

# ECONOMIC SUSTAINABLE DEVELOPMENT AND ECO-DEVELOPMENT

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**Abstract:** *The paper highlights the main connections between eco-development and the sustainable development in an economic environment that is rapidly changing. It discusses the concepts, features and principles of the eco-development and the sustainable development. Also, i analyzed aspects regarding the involvement of business environment in a sustainable economy in harmony with the environment. The study is based on the theoretical and applied research of the authors. The results of this study may be helpful for upcoming research in the area of economic sustainable development of the regions.*

**Keywords:** eco-development, economic sustainable development, environmental management, business environment.

**JEL Classification:** O<sub>1</sub>, Q<sub>01</sub>, Q<sub>57</sub>

## 1. Introduction

In the current phase, the humanity facing a complex of problems, namely: poverty, environmental degradation, uncontrolled expansion of urbanization, uncertainty for a job; removing traditional values, inflation, unemployment, economic and geographical monetary crises, etc. In these

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conditions, sustainable development is more than a necessity, it is an obligation of present generations to ensure a future for generations to come, both of ecologically as well as socially and economically.

In the context of sustainable development we are talking about eco-development. The study highlights the main connections between eco-development and the sustainable development in an economic environment that is rapidly changing. The paper highlights the main connections between eco-development and economic sustainable development, underlining the significant aspects related to the importance of involving of the companies, especially those in Romania, in develop business ecologic responsible. The research objective was achieved by analyzing and interpretation of approaches, concepts and definitions found in the literature.

## ***2. Economic sustainable development - a objective global***

The concept of economic sustainable development implies the development which corresponds to the present needs, without compromising the possibility of the future generations to satisfy its own needs (The Rapport „Common future”, World Committee for Media and Development, 1987).

Sustainable development implies the existence of economic conditions, social, cultural and environmental friendly. If, in historical perspective, economic conditions have had an absolute role in the evolution of the human species, other conditions may not be today ignored. The economic component is, however, an essential factor of development.

As a manifestation of economic growth, economic development implies an overall transformation of quantity, structure and quality, both in economy and in scientific research and technology, the mechanisms and organizational structures of an functioning economy, in the way of thinking and human behavior (Becker, 2001).

The sustainable development is more than a necessity for society. The multiple aspects of sustainable development from economic growth and employment by environmental protection and individual freedoms are treated in an integrative vision. Recognizing the economic development dependence of natural resources and their physical formulating the concept of development is taking place within the framework of concepts presented in Figure no. 1.

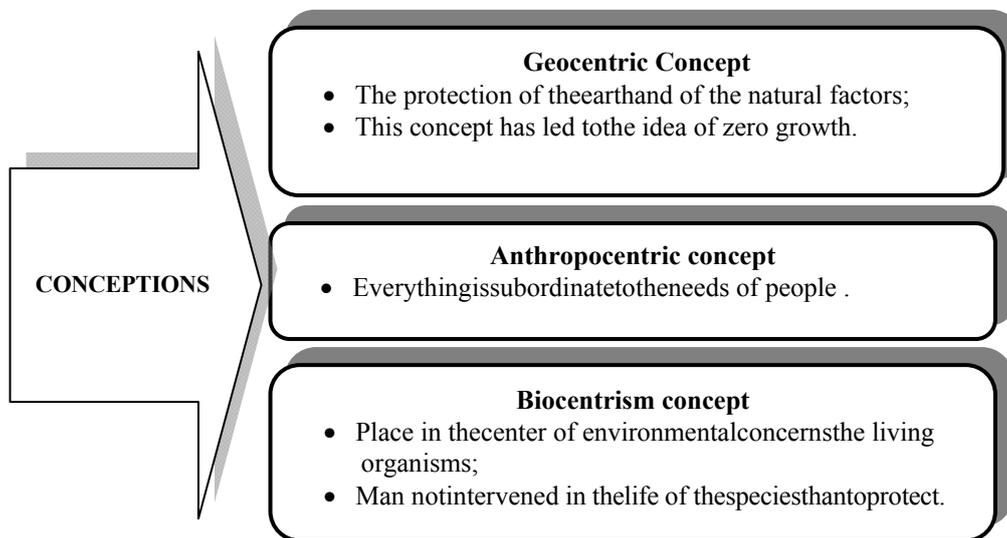


Figure no. 1. The main concepts of sustainable economic development

Of the three concepts on the protection of natural environment, retaining the common elements, rational and useful, can be reached at a general - conception of human reconciliation with nature and with himself. This concept presupposes respect for the nature laws in the economic activity, respect for the ecological Earth health, for social progress. Such a conception leads to prevent deterioration of the environment, which is fully possible, in terms of compatibility between development and production environment.

The overall objective of the sustainable development is to find a space of the interaction between the 4 systems: economic, human, environmental and technological, in a dynamic and flexible service. In this context, the eco – socio – economic approach becomes very important for the achievement of the sustainable development objectives. Optimum level that corresponds to the long-term developments that can be supported by the for systems. Because of the system is operational, it is necessary that this support and viability to be applied in all the subsystems that make up the four dimensions of sustainable development - from energy, agriculture, industry to investment, human settlements and biodiversity (Petrescu, I., 2009). In this context, the eco – socio – economic approach becomes very important for the achievement of the sustainable development desiderates.

In a globalized economy, cooperation is necessary, on a global level, by sharing multiple and diverse responsibilities, by playing an active role in protecting the most important resources (air, soil, forests, water, seas and oceans, biodiversity) and by reducing the greatest social challenges (poverty and strongly polarized populations) which requires a great effort from everyone involved. The strategy of sustainable development becomes operational by appropriate national policies, in a position to encourage compatibility of systems that are conditioned in time and space, with regional collaboration and cooperation, internationally and globally. In these conditions, the ONU project, The Millennium Development Goals formulates eight global goals<sup>1</sup> for the years 2050. The document does not stop at the issue of the global objectives, it shows the manner in which these can be measured and can become operational. In the frame work of the eight general goals, we have 18 specific targets. The objective number 7 refers explicitly to the assurance of the sustainable development at a global level, through 3 specific objectives:

- The specific goal 9: the integration of the sustainable development principles in the sustainable development policies and national programs and the reduction of the waste;
- The specific goal 10: the reduction at half until the year 2015 of the percentage of the population with no access to the running water and basic hygiene;
- The specific goal 11: the significant improvement until 2020 of the life of 100 millions of needy persons.

According to these goals, the main problem is the creation of an eco – economy, the existence of economic conditions, social, cultural and environmental friendly, able to improve each domain and every moment of our life.

### ***3. Considerations regarding eco-development***

Eco-development (organic development) represents the growth in close correlation with environment laws, and ecological balance. By its complexity, eco-development highlights not only economic development in relation to the natural environment, but the entire human development. The humanity has begun to recognize that environmental issues are inseparable

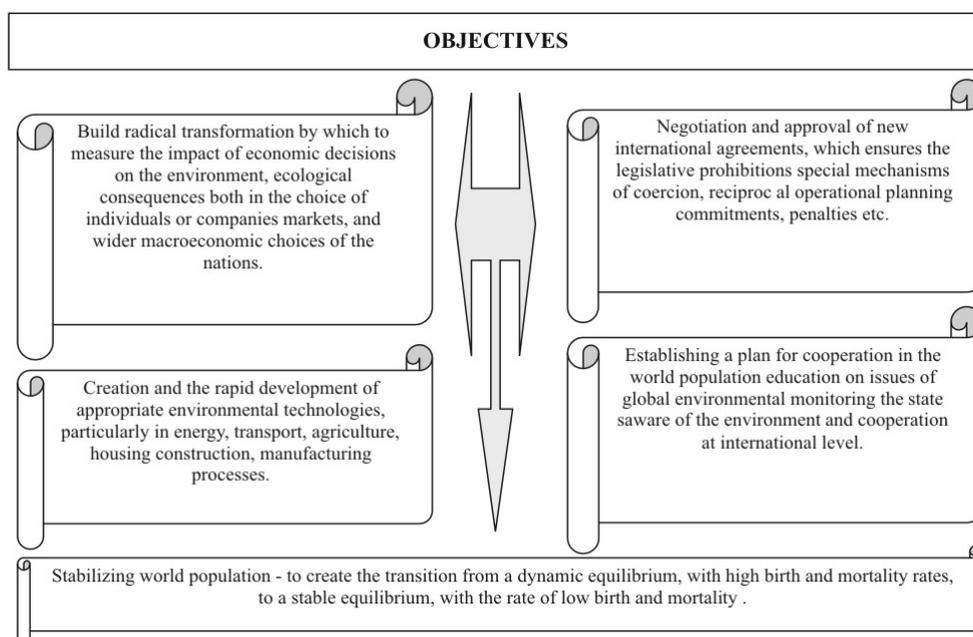
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<sup>1</sup> The Millennium *Project 2050*, Foresight Brief, No. 051

from the welfare and from the economic processes. The environmental crisis requires the reconsideration of the policies on the economic development in reconciliation with the environment. The most economic developed countries are those that pay special attention to eco-development and are more interested in promoting of the protection environmental programs. Such a prospect is favorable to both economy and environment.

Eco-development is oriented to meet the practical requirements of concrete and long term, proposing harmony and complexity, excluding unilateral orientation to one or another branch of industry. It involves ecologically caution, stimulates development, starting from knowledge consumption, a harmonious development in full agreement with existing opportunities at a given moment and in a certain place (Panzaru, S., Dragomir, C., 2012, pp. 102-111).

Assuming a complex, diversified structure, eco development is characterized by a greater capacity for adaptation to the requirements of a stage and some major objectives. Currently, in the overall policy framework of environmental protection, there are targets presented in figure no. 2.



*Figure no. 2. The main objectives of the policies of environmental protection*

The problems of eco-development should be addressed taking into account the existing gaps in the today world, dividing the countries into developed and underdeveloped rich and poor. If in the most advanced countries with the market economy, the sustainable development is not seen as an obstacle to the environmental protection but rather a means of improving the standards and extending the life expectancy, in the developing countries, including Romania, the resources for the environment protection depends directly on the economic rate of growth. Poverty and economic stagnation cannot provide funds for the technological and managerial restructuring, for the investment in the control equipment and the antipollution protection installations, for the professionals training and the environmental education (Dragomir, C., Panzaru, S., 2011, pp.82-89).

For developed countries which intend to switch to ensuring the compatibility of dynamic direct economic efficiency criteria imposed by the market, the efficiency of social and human, environmental, it prefigured the achievement of economic growth strengthened, based on dynamic environment compatibility created by man with the natural environment, the economic efficiency with social justice. The distinctive potentials and contributions of renewable and efficient energy to sustainable and regional development have been recognized, however its widespread implementation was delayed (Ingwe et al., 2009). Nowadays, the European Union's member states are trying to solve this problem by initiating more energy-efficiency and renewable energy investments. This principle has existed for a number of years and was introduced in the sixth program of action on the environment of the European Commission. The recent legislation regarding the environment protection refers directly to the necessity of introducing the environment management system, as a significant component in the process of sustainable development. The environmental management aims to provide solutions to overcome the current crisis environment through:

- Measures to prevent the pollution, the degradation of the environment and the capacity of its regeneration, with the cost assessment for prevention and organization for such activities;
- The work cost assessment for the rehabilitation of degraded areas and those for the environmental protection caused by the current economic activities;
- Promotion of the environmental industries and technologies which are clean to be in harmony with the nature, by the principle of "sustainable development";

- Substantiation of the effective management decisions of the environment and the natural resources;
- Raising the concerns for improving the legislative framework and particularly for law enforcement, including the penalties provided therein.

The new environmental technologies applicable to urban sustainable development depend on the degree of the development of the country, its infrastructure, specialized human resources and management of the plans and programs of urban development. Given the fact that the pollution problems are, mostly, related to the fossils fuels combustion, and most of the one use problems are created with cheap materials, like plastic, which is not self bio-degradable, in an eco – economic approach this will constitute a last level of the possible options. Regarding the eco – economy of the energy, despite the remarkable progresses in the wind energy field, the environment costs can be considerable in the conditions of a low efficiency (Plumb, I., Zamfir, A., 2011 pp. 50-57). The tendency must lean towards an economy that is based on regenerable energy, using available and preferable regenerable materials, on permanent recycling of the rare materials, better administration of the food resources, technologies that generate minimum quantities of wastes, which will not affect the environment quality. Romania has a significant share of renewable sources, amounting to 12% of gross inland consumption and 29% of electricity production (Eurostat, 2009, p. 85). The proposed target for 2020 is 24% in final consumption, and although the target is ambitious, there is a significant potential in Romania for wind and biomass as well as for further hydro expansion, particularly smaller-scale hydro.

#### ***4. The companies in the sustainable development context***

Many companies around the world decided to actively engage in sustainable development and integrating the principles of social and economic responsibility in business. The organizations are being obliged to adapt the production process to the random factors and the ecological and toxicological restrictions. We can talk about a self regulation of the systems, in sense of continuous improving of the technological process and valorification with productive purposes of the professional knowledge's stock of the specialists in production and their technical intelligence. It is to

the companies' advantage to decrease the energy and waste elimination costs as well as the costs of production and of air pollutants. The rational use of resources could lead to the increase of the company's financial power and of the competitive potential. Such a policy could reverberate positively on productivity if it is done more in the ecological side.

In Romania, according to data presented in the rapport *Entrepreneurship in the EU and Beyond* (2012), 71% of entrepreneurs interviewed believe that social or ecological need was important in their decision to start a business. The percentage is higher than in EU countries (figure no.3). But less than half view this as an important factor in six Member States, with the fewest who say so being in Denmark (42%) and Finland (43%). The occurrence in Romania of these concepts and practices associated with them is due to at least two causes. Firstly, economic development and the emergence of the multinational companies that have determined a type of pressure in terms of identifying appropriate ways of enhancing corporate image and a good ecological reputation. This has brought sophisticated strategies, and consumers were educated and learned to make choices based on informed decisions. Such a prospect is favorable to economy and to environment.

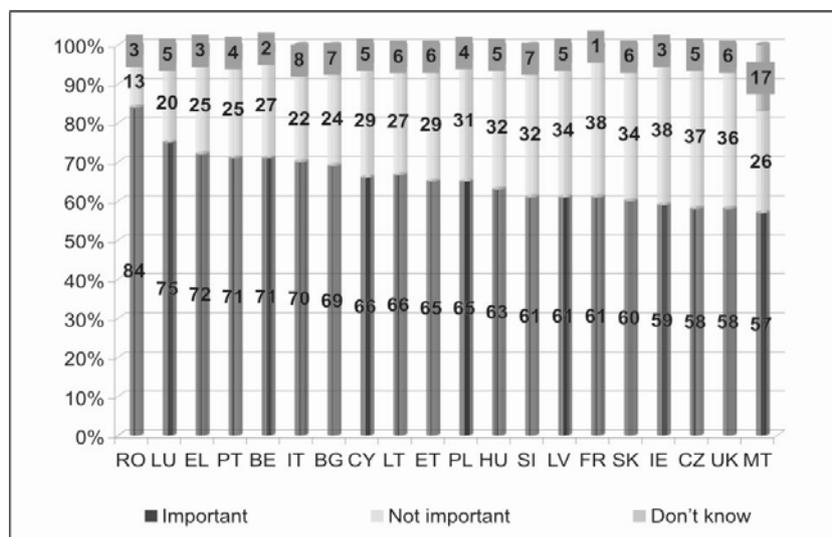


Figure no. 3. The addressing an unmet social or ecological need in the decision to start a business

Source: Flash Eurobarometer 354, *Entrepreneurship in the EU and Beyond*, 2012.

Companies are aware of the opportunities they have in improving the performances the ecological. A company that is to function over the long term and to remain competitive in an increasingly globalized economy must develop policies and strategies for transforming the company into a ecological responsible business. Once the companies became aware of the necessity to apply the principles of the ecological responsibility and by freely assuming on obligations not stipulated in contracts or by law, they tend to respect social and environmental standards, so that fundamental rights are being respected.

### **5. Conclusions**

Quality of the life is deeply affected by the change of the environment by destroying the natural balance. The humanity has begun to recognize that environmental issues are inseparable from the welfare and the economic processes, in general. The environmental crisis requires the reconsideration of the policies on the economic development. In the context of sustainable development we are talking about the reconsideration of the policies on the economic development in reconciliation with the environment.

Sustainable development is an objective as important as respecting human rights, education, right to work and all other values that create the modern society. Eco-development is an obligation of present generations to ensure a future for generations to come, both of ecologically as well as socially and economically. The most economic developed countries are those that pay special attention to eco-development and are more interested in promoting of the protection environmental programs.

The companies have to be ecological „clean”. It is to the companies’ advantage to decrease the energy and waste elimination costs as well as the costs of production and of air pollutants. In this context, the eco-socio-economic approach becomes very important for the achievement of the sustainable development objectives.

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