

THEORETICAL FOUNDATIONS OF THE "GREEN" ECONOMY

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Abstract

This article analyzes the theoretical issues of the "green" economy. The main focus is on its formation and development as a separate direction in economic sciences, in particular, on the methods of conducting economic activities in the conditions of a "green" economy, improving the lifestyle, level and quality of the population without endangering the biological and ecological environment. The article also analyzes the main areas of the "green" economy system: namely, the introduction of renewable energy sources; improving the waste processing and management system, improving the land and water resources management system, developing ecologically "clean" transport, producing natural "clean" products in agriculture, preserving and effectively managing the existing ecosystem. The article also analyzes the essence and goals of "green" technologies and "green" investments aimed at solving ecological and environmental problems, and draws conclusions.

Keywords

green economy, green growth, economic growth, economic development, environmental safety, clean transport, sustainable energy, ecological system.

Introduction. Since the second half of the 20th century, the increasing focus on increasing production capacity in the world economy has certainly led to absolute economic growth, but at the same time it has also led to an increase in ecological, environmental and social problems. This situation has led to the fact that by the beginning of the 21st century, these problems have become even more urgent. In particular, insufficient attention has been paid to the interdependence of economic and environmental factors.

The connection of economic growth with increased environmental pollution is a somewhat controversial issue. This is expressed in the depletion of natural resources, disruption of the balance of the biosphere and climate, which ultimately limits the possibility of development. According to experts from the World Wildlife Fund, the full implementation of ecological production and ecological consumption is the most important guarantee of socio-economic development in the world and within national countries. The transition to a "green" economy is an objective necessity arising from the violation of the balanced ratio between the ecological state of nature and the pursuit of continuous economic growth. The purpose of this article is to study the theoretical aspects of the concept of "green" economy, the directions and principles of future development of the "green" economy, and its significance in the activities of social production entities, and to develop conclusions and proposals.

Analysis and results. Nowadays, issues such as environmental problems, limited natural resources, global food security, and energy security are increasingly being integrated and integrated with economic sciences as objects of research. This situation has led to the need to develop a new model of development in the global economy. Such a model was chosen as the only global development path at the 40th World Economic Forum in Davos in 2010 [1].

The “green” economy, as a direction in economic sciences, is dependent on the components of natural resources, operates within them, and is an important component. The “green” economy serves to ensure the stability of society through the efficient use of natural resources and the production process of raw materials and products [2].

The United Nations Environment Programme defines a “green” economy as an economic activity that “enhances human well-being, ensures social justice, and significantly reduces environmental risks” [3].

The “green” economy focuses more on meeting human needs, taking into account the interaction with the environment. In this, the well-being of future generations is a priority. Therefore, the “green” economy has a systematic classification. The “green” economy is a systematic type of economic activity related to the processes of production, distribution, exchange and consumption of goods and services. This “green” economic system leads to an increase in the well-being, level and quality of life of future generations without negatively affecting them through environmental scarcity and environmental risks.

The theory of the “green” economy, in our opinion, is based on three undeniable principles: firstly, the impossibility of expanding its influence indefinitely in a limited economic space, secondly, the impossibility of satisfying infinitely growing needs in a limited resource environment, and thirdly, the interconnectedness of all things in nature.

The conclusions of the United Nations Conference on the Future We Want held in Rio de Janeiro emphasized that each country should freely choose its own path in the transition to a “green” economy [4].

In order to form and develop a “green” economy in the Republic of Uzbekistan, in October 2019, the Resolution of the President of the Republic of Uzbekistan No. PQ-4477 [5] was adopted. This resolution sets out the goals and objectives of sustainable economic development of Uzbekistan, as well as the factors hindering the formation of a "Green" economy. This resolution also provides for the active involvement of measures and strategies in real economic life to ensure sustainable and "Green" growth of our country's economy and eliminate its negative consequences. At present, the "Green" economy distinguishes the following interrelated systemic directions:

1. Introduction of renewable energy sources into economic life. According to environmental experts, in order to prevent a sharp change in the climate on Earth, it is necessary to consume no more than half of all fossil fuels.
2. Improvement of waste processing and management systems. Currently, in countries with developed market economies, solid household waste per capita accounts for 1-3 kilograms and is growing.
3. Improvement of water resources management systems. Currently, one in six people on Earth suffers from water scarcity.
4. Development of “clean” (“green”) vehicles. According to UN environmental experts, reducing the choice of motor vehicles is an important factor in ensuring clean air.
5. Strengthening natural farming in the production of agricultural products. Natural farming is production without artificial chemicals, which makes the products created rich in organic elements.
6. Energy efficiency of housing and communal services, housing complexes equipped with inefficient heating systems cause more heat loss and energy consumption.
7. Efficiency of ecosystem preservation and management. All types of human activity cause changes in the biosphere. Their high level causes ecological crises.

The main directions of the above-mentioned “green” economy are as follows: under the influence of: justice (equality of subjects), mutual respect (good conditions for all), prudence

(moderate use of natural resources), participation (participation in making decisions on economic activity), governance (responsibility), social, economic and environmental sustainability, efficiency (sustainability of production and consumption), intergenerational interdependence (investment in the future), development will be somewhat more stable.

On the basis of the “green” economy and in its sustainable development, “green” technologies that combat the causes of environmental problems, not their consequences, play an important role. Based on these technologies, the consumption characteristics of products will radically change. But at the same time, both consumer behavior and their consumption culture should change in accordance with “green” production.

We believe that the widespread use of “green” technologies will help achieve the following goals set for the global economy (including the national economy):

- 1) Reduce environmental pollution and increase resource efficiency in the construction, manufacturing, agricultural and non-manufacturing (infrastructure) sectors.
- 2) Prevent climate change by switching to “green” clean energy (wind, solar, hydro and bioenergy, energy from waste processing, etc.).
- 3) Adapt to climate change and improve the management of forest resources and biodiversity by creating a system of early warning technologies.
- 4) Achieve increased human well-being through greater use of biodiversity.

The key features of a “green” economy in accordance with the following goals are:

- efficient use of natural resources;
- preservation and increase of natural capital;
- reduce environmental pollution and achieve carbon sequestration;
- prevent biodiversity loss;
- provide employment and increase incomes;
- reduce the anthropogenic impact on the environment.

Proponents of the concept of “green” economy consider it a system of economic relations that is currently in force. They explain this by the frequent economic crises, the failure of the market mechanism to function fully, the dominance of unprofitable relations, etc. They also explain a number of other negative consequences of the traditional economic system, namely the intensification of environmental problems, the accelerated destruction of natural capital, the spread of poverty, the lack of drinking water, food, and the growing inequality between people in countries.

Turning to indicators that reflect the development of the “green” economy, most theoretical and applied economists have come to the conclusion that gross domestic product cannot be a general indicator that reflects the state of development of the “green” economy, since, in their opinion, social and environmental factors are not taken into account in the generated gross domestic product [6]. In addition, gross domestic product reflects the relative well-being of the population and does not take into account social costs and environmental impact. Therefore, many experts propose various indicators that reflect the state of the “green” economy. The most widely used indicator among them is the global index of the “green” economy. This index is calculated on the basis of four indicators, namely, leadership and climate change; sector (industry) efficiency; markets and investments and environmental change indicators, and assesses the state of the “green” economy.

The “green” economy is inextricably linked to the concepts of “economic growth” and “economic development”. These concepts were established in 1983 to address the increasing environmental pollution and the negative consequences of economic and social development. It was promoted by the World Commission on Environment and Development and is currently gaining popularity among countries around the world. Sustainable development effectively

operates in an interconnected system of economic, social and environmental elements. The “green” economy serves to ensure harmony between these elements. The fundamental essence of economic development is to preserve the biosphere and civilization. The main goal of the “green” economy is to ensure economic development by improving the quality of life of the population by promoting the comprehensive greening of production within the framework of a limited natural environment. Currently, many countries recognize that achieving sustainability is inextricably linked with the “greening” of the economy.

The need to “green” the economy and transition to the concept of sustainable economic growth can be explained by the consequences arising from the improper exploitation of natural capital by the current economic system. Therefore, all economic entities should now pay attention to the “greening” strategy in their activities.

Below we present a number of tools for “greening” the economy. They are:

- reducing tax rates or providing support in the form of subsidies to support established or developing “green” enterprises;
- controlling all stages of the production process of “green” enterprises;
- providing material (financial) support to priority sectors in the form of a lower share in the authorized capital;
- replacing physically and morally obsolete equipment;
- creating waste recycling and utilization programs;
- increasing the number of various educational and scientific grants from the state in the field of environmentally friendly technologies.

In our opinion, the “green” economy has significant anti-crisis and multiplicative innovations compared to the current traditional economy. They are:

- provides the opportunity for repeated growth and employment levels, as well as mitigating unemployment;
- increases the activity of mixed industries, creates and introduces advanced “green” technologies;
- increases the overall competitiveness of the economy.

Of course, in the process of “greening” the national economy and the world economy, a number of problems and socio-economic risks may arise. Therefore, it is advisable for the leaders of the world's leading countries, civil society and the annual opportunities to agree on strategies for the transition to a “green” economy and to act together. In this agreement, indicators such as the well-being of all peoples of the world, their freedoms, standard of living and quality of life should be of primary importance. However, in our opinion, the most important risk today is the preservation of socio-economic relations with natural resources in the current situation.

It should be recognized that economically developed countries are making great efforts to preserve biodiversity in nature. In particular, in these countries (for example, in the European Union), various ecological projects are being launched, programs are being developed, and grants are being announced in order to stabilize and improve the environment. A significant part of such programs and projects belongs to the energy sector.

All countries in the world choose priority areas and strategies for the transition to a “green” economy based on their geographical location, state of economic development, natural climatic conditions, and social environment. For example, South Korea has adopted the implementation of the concept of “green” growth as a national strategy. Sweden, England, and France are focusing on the gradual “greening” of oil, coal, and gas resources. Japan is implementing a strategy to build a low-carbon society through the active application of “green” technologies in socio-economic life. The Republic of Uzbekistan is also paying special attention

to the issue of “greening” the economy. In particular, great work is being done in the energy sector, which is one of the leading sectors of the country. In a short period of time, 11 solar photovoltaic power plants and 4 wind power plants have been commissioned. As a result, it is planned to produce 6 billion kilowatt hours of electricity in 2025 [7]. As a result, 377 million cubic meters of gas were saved, and 1.1 million tons of harmful gases were prevented from being released into the atmosphere. This will gradually lead to the country's economy transitioning from a high-carbon economy to a low-carbon economy.

However, we must admit that the Republic of Uzbekistan occupies a somewhat lower position in the environmental rating among the countries of the world. Several reasons can be given for this. These are:

- the orientation of the economy towards the export of raw materials;
- the presence of environmentally harmful, energy-intensive industries;
- the acquisition of an inverted, institutional framework and technologies;
- physical and moral deterioration of fixed assets;
- high fees and costs for projects launched on the production infrastructure;
- low availability and high prices of raw materials;
- low level of economic incentives;

- more investment in traditional sectors of the economy, etc. It is worth noting that the economic, social, financial and political crises that are now recurring in the world economy are causing a postponement of the solution of environmental problems, that is, the financing of environmental problems, various programs and projects are suspended by economic entities. In addition, many heads of large enterprises refuse to “green” their activities in order to maximize profits. All these circumstances hinder the formation and development of a “green” economy. Therefore, in times of crisis, it is advisable for the state to focus on increasing the share of large enterprises in financing anti-crisis measures.

Conclusion and suggestions. Based on the above analysis, we can draw the following conclusions and recommendations:

1. The “green” economy is a system of socio-economic relations that reflects the interests of the state, community and private enterprises, aimed at preventing environmental pollution, increasing the efficiency of natural resources, preserving the existing ecosystem and biodiversity.
2. The concept of the “green” economy is a concept that emerged with the aggravation of environmental problems, in which the well-being, lifestyle, level and quality of human society are of primary importance.
3. Launching awareness-raising projects that constantly provide information about the causes of environmental degradation. This will form the population's thinking, knowledge and worldview on the “green” economy.
4. Improving the quality and efficiency of environmental management at the state and local levels.
5. Introduce taxes and fees for environmental pollution in the current tax system, in particular, special fees for carbon emissions in excess of the established norm. This will certainly encourage operating legal entities to introduce low-carbon technologies.
6. Widely introduce a “green” procurement policy by state and local government bodies to support the production of environmentally friendly products and services. This will more fully reflect the principles of “green” economic development.
7. Along with the technical re-equipment of traditional industries, it is necessary to increase investments in “green” infrastructure (in particular, public transport, construction of “smart” houses, etc.).

8. Continuously provide the population with information about the impact of business entities on the environment and ecology. This will strengthen corporate environmental control.

The implementation of these conclusions will not only increase the competitiveness of our country's economy or improve the quality of life of the population, but also be an important factor in achieving the goals of the global "green" economy and the greening of economic development.

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