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## **ECONOMIC GROWTH AND ENVIRONMENTAL IMPACTS**

One of the most popular current topics is environmental impact, which has a close relationship with macro and micro economy, although this is not strictly proportional relationship. The lack of care towards the ecosystem in which the economy develops has serious consequences, from the disappearance of species to the unbridled use of natural resources. Healthy ecosystems are the foundation for sound economies, sustaining and enhancing human life with services ranging from food and fuel to clean air and water. As such, ecology has an important role to play in society's efforts to improve the quality of life throughout the world. Although ecological scientists have neither the remit nor the capacity to judge the right of people to grow their economies, they do have the expertise and the responsibility to identify the ecological consequences of current and alternative growth strategies, recognizing that:

— Human activities can degrade ecosystems, diminishing ecosystem services

— of value to society (loss of natural capital)

— Many ecosystem services such as clean air are public goods—they are freely and indiscriminately available to all members of a community, giving stakeholders little incentive to maintain them

— In cases where ecosystem services do have a market value (e.g. food and fiber), economic activities may have ecological impacts that are not captured in market prices (environmental externalities)

Society's ability to predict the consequences of ecosystem change is limited (environmental uncertainty) but can be improved with new modeling and forecasting tools.

At present, economic growth is a double-edged sword: although it enhances the standards of living in the short-term, it can degrade the ecological

infrastructure needed to sustain long-term welfare. This dichotomy may be humanity's central challenge in the 21st century—sustaining living standards and spreading the benefits of economic development to the large fraction of humanity still mired in poverty, while preserving the ecological life-support system on which future welfare depends.

For millennia, the impacts of human population growth and the demands it placed on the natural environment were felt only at local or regional scales. Since the industrial revolution, however, these impacts have expanded, and are now often global. In the last 50 years, the Earth's population has grown by a factor of 2.5, and the global economy, as measured by the gross domestic product (GDP), has grown by a factor of 8. Economic growth has increased material standards of living throughout many parts of the world, with significant improvements in nutrition, health, and life expectancy. In many cases, however, economic and population growth and the increasing rate of per capita consumption have also disrupted ecosystems. Examples include the depletion of water resources, the fragmentation of plant and animal populations, and the conversion of habitat for the harvesting of natural resources. The burgeoning scale of these impacts raises the question of whether the aforementioned gains are sustainable or will instead result in the widespread degradation of the very ecosystems on which society relies.

So, Global risks are too high, and the benefits of transitioning to global sustainable development are not recognized. We are failing to create the right incentives on the market. Unsustainable behavior still gives the highest returns. Global sustainability is now the only avenue to future inclusive progress that can deliver the Sustainable Development Goals and the Paris climate agreement. To succeed, we need to set planetary boundaries to create a safe operating space on Earth for the world economy – that is, confining the Fourth Industrial Revolution within social and environmental boundaries. This is not a way of grinding the revolution to a halt. It is instead a way of spurring deeper innovation and step-changes to a healthy, thriving global economy.

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