

## THE IMPACT OF THE ENVIRONMENTAL FACTOR ON GLOBAL ECONOMIC DEVELOPMENT

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**Аннотация.** В статье рассматриваются вопросы, связанные с серьезными экологическими вызовами, что следствием современного стремительного развития мировой экономики стало практически неконтролируемое постоянно растущее потребление природных ресурсов.

**Ключевые слова:** мировая экономика, экологически ориентированный рост.

**Annotation.** The article considers issues related to serious environmental challenges, which is also determined by the fact that the consequence of the modern rapid development of the world economy has become an almost uncontrolled ever-increasing consumption of natural resources.

**Key words:** Environment, World Economy, Green Growth.

Currently, a new model for the development of the world economy is being formed. The catalyst for this process was the financial and economic crisis. Ecology is increasingly becoming an engine of economic development, largely affecting the political, social and cultural spheres. This is manifested in the formation of an international and national environmentally oriented economic policy, large-scale adoption of laws, large-scale investment and innovation in environmental projects. Uzbekistan needs to take these trends into account as soon as possible, reorienting the development of the economy on ecological rails. In the first decade of the XXI century, there is a further aggravation of global environmental problems, primarily, such as global warming, loss of biodiversity, destruction of tropical forests, etc., which pose a

threat to the basis of life and development opportunities for both current and future generations. By the beginning of the 1990s, according to a number of scientists, the Earth's population was already producing the maximum permissible load on the environment. [1, 25]. At the same time, the scale of world production and consumption has led to a catastrophic imbalance of natural and social systems and, according to many scientists from different fields of science, has reached the limit, even exceeded the ability of the environment to cope with the results of human activity. Research shows that nature's ability to cope with the consequences of human activity has already been exceeded by 25– 30%, and the ecological debt of mankind is estimated at \$4 trillion.

Unprecedented funds have been allocated for the implementation of environmental policy in recent years, which indicates the seriousness of the countries' intentions, bearing in mind their transition to a new model. In the USA, according to the adopted Law on Economic Recovery and Reinvestment of 2019 (American Recovery and Reinvestment Act), out of the total amount of investments to stimulate the economy (787 billion dollars) about 80 billion. (that is, almost 10%) are directly intended for the implementation of environmental projects. [2, 47]. According to some estimates, the volume of indirect financing of environmental protection is much higher, only investments in the development of environmentally friendly energy sources amount to \$114 billion. In the Seventh Framework Program of Scientific and Technological activities for 2017-2022. The EU provides \$10 billion. for the development of environmentally friendly technologies. All environmental policy instruments, including directive and economic ones, are being used , and their range is expanding. New standards are being adopted: these include, for example, state standards California, requiring firms to carry out trade transactions or investments only in relation to low-emission enterprises. Among the new policy tools to combat global warming, quotas and special tariffs for renewable energy sources can be singled out. Quotas determine the share of electricity generated from renewable energy sources in its total production. The fulfillment of obligations is carried out using a system of

market certificates. Special tariffs set an increased price for electricity from renewable sources, at which manufacturers supply it to the power grid. [3, 64].

Existing tools are also being modified. New types of standards are emerging in a number of countries to encourage innovation. For example, according to the Japanese Top Runner program to reduce energy consumption, standards are set in accordance with the most advanced energy-efficient technologies existing at the time of adoption of the new standards. A new tool called the "safety valve" has appeared in the trading of greenhouse gas emissions quotas: it limits the payments of companies for each ton of carbon dioxide emissions to a certain amount. As part of the implementation of the model of environmentally oriented economic growth at the state level, it is planned to carry out fiscal reforms and abolish environmentally hazardous subsidies, expand the environmental practice of public procurement, remove trade barriers to environmental goods and services, and further stimulate the implementation of relevant corporate initiatives. Large (and not only) companies take an active part in the implementation of environmental policy. Despite the crisis, TNCs are expanding investments in the development and implementation of technologies aimed primarily at improving energy efficiency and reducing greenhouse gas emissions. Private investment in environmentally friendly technologies in the world has increased by 60% since 2019 to \$148.4 billion in 2021. [4, 285].

For example, the automotive industry TNCs, which are the largest private investors in the EU in R&D, allocate large funds for the development and implementation of energy-saving technologies that reduce fuel consumption and reduce carbon dioxide emissions. Even "traditional" oil companies are actively involved in this process. A division of British Petroleum Alternative Energy plans to invest \$8 billion. in solar, wind and hydropower, which accounts for 5% of all its capital investments<sup>14</sup>. An important trend is the increasing interest in environmental issues among rapidly developing economies, since the development of their economy is usually accompanied by a deterioration in the state of the environment. In the conditions of the crisis, they have intensified environmental policy. [5, 58]. For example, in 2019 China announced plans to invest 454 billion dollars in environmental

protection in the next 5 years. In the near future, such investments should exceed the figures of the United States and Japan.

The need to address issues of energy security, global climate change, and improving national competitiveness by reducing the energy intensity of production led to a sharp intensification of the development of markets for environmentally energy-efficient goods and technologies at the beginning of the XXI century. They are currently starting to outpace traditional environmental industries in terms of development rates (current estimates of the modern market of environmental goods and services range from 900 billion — 2 trillion dollars, contradictions in calculation methods do not allow accurate statistical data to operate on the environmental market).

It is predicted that the volumes of the environmental market by 2025 will double compared to the current figure and amount to \$3.1 trillion. Solving the most complex environmental problems, in particular the problem of climate change, requires the involvement of developing countries and a significant expansion of assistance to them from developed countries. According to the World Bank, only to solve the problem of global warming in the world will need \$ 1 trillion, and developing countries — \$ 475 billion per year. [5, 596]. Now this indicator amounts to about \$9bn of government investments annually. The maximum possible estimated amount of government funding (investment in environmentally friendly technologies and conservation of tropical forests), taking into account official statements, at the moment can be equal to \$110 billion. At the same time already in 2019-2022. It is planned to allocate \$30 billion annually for these purposes. UNEP recently launched the Green Economy Initiative to assist countries in "greening" the economy by restructuring it through the introduction of environmentally friendly technologies, including renewable energy sources, in water supply services, waste management, buildings and structures, agriculture and forestry. Its updated version provides for the investment by the G20 countries of \$750billion out of 2.5trillion of funds intended to stimulate the world economy's recovery from the financial and economic crisis in the creation of a "green" economy (i.e., reducing dependence on carbon raw materials, reducing poverty,

creating "decent" jobs, maintaining and ecosystem restoration and "sustainable" consumption). [6, 78].

Currently, the environmental situation remains extremely serious. Statistics show that Uzbekistan is one of the last places in the world in many areas of environmental protection. It ranks first in the world in terms of emissions of pollutants per unit of GDP. There are serious problems in the field of waste recycling and many other areas. The global crisis, despite many problems, has provided us with a unique opportunity to increase the energy efficiency and competitiveness of the economy, carry out its structural restructuring and achieve stable growth rates based on new industries. Uzbekistan cannot but take into account that the world economy is switching to environmental principles, and therefore build accordingly its economic and political strategy.

A new model of International Economy is being formed. The global financial and economic crisis acted as the catalyst of this process. Environmental issues become the engine of economic development, deeply affecting political, social and cultural spheres. This is manifested in the formation of international and national environment-oriented policies, wide application of environmental laws and big-scale investments and innovations into environmental projects. Uzbekistan should expediently take account of these trends, realign national economy into environmental path.

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