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Limited Resources and the Need for Transition to a “Green Economy”

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Abstract: This article analyzes the necessity of transitioning to a "green economy" and its role in ensuring economic and environmental sustainability on a global scale. The green economy, as a system aimed at fostering economic growth while preserving the environment, addresses global challenges such as resource scarcity and climate change. The article provides a detailed examination of the concept of the green economy, its historical development, and initiatives promoted by the United Nations Environment Programme (UNEP). Additionally, it explores Uzbekistan's transition to a green economy and the key measures undertaken in this process.

Keywords: green economy, green growth, green technology, UNEP, limited resources, renewable resources, green energy, climate change.

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The transition to a green economy is one of the most critical issues in contemporary global development trends, holding significant importance for humanity's future by ensuring sustainable economic growth, rational use of resources, and the mitigation of environmental risks. The primary objective of this approach is to ensure social and economic stability while preserving the environment. Resource limitations and the growing needs of humanity further underscore the urgency of transitioning to a green economy.

A green economy is an economic system aimed at reducing ecological risks, addressing environmental degradation, and fostering the development of all sectors of the economy without compromising the environment. It ensures the availability of essential resources for human life and health. The concept of the green economy, closely tied to ecological economics, is a new direction that is more politically driven.

Resource scarcity refers to the insufficiency of resources needed to meet human demands. It is an enduring and unresolved issue stemming from the imbalance between unlimited human needs and the limited availability of resources, representing the fundamental challenge of economics. Since the industrial revolution, unsustainable exploitation of natural resources has become apparent. Examples include water scarcity, depletion of underground and surface resources, food shortages, limited availability of a capable workforce, and energy resource deficiencies. While some

resources, such as forests, can be replenished through reforestation, this process often requires years. However, nonrenewable resources, like minerals, cannot be regenerated.

Green growth is closely linked with the concept of a green economy, emphasizing social welfare and equity while addressing ecological risks and deficiencies (UNEP, 2011). Although green growth has recently gained prominence in international discourse, it has long been a subject of discussion and analysis within the scientific community, particularly in the fields of environmental and ecological economics.

The term "green economy" was first introduced in the 1989 report *Blueprint for a Green Economy*, commissioned by the UK government and authored by a group of renowned environmental economists (Barbier, 2009). However, the report treated the term more as a conceptual framework rather than providing a detailed definition. The term experienced a revival in 2008 in response to the global financial crisis.

In October 2008, the United Nations Environment Programme (UNEP) launched the Green Economy Initiative to support investments in environmentally sustainable sectors and to transform traditional, resource-intensive industries into eco-friendly ones. Subsequently, in April 2009, UNEP published the *Global Green New Deal* report, proposing measures to rebuild economies and achieve global economic stability. UNEP's pivotal role in shaping and promoting the green economy concept was recognized during the Global Ministerial Environment Forum in February 2010.

In 2011, UNEP released the *Green Economy Report*, providing a practical definition of the green economy. According to UNEP, the green economy enhances human well-being and social equity while significantly reducing ecological risks and environmental scarcities.

The challenges associated with climate change globally have adverse effects on the effectiveness of economic reforms in Uzbekistan. Environmental issues, depletion of natural capital, shortages of freshwater, food, and energy resources, and the expansion of poverty are among the primary negative consequences of the "brown economy." Scholars such as Y. Lyaskovskaya and K. Grigoreva have analyzed the transition to a green economy alongside related models, including sustainable and inclusive development and "green" versus "brown" economies.

International experiences from advanced nations such as Germany, France, Italy, the Netherlands, Japan, and China reveal extensive projects and measures for adopting a circular economy, establishing legal frameworks, promoting waste recycling, and managing the environment. These efforts highlight significant strides in creating green economies.

For Uzbekistan, addressing climate change is essential for achieving its developmental goals. Despite rapid economic growth, this progress has not been accompanied by a concurrent reduction in emissions intensity. The anticipated impacts of climate change pose serious challenges to Uzbekistan's ambitious economic objectives for two main reasons. First, projected population and economic growth will place unsustainable pressure on resources and ecosystems. Second, the absence of adaptation measures leaves Uzbekistan vulnerable to severe climate-related damages due to its geographic and ecological characteristics.

Inefficient energy use results in an annual loss equivalent to at least 4.5% of the country's GDP, with significant energy losses in electricity generation, heating, and buildings. Additionally, nearly 40% of Uzbekistan's existing production facilities have surpassed their service life, leading to frequent power supply interruptions. Addressing these challenges requires comprehensive reforms and investments to transition to a green economy and secure sustainable development for the nation.

Research indicates that Uzbekistan's renewable energy potential is estimated at 270 million tons of reference fuel, which is three times the country's annual energy needs. A significant portion of

this potential is attributed to solar energy. Over the past decade, solar power has led to an 80% reduction in global energy costs and is even more advantageous in Uzbekistan, where sunlight is abundant.

Uzbekistan's reliance on hydrocarbon energy sources such as oil, gas, and coal results in an annual loss of at least 4.5% of its gross domestic product (GDP). Furthermore, nearly half of the country's energy production facilities are outdated, requiring significant investments for refurbishment or modernization. Transitioning to "green energy," which is both economically and environmentally efficient, is a far superior alternative. However, the "green economy" extends beyond reforming the energy sector alone. It encompasses a multifaceted and broad spectrum of initiatives, including addressing clean drinking water shortages, ensuring food security, fostering agricultural innovation, developing sustainable cities, managing waste effectively, expanding forested areas, and mitigating desertification.

A notable feature of the green economy is its social significance: it primarily benefits ordinary citizens rather than merely the state or business entities. Global experience demonstrates that integrating "green technologies" across various economic sectors positively impacts living standards. This includes improving urban life quality, reducing child mortality, extending life expectancy, and more.

Uzbekistan's transition to a green economy may face various internal and external challenges. To prepare for and mitigate these issues, the Presidential Decree No. PQ-4477 of October 4, 2019, approved the "Strategy for Transition to a Green Economy for 2019–2030." This strategy underscores the necessity of enhancing the following areas to achieve its objectives:

1. **Improving the Political and Economic Approaches to the Green Economy**. Uzbekistan must integrate the principles of the green economy into government policies, considering the interconnection between ecological risks and economic growth. A comprehensive strategy that harmonizes environmental conservation, social equity, and sustainable economic growth is imperative.
2. **Advancing Resource Management and Renewable Technologies**. Rational management of Uzbekistan's natural resources, particularly water and land, is essential. This includes transitioning to renewable energy sources, such as solar power, and promoting energy efficiency in heating and electricity systems.
3. **Supporting Green Technologies and Fostering Innovation**. To develop green technologies and encourage investment in these areas, innovative grants and government funding are necessary. Enhancing the efficiency of technology adoption to reduce ecological risks and shortages should also be prioritized.
4. **Strengthening Social Programs**. The transition to a green economy requires heightened public awareness through educational and promotional initiatives. These programs should emphasize the importance of addressing environmental challenges and encourage public support for green economic practices.

In conclusion, the green economy aims to reduce ecological risks, promote economic development across all sectors, and enhance human well-being without harming the environment. This concept not only addresses environmental preservation but also incorporates economic and social equity. In Uzbekistan, this entails improving energy efficiency, expanding the use of renewable energy, and managing resources wisely.

Despite its high economic growth rates, Uzbekistan faces ecological challenges such as climate change, energy constraints, and water scarcity, which threaten economic stability. Outdated production capacities and low energy efficiency further complicate sustainable development. Thus, transitioning to renewable energy and investing in green energy are critical. Uzbekistan's

vast potential in solar energy presents a unique opportunity to modernize its energy sector, improving both the country's economic and environmental conditions.

Furthermore, the social importance of transitioning to a green economy is significant. It ensures better living conditions, enhances public health, and fosters sustainable development. Introducing green technologies will improve urban life quality, protect the environment, and contribute to social equity.

Although Uzbekistan's journey toward a green economy will pose certain challenges, existing strategies and government decisions play a pivotal role in addressing these issues. The adoption of the 2019 green economy strategy represents a vital step toward the country's ecological and economic future.

Global experience shows that the green economy stimulates regional development, promotes social stability, and enhances economic potential by creating new jobs in green economy sectors. It primarily aids economic progress by fostering GDP growth, increasing national revenues, and reducing unemployment. At the same time, transitioning to a green economy mitigates global threats such as climate change, resource depletion, and water scarcity. Without adopting an environmentally-oriented model of economic development, the world risks gradual decline and eventual collapse amid globalization.

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