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MODERN PERSPECTIVES FOR SUSTAINABLE DEVELOPMENT OF ECONOMIC AND ENVIRONMENTAL POLICY

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ABSTRACT

The modern understanding of development, as a process of continuous solution of numerous and diverse social and economic needs, whose success is measured by increasingly complex systems of indicators, requires a re-examination of many traditional understandings, especially when it comes to modalities and dynamics of economic growth and development. The framework of economic development, ie the level of economic development of a certain economic system, is defined through the analysis of the growth of material production and national income, with simultaneous structural changes and changes in the functioning of a given economy on a general, upward path. These changes are both quantitative and qualitative, meaning both an increase in all elements of the economy (although not in the same proportion), and their change under the influence of scientific and technical progress, and changes in the social and natural environment - the environment. The size of this cost varies from country to country depending on the achieved level of economic and scientific-technological development, available raw materials and energy resources, spatial distribution of production, but also on the population density of certain areas and the achieved level of urbanization. In addition, all these environmental constraints are characterized by a very high degree of interconnectedness, which leads to worsening environmental conditions of development in recent decades. a place of ecological-economic approach to the study of the phenomenon of development. (Rio Declaration on Environment and Development, 1992).

Keywords: sustainable development, economic and environmental policy, environmental policy instruments, nature of environmental policy/crisis, environmental stabilizers.

INTRODUCTION

Until the 1960s, environmental problems were, as a rule, treated in the theory and policy of economic development in the context of a broad notion of external effects. Accelerated economic development of the last three decades, accompanied by urbanization of settlements, irrational use of natural resources, disposal of all types of waste in the natural environment, with mass application of chemicals, etc., has led to significant disturbance of ecological balance. These processes have given modern economic development a new dimension - the growing environmental crisis, which has a universal character, because it affects not only economic but also social development in general. Environmental problems, which characterize modern economic development, are becoming an extremely complex category that includes climate change, the ozone layer, air pollution, deforestation, soil loss and desertification, biodiversity conservation, protection of the seas and oceans, as well as the rational use and development of their living resources, protection of lake and river resources, waste management, especially harmful waste, delayed management of toxic chemicals and a number of other developmental, and wider, social problems (Milović, 2013). The term environmental policy, in short, should mean the planned use of available In other words, the primary subject of environmental policy is to find ways in which the production and creation of material values will be maximally in the function of ensuring the balance of individual ecological systems. theme and their mutual cooperation.

SUSTAINABLE DEVELOPMENT AS A STRATEGY FOR MARKET ECONOMY DEVELOPMENT

The necessity of acceptance, the environmental problems exposed and the growing number of environmental constraints are becoming a growing social cost at the level of each national economy. The size of this cost varies from country to country depending on the achieved level of economic and scientific-technological development, available raw materials and energy resources, spatial distribution of production, but also on the population density of certain areas and the achieved level of urbanization. In addition, all these environmental constraints are characterized by a very high degree of interconnectedness, which leads to deteriorating environmental conditions of development in recent decades. We can conclude that different levels of production costs, economic development. This was shown by the practice of modern market economies, where very often the process of introducing many new technologies had an extremely negative effect on the environment. In other words, along with the acceleration of development performance, the level of environmental degradation increased. As a rule, the growth of environmental disproportions gained momentum, while increasing amounts of financial resources were directed to the protection of the human environment. In table no. 1 shows the allocation of funds for these purposes in selected countries (Milović, 2013):

Table 1. Review of allocations of individual countries for the environment.

COUNTRY	mil. $	% of gross national income
Denmark	1.237 $	1,9 %
Former West Germany	14.424 $	1,7 %
SAD	80.446 $	1,6 %
Sweden	1.948 $	1,5 %
Switzerland	1.891 $	1,5 %
United Kingdom	8.837 $	1,4 %
Japan	26.035 $	1,3 %
Netherlands	2.254 $	1,3 %
Austria	1.130 $	1,3 %

Following these trends, we can conclude that the issue of ecology becomes par excellence of developmental nature and that the complexity of the analysis of the ecological component, within the development of modern economies, significantly emphasizes the changing character of the value system - not maximum growth at any cost, not zero growth, but stable and sustainable growth and development (so-called sustainable development). Development which, according to the postulates of modern economic theory, implies such economic and social prosperity, where meeting the needs of current generations does not jeopardize the right and opportunity of others to achieve the same for themselves in the future (Milović, 2013). Socio-economic development in this context is seen as the interdependence of economic mechanism and ecology as a dynamic transition, which means that the use of natural resources, human resources and already built structure, harmonizes with the criteria immanent to modern economic reason, as an understanding of nature and interpersonal relations (moving upwards of scientific, technical and economic progress, but with respect and solving the problem of growing ecological imbalance). This humanization of relations between dependent determinants and variables is a prerequisite for successful development of all civilized countries, especially post-industrial societies.

Therefore, in today's conditions, almost all developed market economies strive to define clear goals and strategy of economic development in accordance with the above criteria, as well as to conceptualize the most efficient environmental policy, ie. planned use of available natural resources, but also the provision of secure financial resources for their permanent regeneration. Adequate environmental policy finds a way in which the production and creation of material values will be maximally in the function of ensuring the balance of individual ecological systems and their mutual cooperation. Reducing to a minimum the numerous risks and great uncertainties that arise as a logical consequence of many contradictions in the relationship economic growth -

ecological balance, is essentially a measure of environmental policy. Given that the relationship between economic and environmental parameters of development, as well as criteria and methodology of economic analysis of ecological development will be discussed in more detail in the paper itself, in this section we will list only certain important principles of environmental policy, which implement the previously emphasized, ecological-economic approach to the study of modern economic development (Milović, 2013).

The principles of environmental policy are as follows (Milović, 2013):

- harmonization of economic development with the needs for preserving the ecological balance;
- acting in the direction of creating new needs, needs that are in accordance with the principles of environmental safety;
- emphasis in the application and commercial valorization of those main directions of modern scientific and technical progress which are maximally in the function of satisfying more and more general ecological standards;
- conducting appropriate demographic policies.

In the context of the environmental dimension, in short, it is a policy that seeks to ensure population growth that can seamlessly support existing economic growth and the current development of science and technology.

it is the responsibility of modern national economies to enact appropriate legislation relating to environmental policy (from regulations, to sanctions), with states seeking to reduce or even ban unsustainable modes of production and consumption;

Environmental policy measures (especially tax and customs relief) encourage investment in production whose technological, energy and raw material base can be harmonized with the requirements of sustainable development and encourage and finance multidisciplinary research in the field of protection

ECOLOGICAL POLICY OF ECONOMIC DEVELOPMENT

The policy of economic development characteristic of the epoch of the third technological revolution implies the treatment of this phenomenon in all its ambivalence, that is. studying development as a normative, multidimensional, unique and coherent process. Such an approach incorporates all elements of economic growth, ie the increase of material wealth, but also many other components and attributes of development, including the ecological component (Čobeljić, 1991). It can be concluded that the complex of ecology is one of the younger components of economic development policy. Namely, it is an indisputable fact that environmental problems in economic theory and analogously in economic policy until the 1960s, as a rule, were treated in the context of a broad notion of external effects. Problems related to the phenomenon of disturbing the ecological balance, understood in the broadest sense of the word, during the last thirty years, represent a real social sea of a large number of countries in the world. As a rule, in highly developed environments, awareness of the devastating consequences of uncontrolled disturbance of ecological balance is the most widespread. Neither the first nor the second technological revolution, which had a decisive impact on the dynamics of economic development during the last two centuries, showed sufficient understanding for the environmental component. Land and mineral resources have been ruthlessly exploited, water bodies have been polluted beyond any reasonable measure. According to classical economic theory, air and water were considered free goods. Most economists today are of the opinion that the mechanism of traditional economics based on the cost of products is not even remotely acceptable from the point of view of the necessity of defining the real price that society pays in cases of numerous abuses of the human environment.

The approach to explaining the economics of natural resources and the environment can be observed through the neoclassical matrix of economic thought, through which economic concepts are applied to the environment. Like another approach known as the ecological economy, which looks at things from a different perspective. Instead of applying economic concepts to the

environment, ecological economics tends to place economic activities in the context of life-sustaining biological and physical systems, including all human activities (Harris, 2009). The term environmental policy, in short, should mean the planned use of available natural resources, but also the provision of secure financial resources for the permanent regeneration of renewable natural resources. In other words, the primary subject of environmental policy is to find a way in which the production and creation of material values will be maximally in the function of ensuring the balance of individual ecological systems and their mutual cooperation. In addition to the state, certain political parties and organizations have a very active role in defining and designing national environmental policies. The state enacts laws related to environmental policy, from regulations to sanctions for non-compliance by certain actors in social and economic life. The state seeks to reduce or even ban unsustainable modes of production and consumption (Marković, 1994).

THE MOST IMPORTANT ECONOMIC INSTRUMENTS OF ENVIRONMENTAL POLICY

Pollution, or degradation of the environment in general, a term that was accepted in the time after the 1960s in the economic sense, is a category that the great economist Marshall called "external effects" for producers and consumers (Marschall, 1990). When deciding on alternative levels of production, consumption, investment, etc., economic operators take into account the costs and benefits in each of the different alternatives. Environmental inputs and / or economic process outputs are not specifically included in the costs and benefits borne by the polluter. In the market economy, economic actors will try in all possible ways to ignore the elements of social costs of the environment, even if they are aware of their existence. This is all the more so if there are no sanctions for such behaviors. The market mechanism will encourage certain economic participants to pass on social costs to other actors or to postpone them for some future time (Gwertney, Stroup, Sobel, & Macpherson, 1982). This in turn means that the existence of social costs of the environment is an argument for the formation of social institutions that will take care of the preservation of the environment. What are the instruments through which certain institutions approach the realization of this goal. The classical approach of economic theorists is one that reckons with the “internalization” of these externalities. In some cases, costs related to externalities cannot be expressed because the ownership of goods or services is not precisely defined. In deciding on different alternative levels of production, consumption, investment and the like, economic agents are forced to take costs and results into account , each of the various alternatives they intend to undertake.

Environmental inputs and / or outputs of economic processes, and especially their possible social consequences, are usually not calculated in costs and results. Hence, they do not have an adequate impact on individual economic entities when making business and investment decisions. Under conditions of competitive pressure, the market mechanism is unable to account for the social cost borne by certain participants, especially in the future. In other words, the existence of social costs of disturbing the ecological balance is a very strong reason for the installation of social instruments through which economic actors are charged the "price" of disturbing the ecological balance. There are a number of economic instruments used to “internalize” these externalities. Their common feature is that, contrary to legal and technical instruments, they leave participants free to respond in the way that suits them best. The economic instruments of environmental policy can be classified in a variety of ways. One of the frequently used divisions of these instruments is the following (Economic Instruments for Environmental Protection [OECD], 1989):

costs
- subsidies
- deposits
- market creation
- financial coercion.

The cost is the price at which pollution must be paid, ie a certain disturbance of the ecological balance. Therefore, these expenses are included in the calculations of costs and benefits of economic entities. There are several forms of costs:

- waste costs,
- production costs
- administrative costs
- various duties.

Subsidies are a general term for various forms of financial assistance, which must have a stimulating role on environmental balance destabilizers to change their behavior. There are several forms of subsidies. "Benefits" are a form of financial support that individual companies do not have to return to the state if they have implemented certain measures aimed at reducing the level of ecological imbalance (OECD, 1989). "Soft loans" in which interest rates are lower than the market interest rate, are loans granted to polluters if they take anti-pollution measures. Tax exemption - if concrete measures are taken against disturbing the ecological balance. Tax reduction directly affects income or profit, while tax differentiation affects the price of the product. In the deposit and refund system, the penalty for potential destabilizers of the ecological balance is included. If the destabilization of the balance is avoided, the deposits are returned. Market creation is a very important economic instrument of environmental policy in the context of overall economic development policy. Markets can be created by individual participants buying "rights" for current and potential pollution or where they can sell their "pollution rights" or waste from the production process. There are several ways to create a market, such as price interventions, compulsory insurance, etc. Price intervention or pre-pricing implies that certain potentially valuable secondary waste can be offered at a lower price and thus reused. Compulsory insurance implies the obligation of the eco-equilibrium destabilizer to legally determine the cleaning costs associated with the storage of waste materials, which can lead to the creation of a market in which the risk of damage is transferred to insurance companies. Financial coercion is less economic and far more administrative instrument. There are two basic types of financial coercion: (financial aid and penalties for non-compliance with certain environmental standards). Economic instruments of environmental policy are an important tool of the overall policy of economic development. The goals to be achieved by environmental policy must be realized by stimulating destabilizers of ecological balance to change the attitude towards the environment. Only costs and fees can have the purpose of making a profit (OECD, 1989).

UNIVERSAL CHARACTER OF ECOLOGICAL POLICY AND ECOLOGICAL CRISIS

The complex of ecological crisis has a general character today. Lately, many disproportions in the economy have taken on dramatic proportions. With the uncontrolled destruction of nature, man at the same time began to destroy everything he had built in the history of human civilization. Admiring, very often, the creativity of his spirit and achieving only the last thirty years results that exceeded all possible expectations, man realized that the continuous upward movement of scientific, technological and economic progress can not take place without respecting the problem of growing environmental imbalance. There are numerous examples of the newer social reality, which is characterized by the growing danger of a kind of ecological cataclysm, and which makes all modern political and ideological divisions in the world irrelevant. Objectively speaking, there are numerous causes of ecology degradation. Thus, for example, there is no way to estimate the population limit on earth. Such a commitment, although it basically means rejecting the Malthusian attitude, does not mean denying the population problem as a whole. The occurrence of underdevelopment or poverty in more than half of the country's population, then chronic insufficiency of certain natural resources, global warming, the phenomenon of acid rain are just some of the warnings to humanity and obstacles that modern development must reckon with.

These mentioned problems carry in the true sense the epithet of universality and they speak of the impossibility for a country to be able to oppose them individually, regardless of its economic strength and overall bargaining power. Economic development policy must take into account the following fact. Acceptance of increasing environmental constraints represents a growing social cost at the level of macroeconomics. The size of this cost varies from one country to another depending on the achieved level of economic and scientific-technological development, but also on

the available raw materials and energy sources, the spatial distribution of production and population and the like. Different levels of production costs resulting from the existence of numerous environmental barriers caused by various reasons such as the need to preserve forest resources, reduce the presence of carbon dioxide in the air, desulfurization of coal, etc., but also population density, levels of urbanization and spatial distribution of production, are undoubtedly important determinants of modern economic development. Although each of these environmental constraints can be marked as an important problem of many world economies, realistically speaking, the greatest difficulties for individual countries, and thus for the overall policy of economic development, arise from a very high degree of interconnectedness. for example, energy policy cannot be viewed independently of environmental policy, technological priorities can only be properly analyzed in the context of a complex analysis of security criteria and the like. The coverage of current ecological phenomena and problems is very different, starting from narrower conceptual determinations that are strongly related to the issues of degradation of the human environment, all the way to the problems of population and spatial economy. natural environment which, due to the policy of pronounced industrialization in a longer time interval, has transformed into one of the most serious development constraints in the time from the end of the 20th century (Komazec, & Ristić, 1992). Namely, many current trends in nature go in the direction of confirming the thesis not only about significant, but in some cases even worrying disturbance of ecological balance. In modern terms, environmental problems are an extremely complex category that includes climate change, ozone, air pollution, deforestation, soil loss and desertification, biodiversity conservation, protection of the sea and oceans and the rational use and development of their living resources, protection of lake resources. and rivers, waste management, especially hazardous waste, sustainable management of toxic chemicals and more nature. (Rio Declaration on Environment and Development, 1990). In this sense, one should always keep in mind the fact that the cause of the environmental issue is not exclusively of a technological nature, but that there are many factors that directly or indirectly represent the generators of ecological imbalance. Even in ancient times, there was pollution, epidemics in large settlements, as well as environmental degradation, although the technological level of production in that period was at a very low level. It is logical to assume that any uncontrolled development of these settlements would only increase the ecological disproportions. When it comes to economic development, the most important indicators of unsatisfactory relations in the field of ecology are the following (Stojanović, 1987):

- limited certain natural resources,
- demographic explosion,
- action of certain development goals in the direction of emphasized disturbance of ecological balance.

Throughout the 20th century, economic development endangered the ecological basis of man and other living beings. During the second half of the 20th century, which is characterized by exceptional scientific and technological progress, thanks to numerous measures of the state, economic development has shown great opportunities to adapt to dynamic technological and scientific changes. Transnational corporations have played, and still have, a significant role in this process. But, despite all the measures taken, either by the state or individual industrial companies, as a whole, the environmental conditions of development have been constantly deteriorating. Along with the acceleration of development performance, the level of environmental degradation has increased. Thanks in large part to the deepened international division of labor, ie the process of internationalization of production, the ecological crisis in this period acquired all the attributes of universality. Therefore, in today's conditions, almost all developed market economies strive to conceptualize the most efficient environmental policy. Aligning economic development policy, especially economic growth policy, with growing environmental requirements is an extremely complex issue. This is evident in all developed market economies, regardless of whether these are environments in which state regulation is expressed, as is the case in Japan and almost all rapidly developing countries of the Far East, or it is about economies in which the functions of the state far less present in the regulation of economic flows. In the theory and policy of economic

development, the imperative of respecting the ecological component is known in the so-called the concept of sustainable development, ie sustainable economy. The key starting point of this concept is the view that economic development cannot be treated as an ecosphere-independent quantity. "Therefore, economic development cannot be unlimited, because resource stocks are limited and cannot always be replaced. The environment also has a limited ability to absorb, decompose or degrade the waste produced by economies. The development of technology based on human intelligence can to move some of the constraints on economic development, but it cannot completely remove them (Milenović, 1996). Environmental policy aims to solve numerous and increasingly pronounced problems of the human environment while ensuring economic growth, ie maintaining ecological balance while accelerating the desirable development performance of the economy. Reducing to a minimum the numerous risks and great uncertainties that arise as a logical consequence of numerous contradictions in the relation economic growth - ecological balance is, in essence, the measures of environmental policy taken. Among the central principles of environmental policy are the following:

- harmonization of economic development with the needs for preserving the ecological balance,
- acting in the direction of creating new needs, needs that are in accordance with the principles of environmental safety,
- focus in the application and commercial valorization of those main directions of modern scientific and technical progress that are maximally in the function of meeting increasingly stringent environmental standards,
- conducting appropriate demographic policy. In the context of the environmental dimension, in short, it is a policy that seeks to ensure population growth that can seamlessly support existing economic growth and the current development of science and technology.

The goal of environmental policy as a component of economic development policy is to determine both negative and positive external effects, to accurately emphasize the most significant types from both groups of external effects and to suggest ways to reduce negative and increase positive external effects (Stojanović, 1976). In the economic literature, the division of ecological parameters into the following two groups is very often present:

- destabilizers and
- stabilizers of ecological balance.

The group of destabilizers includes:

- ecological imbalance generators,
- transmitters or activators of ecological imbalance and
- ecological imbalance accelerators.

The second group includes all stabilizers that contribute to the restoration of eco-balance. In the following, a brief overview of the most important destabilizers and stabilizers of ecological balance will be made.

DESTABILIZERS OF ECOLOGICAL IMBALANCE

Destabilizers of ecological imbalance are numerous. However, it should be immediately noted that it is very difficult to observe the action of certain destabilizers of the ecological balance in isolation and independently of the influence of others. Just as economic development does not exist on its own, so the unwanted consequences of that process cannot be tied exclusively to individual causes. The following four types of ecological balance destabilizers are most often mentioned in the literature:

- economic,
- technological,
- demographic and
- spatial.

Economic destabilizers of ecological balance are the result of inadequate policy of exploitation of natural resources, inadequate and insufficient investments in environmental protection, non-existence or existence of inadequate instruments of economic policy whose primary task is the protection of eco-balance. Versatile greening is one of the most important features of modern economic processes. The growing ecological crisis has caused increased expenditures not intended for the preservation of the environment, which in financial terms means an increase in total production costs. The need to strengthen actions aimed at preserving the ecological balance implies spending increasing amounts of funds, as a result of which this moment is increasingly treated as a limiting factor of overall economic development. During the period, the method of comparing the costs and results (cost - benefit) of numerous measures taken in the direction of preserving the ecological balance was widespread. Many studies have had a pronounced macroeconomic character, indicating at the same time a positive correlation between environmental protection expenditure and overall economic growth. On the contrary, non-compliance with the adopted measures, the application of which should ensure the stopping of further distortions of ecological proportions, is most often associated with negative economic repercussions. It is understood that economic losses are accompanied by numerous social consequences that cannot be quantified. In essence, two approaches to reducing the negative effects of disturbing the ecological balance are distinguished: the first is the so-called passive approach and it implies a slowdown in production growth, while the other so-called an active approach which implies the adoption of a whole series of measures aimed at the greening of production without questioning the developmental dynamism of macroeconomics.

The solution of reducing production in favor of preserving the ecological balance, as a rule, is not interesting for individual companies if it does not imply profit growth. Solving environmental problems through restrictive methods ensures the reduction of certain negative consequences for the environment, but not their elimination. Contrary to this, essentially passive approach, active implies increasing scientific, technological and financial potential of individual companies which in conditions of dynamic growth allows the direction of introducing environmentally friendly technologies into the production process, the application of which, in turn, enables the achievement of above-average profitability. Conflicts between certain contents of scientific and technical progress and the necessary preservation of ecological balance are older. They began to manifest themselves in parallel with the strong development of industrial production in the 18th and 19th centuries, in the then most economically developed countries. However, the conflict between scientific and technical progress - ecology, in the last thirty years, has acquired real explosive characteristics.

Technological generators are connected to the complex of technical progress. Technical progress, as the most dynamic factor of economic development, has had a pronounced influence in shaping complex relations between "nature - society" in certain environments. As a rule, the subordination of technology to the conditions dictated only by the growth of profits went in the direction of a pronounced manifestation of ecological disproportions in the countries of the developed market. The practice of new products replacing old ones at the moment when the mass of profits in certain companies begins to decline has dangerously endangered humanity. The need to get to know in detail the consequences of certain innovations from the point of view of their impact on ecology became more and more obvious. This is all the more so if it is known that at the present stage of scientific development and technical progress there are great possibilities for solving certain economic problems by engaging various production inputs, ie a different combination of production factors. The alternative of technologies, as a result of the strong development of science, makes it possible to avoid unwanted environmental effects. In the time of the second half of the 20th century, two different stages can be observed in the manifestation of the mutual relationship between scientific and technical progress - ecology. The first lasts from the end of the Second World War until the middle of the seventies, and the second lasts until today. The characteristic of the first phase is a very pronounced connection between numerous and growing ecological contradictions, on the one hand, and dynamic research and development work, on the other hand. In the 1970s, the ecological crisis in highly industrialized countries took on new features. While the 1960s were characterized by the existence of a

significant degree of pollution with a relatively limited number of pollutants, during the 1970s a very large number of new ones appeared. At the same time, during the eighth decade of the 20th century, there was a two-way manifestation of the influence of scientific and technical progress in relation to the ecological environment. From a factor that promoted industrial pollution, it increasingly began to transform into an instrument for solving environmental problems. Under the influence of the increasingly pronounced environmental crisis and the manifestation of numerous developmental contradictions, the governments of certain developed countries have begun to give more and more importance to the complex of environmental policy as a component of the overall policy of economic development.

Complex interrelations between ecology and scientific and technical progress in the conditions of a developed market way of doing business can be viewed in two ways. First, the analysis of factors that cause disturbance of ecological balance and which lead to certain losses in production and gross domestic product, and second, the analysis of factors that are able to improve the quality of the environment (creation of new, so-called clean production capacities, recycling, etc.). Demographic destabilizers of the ecological balance are reflected in the uncontrolled growth of the population, overpopulation in certain areas, but also many consequences of traditional and ethnic heritage. There are numerous consequences of the rapid growth of the population, among which the most important are the following: the number of unemployed is growing, the number of undernourished is growing, the number of families and individuals without housing is growing (Stojanović, 1987). Space is a limiting factor of economic development. Although this fact has been considered in economic theory for a long time, the fact is that economic science, even at the current stage of its development, cannot boast of a comprehensive approach to spatial issues. Spatial generators of ecological imbalance are the result of high concentration of industrial capacities as well as population density in certain areas. "Urbanization as an economic process causes spontaneously, unexpectedly, unforeseen three groups of externalities:

- a group of pollutants of basic ecological goods - land, water, air;
- a group of spatial ecocides whose representation is congestion, congestion of space (people, cars, roads, queues), and
- a group of psychic ecocides whose representative is noise.

Space economics is engaged in research in space and time on issues related to the construction and distribution of production, human habitats, communication systems and connections between business centers and other forms of human activity. "Ignoring certain peculiarities, the newer theoretical concept mainly considers and studies the determining interdependencies, eg (allocations of production activities and settlements in space: locations of industry, cities and urban zones; mutual conditioning of economic, geographical and demographic structures.) Ricard's theory of comparative advantages is considered to be the first relatively rounded approach to regional issues. The second approach is characteristic of the so-called growth poles of Francois Peoru and the spatial distribution of the sexes of growth. This reality has completely rejected the position that the market mechanism is effective in conducting an adequate regional policy. The second theory also provides solutions to complex regional issues only at first glance. It is obvious that the regional aspect incorporates many economic and socio-economic contents, and its peculiarity is the spatial demarcation. In a strictly economic sense, the credo of every ecological problem is reflected in the phenomenon of diseconomies (Stojanović, 1976). Growing ecological disproportions condition the reduction of investment activity, which has the logical consequence of decelerating the rate of economic growth.

ECONOMIC EQUILIBRIUM STABILIZERS

Stabilizers can be technical, legal, economic, or financial. Technically, the intensity of eco-balance disturbance is registered and quantified. Losses caused by environmental factors are manifested in two ways:

- as irreversible losses and as

- loss of certain resources that have been turned into waste, so as such they are not used in obtaining certain goods.

While the reduction of the first losses implies an essential transformation of the technology, the conversion of the second type of losses into products and substances with useful properties presupposes the fulfillment of a large number of preconditions. The constantly growing possibilities of scientific and technical progress enable in a number of cases the realization of such a goal even with relatively small investments. Legal stabilizers of the ecological balance regulate the norms of behavior of certain economic entities in the environment. Legal measures also incorporate the environmental dimension into the concept of development policy. In modern business conditions, it is considered necessary for each state to incorporate the environmental component into the economic development policy through legislative measures. Legal measures can be preventive and repressive. The first form of legal measures has the task of preventing the use of production technologies that endanger the ecological balance, while the overriding meaning of repressive measures is the application of various sanctions against pathogens that pollute the human environment. The most well-known forms of preventive measures are (Popović, 1989):

legal prohibition of activities that may endanger the environment if such activities are not accompanied by adequate protective measures,

establishing standards for activities that may be detrimental to the ecological balance standards that regulate: (design, construction and equipment of industrial plants and machines, production methods, storage and distribution, types, scope, quality and content of fuels and raw materials measures to prevent or reduce waste that affects environmental pollution, including destruction measures, disposal and application of waste, etc,).

Prohibition of performing certain activities, potential environmental destabilizers until a certain approval of a state body is obtained. Although the adoption of certain legal norms aimed at preserving the ecological balance concerns primarily the internal law of each country, the fact is that more and more conventions on environmental protection are being adopted worldwide. Economic instruments are programmed to exploit the natural potential. Instruments can be called economic only if their application conditions the assessment of the costs and benefits of alternative actions of economic actors and on that basis the choice of such alternatives that provide the desired situation within the environment.

ACTIVITIES OF PRIVATE COMPANIES IN PRESERVING ECOLOGICAL BALANCE

Businesses and other economic entities must respect environmental standards by incorporating a component of expenditures based on environmental requirements into the structure of total costs. At the same time, it is often not possible to consider the criteria of economic efficiency without environmental criteria (Pokranjac, 1994). The activities of private companies in preserving the ecological balance in all market economies took place in two basic directions:

- in the direction of limiting investments that have a negative impact on the environment, as well as on stimulating those processes that represent environmentally friendly production and
- in the direction of increasing the share related to environmental protection in the structure of total expenditures for research and development of companies.

This business behavior was not only influenced by punitive measures of state bodies, but he also learned that the natural environment is no longer able to absorb all those wastes that were inevitable companions of many processes of classical industrialization. In addition, increasingly rigid environmental requirements have begun to manifest themselves in international competition. The increased interest in the greening of production can also be explained by the fact that the growing scientific-technological and financial power of certain monopolies has enabled the allocation of part of the profit for environmental goals without introducing any serious distortions into the mechanism of profitable business. Moreover, in many cases, greening has grown into a factor in further increasing profits. However, the overall activity of private companies in

preventing environmental catastrophe cannot be assessed as satisfactory. Such an assessment can be confirmed by the indicator of the movement of state expenditures for research and development, which refers exclusively to the issue of ecology.

CONCLUSIONS

The issue of ecology is par excellence of a developmental nature. By incorporating the environmental component into the overall policy of economic development, economic theory and policy have gained many times over in their complexity. This is primarily due to the fact that the issue of ecology is extremely dynamic. Adding to that statement the claim that modern development includes material, but also many intangible contents, it follows that the complexity of the analysis of the ecological component within the development issues emphasizes the changing character of the value system. Environmental problems, which characterize modern economic development, are becoming an extremely complex category that includes climate change, the ozone layer, air pollution, deforestation, soil loss and desertification, biodiversity conservation, protection of the seas and oceans, as well as the rational use and development of their living resources, protection of lakes and rivers, waste management, especially harmful waste, delayed management of toxic chemicals and other developmental, and wider, social problems. Issues of greening and development of harmless technologies and full utilization of raw materials are very complex. The solution to the ecological crisis in the next few decades will take place, above all, with investments for the preservation of the environment and the processing of secondary raw materials. The framework of economic development, ie the level of economic development of a certain economic system, is defined through the analysis of the growth of material production and national income, with simultaneous structural changes and changes in the functioning of a given economy on a general, upward path. It is the unity of movement and development, that is, the most general form of movement and development of the economy. Every movement of the system is related to the simultaneous numerous changes, ie. for development. These changes are both quantitative and qualitative, meaning an increase in all elements of the economy (although not in the same proportion), and their change under the influence of scientific and technical progress, and changes in the social and natural environment - the environment. the epoch of the third technological revolution, implies the treatment of the phenomenon of economic development in all its ambivalence, i.e. studying development as a normative, multidimensional, unique and coherent process. The experience so far irrefutably confirms the fact that the very concept of ecological crisis is closely connected with development, especially with scientific and technical progress. Very often, the process of introducing many new technologies has had an extremely negative effect on the environment.

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