

# SOCIO-ECONOMIC ASPECTS OF SUSTAINABLE DEVELOPMENT

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**Abstract:** sustainable economic development means the implementation of the transfer of resources to future generations through the efficient use of resources and maintaining the balance while taking into account social and environmental issues during economic development. For many years, the neglect of social and environmental issues while taking steps related to economic development has led to the emergence of social crisis and global environmental problems. At the level of international and regional organizations, as well as in the norms adopted by individual states, the issue of balanced development of the economy is reflected. From this point of view, the article also presents ideas about the concept of sustainable economic development and its theoretical aspects.

**Keywords:** economic development, sustainable development, social, economic, environment, economic aspect, etc.

# СОЦИАЛЬНО-ЭКОНОМИЧЕСКИЕ АСПЕКТЫ УСТОЙЧИВОГО РАЗВИТИЯ

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**Аннотация:** устойчивое экономическое развитие означает осуществление передачи ресурсов будущим поколениям за счет эффективного использования ресурсов и поддержания баланса при учете социальных и экологических проблем в ходе экономического развития. На протяжении многих лет игнорирование социальных и экологических проблем при принятии мер, связанных с экономическим развитием, привело к возникновению социального кризиса и глобальных экологических проблем. На уровне международных и региональных организаций, а также в нормах, принятых отдельными государствами, находит отражение вопрос сбалансированного развития экономики. С этой точки зрения в статье также представлены представления о концепции устойчивого экономического развития и ее теоретических аспектах.

**Ключевые слова:** экономическое развитие, устойчивое развитие, социальное, экономическое, экологическое, экономический аспект и др.

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In order to ensure the sustainability of economic development, it is necessary to look at it from a number of aspects at the same time. In order to ensure the sustainable development of the economy, it is necessary to approach the social, economic and environmental aspects equally and implement their development in a balanced manner. If there is an imbalance between such factors, economic, social and environmental aspects do not develop at the same level. In this case, a weak sustainable development trend is observed [3].

Although it is accepted that all three aspects are important, the question of which aspect is necessarily important is a controversial topic. Until the Brundtland Commission in 1987 defined approaches to social, economic and environmental aspects, they were considered to be mutually developing concepts. After the Brundtland Commission report, two different approaches emerged regarding the question of how the mentioned aspects are related to each other:

1. Economic aspects are decided within social aspects, and social aspects are decided within aspects related to the environment. If we consider this approach as three overlapping circles, the economic aspects will be the innermost, the environmental aspects will be the outermost, and the social aspects will be in the middle. This approach is also called "Matryoshka model". In this approach, the innermost location of the economic aspects is not related to its playing the main role. In this approach, it is emphasized that the economic aspects are the social aspects surrounding it, and the social aspects are part of the issues related to the environment. In this way, it is tried to show that all three aspects are related without separating one from the other. According to the result of this approach, although the economic and social aspects are related to each other, the aspects related to the

environment can continue to exist without depending on the others because they are of the most general nature [1].

2. Any one of the three aspects related to sustainable development is independent of the other, and the part where all three of them are related to each other and intersect is the state of sustainability. This concept is also called the "Three Pillar Model". This pattern can also be described as an intersecting triple circle. Each of these circles covers an aspect, economic, social and environmental aspects. In the part where all three aspects intersect, stable development is ensured in their connection with each other. In contrast to the first approach, in this approach, all three aspects are equally important, and the case where one of the aspects does not intersect is characterized as a case of "weak stability". The situation in which all three aspects are equally represented and their balanced development is ensured is characterized as "strong stability" [2].

Based on the "three pillars model", four important principles related to sustainable development have been adopted. These principles include the principles of environmentalism, future orientation, equality and participation. The principle of the ecological environment is related to the results of the reflection of the final result of human activity in the ecological environment and its impact on the ecological balance. The principle of being future-oriented is related to the fact that future generations have the same share as us in the use of economic resources and that resources should be protected for their use. The principle of equality is characterized by the need for societies to have equal rights in obtaining resources, regardless of the difference in development and location. The last principle, the principle of participation, provides for the participation of the people in the application of the decisions and laws adopted regarding sustainable development and transparent observation of the society during this application.

Let's take a look at the characteristics of the mentioned aspects and the conditions required to ensure their mutual and synthesized development. For this, let's look at each of the mentioned aspects separately.

In recent years, the Republic of Azerbaijan has achieved enough achievements in the field of social and economic development, which is reflected in national and international documents. The stability of the social and economic spheres has been considered as the main priority by the country. The country's strategy in the field of environmental policy is aimed at the protection of natural resources at the national, international and regional levels by strengthening the coordination of activities in the field of environmental protection, the application of science-based development principles, and ensuring sustainability in the use of the country's economic and human resources, which provides the interests of current and future generations [4].

Approaching sustainability from an economic perspective is understood as being able to take into account the comparison of the costs of sustainability with the benefits obtained from it. In addition, when taking into account the economic aspects of sustainable development, ecological boundaries that must be taken into account when economic development is ensured also emerge. It should be noted that Keynesianism, which was the dominant theoretical approach after the Second World War, did not take into account ecological limits in economic development and the thought of trying to achieve economic development at any cost resulted in a threat to the ecological balance. When the economic aspects of sustainable development are approached taking into account the ecological limits, it becomes clear to what extent the natural resources of the development can be exploited without ignoring it. In general, the balance between economic costs and benefits from environmental factors can be understood here. This balance includes stages such as increasing attention to the proper use of natural resources while ensuring economic development, taking into account the indicators of resource recovery, ensuring the efficient use of non-renewable resources, and the possibility of using renewable resources instead of non-renewable resources. If economic sustainability is achieved without considering ecological boundaries, then economic costs that do not occur because environmental boundaries are anticipated will not be encountered at the outset.

Nevertheless, in the future, as a result of a severe disturbance of the ecological balance, costs to restore the balance will appear, which will be more than the costs mentioned in the first example and will be required to be met in a shorter period of time, which will hinder economic development. If we generalize the mentioned issues, environmental costs that are not taken into account to ensure the economic development of today lead to the creation of environmental costs that will hinder economic development in the future and will lead to encountering more costs.

Ensuring sustainability from an economic point of view should also be approached from the aspects of ensuring the sustainability of the economic development system, ensuring the sustainability of production of products and services, ensuring sustainability in the management of foreign debts, and preventing imbalances in the structures that hinder the development of agriculture and industry. In addition, according to the neoclassical economic approach, sustainable economic development should be understood as the maximization of the welfare limit.

The mentioned economic aspects of sustainable development can be summarized and grouped as follows:

1. Stimulation of justice and equality between nations and generations;
2. Avoidance of exchanges where equality is violated;

3. The absence of enrichment of one group or society at the expense of impoverishment of another group or society;

4. Implementation of effective and correct assessment of resources to ensure sustainability;

5. Applying consumption and investment policies that take into account principles that are ethical in terms of sustainability;

6. Supporting equitable sharing of costs and benefits;

7. Supporting the economy at the local level.

When sustainability is approached from the point of view of social aspects, issues such as having a socially sustainable system, ensuring equality in the provision of social opportunities, ensuring equal access to education and healthcare opportunities, ensuring gender equality, understanding the political responsibilities of society and creating responsibility for participation in public issues the problem arises. The list of social aspects related to ensuring sustainability can be further increased and other non-economic factors such as the legal system, religious and moral approaches, and customs related to community life can be added.

The issue of ensuring gender equality is characterized by concepts such as equalizing the role of women in society with men, equal work, equal representation in social life and legal equality. As a rule, in highly developed countries, the indicator of gender equality is high, and women have developed as much as men and have a say in social life [2].

In addition to all this, the effective formation of human capital is accelerated when opportunities such as equal access to education and health care opportunities and gender equality are combined. When the quality of human capital increases, the status of indicators such as legal factors from other social aspects required to ensure sustainable development, fulfillment of political and social responsibilities, and elimination of acuteness in social stratification improves. The social aspects required to ensure sustainability can be summarized as follows:

1. Creating opportunities to improve people's quality of life;

2. Supporting social justice among peoples;

3. Consideration of cultural and social unity;

4. Strengthening self-confidence and free will;

5. Stimulation of responsibility for cooperation and participation in decision-making from individual decision-making to international levels;

6. Creation of opportunities for improving and increasing the potential of the society.

Focusing on ensuring the effectiveness of socio-economic aspects should not be done at the expense of environmental aspects. Because environmental aspects are closely related to economic and social issues. Thus, factors such as providing opportunities for future generations to use the resources necessary to ensure environmental sustainability, preventing imbalance during environmental exploitation, directly and indirectly affect people's social life, economic situation, health, thinking, and ability to continue their activities. Briefly summarized, the following can be attributed to environmental aspects:

1. Conservation of life and species diversity on earth;

2. Building environmental support systems;

3. Provision of sustainable use of renewable resources;

4. Minimization of exploitation of non-renewable resources;

5. Minimization of environmental pollution factors that are harmful to the environment and the life of all living beings;

6. Protection of cultural and historical heritage.

As one of the main factors for ensuring the continuity of the sustainable development process, it can be noted that this thinking should be formed in individuals and society. In this regard, educational institutions, non-governmental organizations, public institutions, family institutions and the press should work together and form a sensitive approach to environmental problems and social contradictions in the society. For the successful implementation of this factor, the implementation of the principle of voluntarism is also important. The principle of voluntarism reflects the organization based on voluntary activity in solving issues such as environmental, social problems, and environmental crises at the local, regional, and global levels.

The principles to be followed for the mutual development of all the listed economic, social and environmental aspects can be broadly grouped as follows:

1. In order to ensure economic sustainability, in addition to organizing production by efficient use of resources, the production process should cause minimal damage to the environment, and from a social point of view, an ethical consumer culture should be formed.

2. The concept of sustainable development, in addition to preserving its main meaning from an economic point of view, should also create solutions to the problems of social inequality and environmental imbalance.

3. Conservation of natural capital is important for sustainable economic production and intergenerational equity. Since an economy regulated by market mechanisms does not tend to preserve natural capital, the balance must be maintained through the intervention of social aspects.

4. From an ecological perspective, both the exploitative consumption of the population and the aggregate resource demands must be limited and the integrity of the ecosystem must be preserved.

5. Meeting social equity, health and education requirements, and realizing political responsibilities are closely related to economic and environmental factors, and the sustainable integrity of the system must be ensured.

The consideration of these principles in the economic development models of highly developed countries led to the development and improvement of the concept of development in a different direction from the traditionally understood form. The pursuit of economic development in a traditional way is characteristic especially for underdeveloped countries, and since its implementation has exacerbated the development gap between differently developed regions of the world, the elimination of the aggravation between the development differences has become a common global issue [5].

Research shows that the geographic proximity of related economic activities ensures productivity and innovative development. Recent trends in management science - key activities / competencies, focusing on companies has increased trust in their close partners [6].

The introduction of innovations to the economy, the increase in the importance of STP has reduced the importance of natural resources in national economic development. In recent times, the importance of human resources as a driving force of economic development has increased. In the example of Japan, it can be shown that the country is included in the list of developed countries due to high level of human resources, despite the poor supply of natural resources. It is possible to speed up the pace of development and develop the economy in the long term due to the effective use of human resources and the implementation of their comprehensive provision and raising the level of provision of social services. Although the investment in human capital does not give the expected results in the short term, in the long term it is more efficient than the investments made in other fields due to the increase in the level of specialization, skill and security of human resources [8].

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