's dependability up to a higher level.

Analytical Framework

Policy analysis and political economy provide the theoretical framework for this study. In particular, it focuses on the data related to political discussions, economic restructuring, and environmental effects in order to identify overarching patterns, themes, and challenges through the application of thematic analysis. Considering such aspects as the level of economic development and industrial dependence, the study has also been based on a comparative method of analysis to establish how other member states responded to the Green Deal. When assessing the efficacy of institutional structures and regulatory systems, environmental governance principles are utilised. The elements of impact and cost-benefit analysis are also presented in the research in order to determine the monetary impact of sustainability measures. The framework will allow conducting a multi-dimensional analysis of the policy, both at the macro-level and micro-level. With the help of this strategy, the results are assured to be obtained in a systematic and harmonious way with the goals of the study.

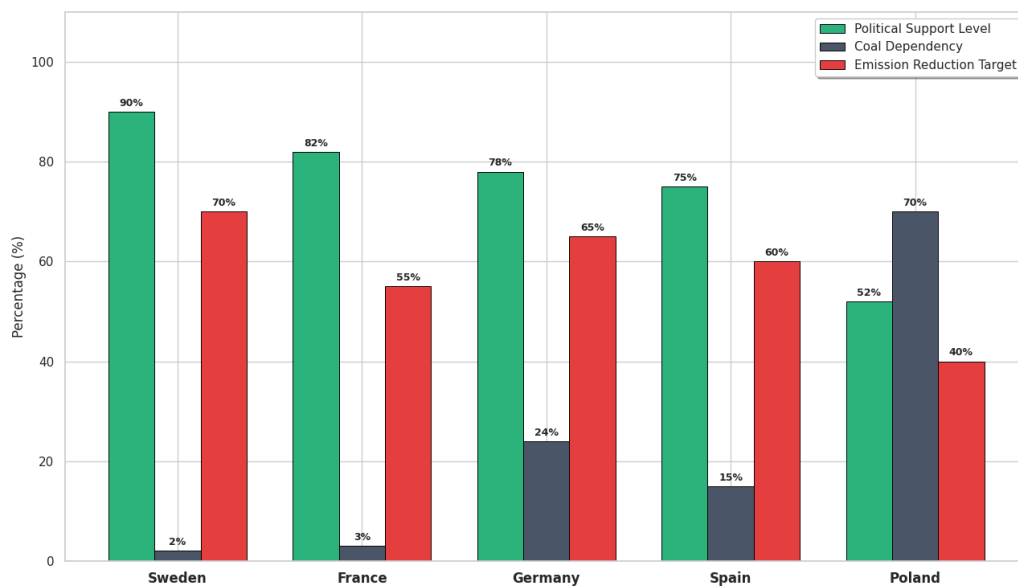
RESULTS

Political Dynamics of the European Green Deal

A complicated political climate of supranational governance and national interests puts the European Green Deal in an awkward position. The section goes deeper and discusses how different political stakeholders such as the EU institutions, the member states and interest groups influence the policymaking process. The observations show that although the European Commission has been mainstream in attaining the goal of the Green Deal, the member states have not been equally committed to it depending on their economic structure and energy reliance. Fearing the threat of an economic shock, economies that rely on renewable forms of energy are more willing to implement high ambitions as compared to those that rely on coal, depending on its power. Moreover, manufacturing and energy industries are notably susceptible to the fact that industrial lobbying can affect the regulatory softness. When it comes to politics, compromises often happen because of negotiations, which blur the ideas but enable them to be more acceptable. As a rule, political interactions appear to be balanced in terms of ideals and reality, which is symptomatic of the necessity to keep the EU united and at the same time pursue the goal of environmental transformations at the same time.

Table 1: Political Support and Emission Dependency in Selected EU Countries (2023)

Country	Political Support Level (%)	Coal Dependency (%)	Emission Reduction Target (%)
Germany	78	24	65
France	82	3	55
Poland	52	70	40
Sweden	90	2	70
Spain	75	15	60



Graph 1: Political Support and Emission Dependency in Selected EU Countries (2023)

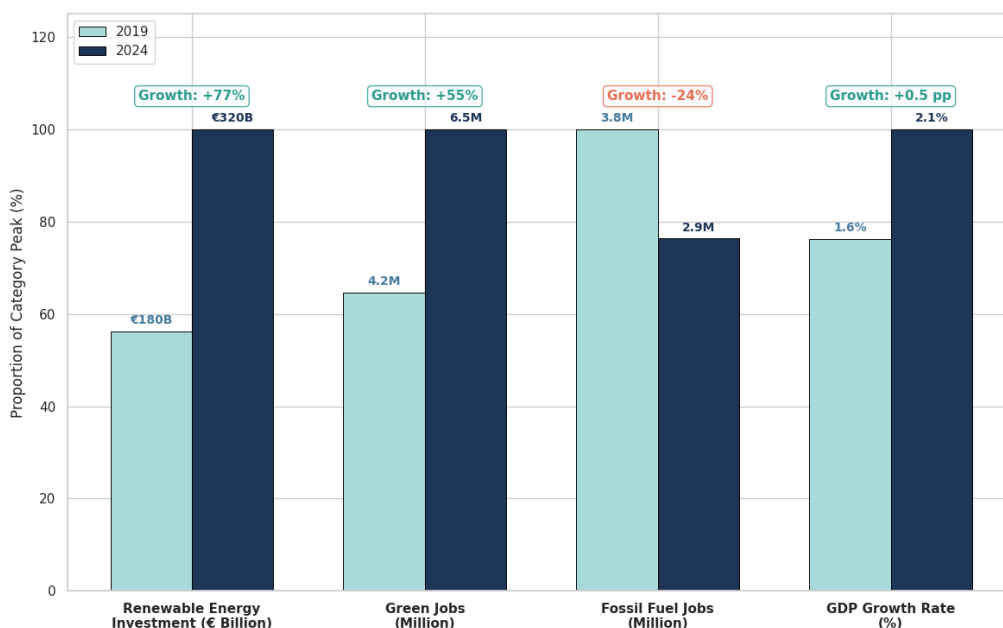
Economic Transformation Impacts

The European Green Deal has greatly changed the economic landscape of the EU by ensuring that it shifts towards a sustainable and environmentally friendly economy. Key economic indicators are assessed here employment, investment in energy and the restructuring of the industry along with the implications of the policy. The results show that investments in renewable energy have been on the rise, and that green employment have been created in a

variety of sectors, including clean energy, green transportation, and environmental services. Yet, the change also has some adverse aspects, including the loss of jobs in the coal mining and other conventional industries, which produced using fossil fuels. This data indicate that the growth in the economy is frequent, but there is overall a paradigm shift that is necessitating the need of workers to reskill and upskill their labour market. In addition, there are significant disparities among the member states the wealthy nations reap a disproportionate share of the advantages from green investments. These results show that the Green Deal's economic makeover is an undertaking and a task that requires strong policy coordination and financial backing mechanisms.

Table 2: Economic Indicators Related to Green Transition in the EU (2019–2024)

Indicator	2019	2024	Growth (%)
Renewable Energy Investment (€ billion)	180	320	+77%
Green Jobs (million)	4.2	6.5	+55%
Fossil Fuel Jobs (million)	3.8	2.9	-24%
GDP Growth Rate (%)	1.6	2.1	+0.5



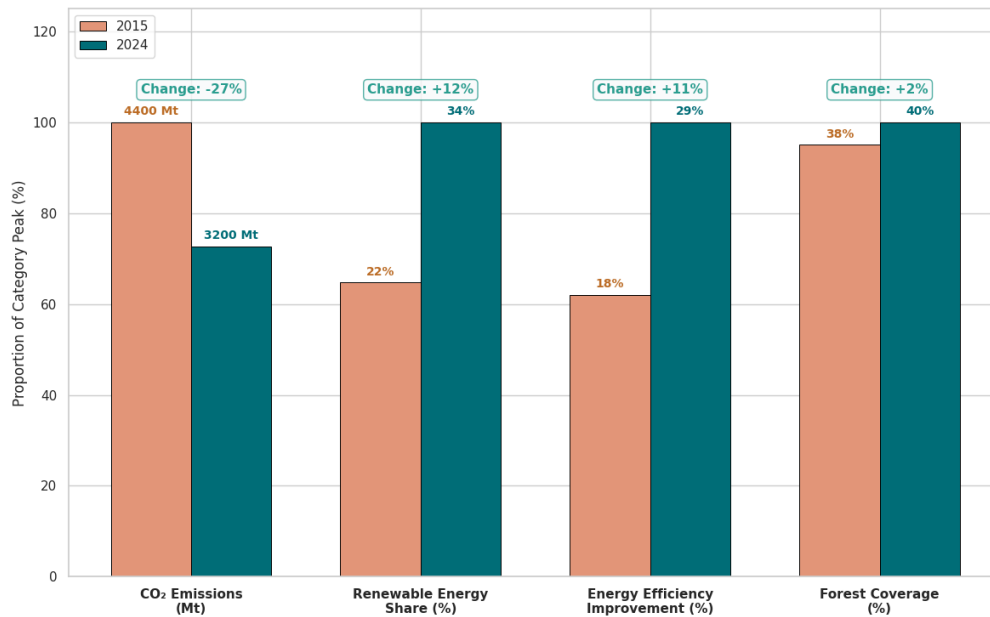
Graph 2: Political Support and Emission Dependency in Selected EU Countries (2023)

Environmental Outcomes

A good indicator of how well the European Green Deal has worked to combat climate change and guarantee sustainability are its effects on the environment. In this case we evaluate major environmental measures, including carbon emission, renewable energy usage, and efficiency improvement. The share in renewable energy in the total energy allocation increased and the greenhouse gas emissions have reduced steadily at the EU level. The regulations of energy efficiency, sustainable agriculture and protection of biodiversity have all helped improve the performance of the environment. Not all member nations make progress as fast as anyone else because of budget, or infrastructure problems, so it is not a steady speed. Despite these differences, there is a general direction of Green Deal hastening the process of a low-carbon economy in European Union. The data will require lots of effort and effective enforcement mechanisms to comply and even develop towards long-term goals.

Table 3: Environmental Performance Indicators in the EU (2015–2024)

Indicator	2015	2024	Change (%)
CO ₂ Emissions (Mt)	4400	3200	-27%
Renewable Energy Share (%)	22	34	+12%
Energy Efficiency Improvement (%)	18	29	+11%
Forest Coverage (%)	38	40	+2%



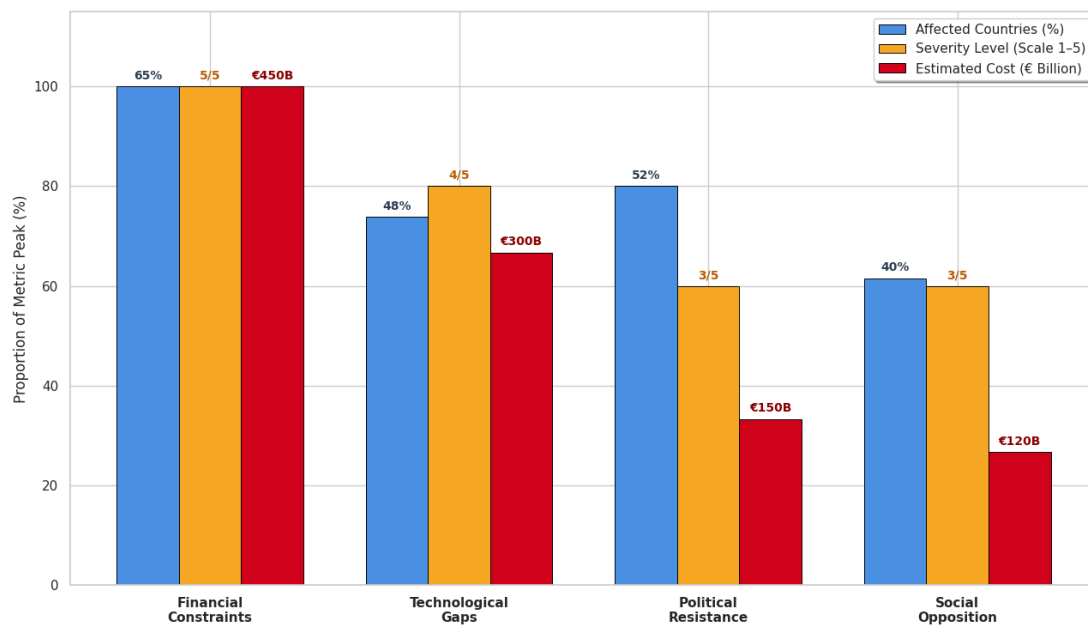
Graph 3: Decade of Decarbonization: Tracking the EU's Environmental Trajectory (2015–2024)

Challenges and Criticism

The European Green Deal has a number of criticisms and challenges that influence the success of its implementation despite the great missions it deserves. These issues such as shortage of resources, old technology and political opposition are explained here. The findings reveal that less developed member states end up paying disproportional cost of adopting green technology which results in their unequal adoption. Moreover, the powerful sectors that depend on fossil fuels have expressed worries over the need to have the government take a bigger role and even the global market might be disadvantaged. Other elements that present challenges to transition due to technology constraints are energy storage and carbon capture. Public opinion has changed, and the issue of increased energy prices and job security are starting to affect political support. To overcome these challenges, a more flexible policy framework, increased funding, and more collaboration between EU institutions are all needed. They need to be tackled to make the Green Deal as inclusive and long-term a sustainable initiative as possible.

Table 4: Key Implementation Challenges in the EU Green Deal (2024)

Challenge Type	Affected Countries (%)	Severity Level (1–5)	Estimated Cost (€ billion)
Financial Constraints	65	5	450
Technological Gaps	48	4	300
Political Resistance	52	3	150
Social Opposition	40	3	120



Graph 4: Bottlenecks to Progress: Quantifying the Structural Challenges of the EU Green Deal (2024)

Discussion

The evidence of the literature illustrates that European Green Deal is holistic and is controversial upon its application, with the level of success largely depending on the factors

such as political agreement and economic flexibility alongside environmental desires. Although the Green Deal has delivered quantifiable achievements on lowering emissions and motion towards renewable energy, according to this study, the implementation of the deal is founded on the political economy of the European Union. On the one hand, collective decisions are hard because of the inequality of the consequences of economic growth, reliance on energy sources, and a deficit of institutional capacity among the member countries. Good examples of such strong policy responses are the skill training programs and the money support vehicles that could be necessary following the economic transformation that though in the end, are beneficial, leads to short term shocks in the industrial sectors and labour market. The paper also indicates that environmental good correlates with good governance in a positive manner that improved policy outcomes are achieved through the cooperation of more institutions. The results primarily indicate that sustainability transitions are very political, involving compromise, negotiation, and trade-offs, contrary to earlier publications.

CONCLUSION

The European Green Deal is a historic project which will not only enable the EU to live in long-term environmental sustainability, but it will also change its economy. The fact that the Green Deal is more a political and economic plan to reorganise production, energy consumption patterns as well as development methods, as opposed to being an environmental strategy has been evidenced in this paper. Although there is strong effort to cut down greenhouse gas emission, develop sources of renewable energy, as well as amplify green investment, outcomes reveal that economic strength, political priorities and institutional preparedness of the member states are all contributing factors to the inconsistent which proves effective when applied to policy formulation. Moreover, the transition to a green economy had both benefits and drawbacks including new job opportunities and technology, as well as the opposition of the industry and adaptation costs, incurred by society. To ensure that the lofty objectives of the Green Deal become a reality it is necessary to have a lifetime commitment to political will, inclusive leadership and policies to accommodate local imbalances and give a fair transition. The report points out fiscal systems, technical advancement, and world working together as some of the factors that are worthwhile and could enhance the success of policies. Finally, European Green Deal will make the EU a worldwide climate policy leader. The long-term sustainability of the deal will however be determined by the effectiveness with which the EU deals with competing issues on the environment, economy, and social issues. Future case

studies must be based on longitudinal assessment and worldwide perspectives, so as to comprehend its changing effects.

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