

Delivering Environmentally Sustainable and Socially Inclusive Economic Growth: Russia's Role

Throughout all times, the main objective of authorities has been the preservation of the lands and the population of their countries. Today the world faces new challenges. One generation has witnessed an unprecedented turn in our civilization, shifting man from under the power of natural factors to under the power of man-made environmental and cognitive factors.

Just how the world will unite into rationally functioning machine remains up in the air. However, what is clear is that globalization is for real. A series of substantial changes, which are very different but at the same time connected by the logic of turning the world into an integral whole, is proceeding at its own pace regardless of the expectations of proponents and protests of opponents. Also evident are global psychological changes in people's outlook on the world, their worldview, approach to life and lifestyle.

Moreover we can see the realization of the concept of a "man of the world" for whom the boundaries of nations and spaces lose meaning, with the virtual world assuming as much or more importance than the physical world.

Major social and economic achievements are not possible without investment in education, nutrition and health care, as well as a number of other types of activities which help foster human resources. Investment in human capital is an absolute necessity for any national economy and particularly for developing countries. In a postindustrial society, *human capital emerges as the cornerstone of competitiveness and economic growth*. It is not only natural treasures or other resources but rather accumulated knowledge, information and experience which lays the foundation for countries' economic prosperity.

Five major development vectors can be identified in the current situation:

1. One of the main features of modern society is that *the issues of human development, investment in human capital and raising labor production have come to the forefront*. The world has come to the understanding that the main competitive advantage of a modern rapidly developing country is linked to the quality of human capital and factors which indirectly support vital life functions.

2. Current global development has been accompanied by an ever-growing negative impact on the environment, the depletion of natural resources and disruption of the balance of the earth's biosphere. *The ability of society to*

maintain a balance with the environment, both the natural and anthropogenic, is one of the core values of modern civilization.

3. The need to align all of the growing needs of humanity with the natural capacity of the planet to meet these needs is essential for sustainable development. High on the world's agenda today is *the necessity of a profound "ecologization" of the economy* based on the realization of perhaps the top priority of modern development — raising the value of nature and its resources along with the value of man, his life and health.

4. One of the most pressing modern problems of civilized society is the *preservation of earth's plant and animal biodiversity*, which is fading at an alarming rate. One of the components of the planet's biodiversity is the diversity of agricultural plant and animal types and breeds which have been created by man throughout tens of thousands of years.

5. Does Russia's territory represent a modernization resource or a risk? *Rational use of space available* is one of the key vectors of the country's new contemporary development.

So how can Russia be characterized and what paths are available for achieving the goals which have been set?

- Rebuilding of the state environmental monitoring system based on modern technologies. In current conditions of a near complete absence of environmental monitoring by the state, it is difficult to assess the real situation with pollution and the characteristics of environmental hot spots.
- Creation in environmental protection legislation of a section on industrial ecology according to the EU model of legislation, which provides for the comprehensive control and prevention of pollution. This must be enacted with provisions for a transition to a modern system of norms, considering the technological, economic and geographic specifics of each given enterprise. All established requirements must be passed through open professional discussion and established through a transparent procedure that is outlined in a single document (a comprehensive set of permits).
- A radical increase in effectiveness of the application of modern instrumental methods for uninterrupted control of pollution

volumes, with a particular focus on problematic sites and enterprises posing the greatest risk to the environment.

- A rejection of the fiscal nature of penalties for adverse environmental impacts, as this mechanism can be used to stimulate active mitigation of impacts by natural resource users (such as counting expenses on environmental protection measures in place of penalties), and the creation of local and regional target funds for liquidating accumulated environmental damage.
- A law on environmentally problematic areas should be adopted.
- A law on the introduction of deposits on containers should be adopted.
- Also needed is modernization of procedures for environmental impact assessments and state environmental reviews in correspondence with international standards and the requirements of environmental protection conventions and accompanying requirements of international financial institutions (particularly with regard to the realization of high-environmental impact projects such as energy, chemical production, etc.).
- The state should support the introduction of environmental labeling to raise the demand for environmentally friendly products.