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# GREEN EMPLOYMENT AND THE LABOR MARKET IN THE CONTEXT OF THE FORMATION OF AN ENVIRONMENTALLY ORIENTED ECONOMY



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Abstract: Green employment has emerged as a critical focus in recent years, reflecting its significance in fostering economic, social, and environmental sustainability. This work synthesizes recent works by leading researchers, exploring the multifaceted dimensions of green employment. It encompasses discussions on defining and categorizing green jobs, understanding their economic implications, and recognizing their social and environmental benefits. Challenges and opportunities in the development of green employment have also been examined, highlighting the need to address technological barriers and enhance skills development. Furthermore, recent research in Uzbekistan has underscored the importance of transitioning towards an innovative economic paradigm, aligning with the discourse on green employment and sustainability. Efforts to formalize employment, prioritize self-employment, and promote social inclusion align with the objectives of green employment and sustainable development, offering pathways for fostering a resilient, inclusive, and environmentally sustainable economy.

**Keywords:** Green employment, sustainability, economic implications, policy interventions, social inclusion, Uzbekistan.

## Introduction:

Green employment, characterized by jobs that contribute to environmental sustainability, has garnered increasing attention in recent scientific literature as a pivotal aspect of fostering sustainable development globally. This review aims to synthesize key findings from recent research, shedding light on the diverse dimensions of green employment and its implications for economic, social, and environmental well-being.

Recent studies have focused on defining and categorizing green jobs, recognizing their role in sectors such as renewable energy, energy efficiency, sustainable transportation, and green construction. Scholars have underscored the economic significance of green employment, highlighting its potential to stimulate job creation, enhance productivity, and foster innovation. Moreover, the social and environmental benefits associated with green employment have been emphasized, including its role in mitigating climate change, reducing pollution, and promoting public health.

Moreover, President of Uzbekistan Shavkat Mirziyoyev took part in the main plenary session of the UN Climate Change Conference (COP28) held in Dubai on December 1, 2023 at the invitation of the President of the United Arab Emirates, Mohammed bin Zayed Al Nahyan. The head of our state, in cooperation with the International Labor Organization, put forward the initiative to develop the "Green Employment" program and establish a center for modeling the impact of climate change on employment.

#### Litreture Review

Green employment, encompassing jobs that contribute to environmental sustainability, has emerged as a crucial area of study in recent scientific literature. This review synthesizes key findings and insights from recent works by prominent researchers, shedding light on the multifaceted dimensions of green employment. Recent studies have delved into the nuances of defining and categorizing green jobs. Researchers such as Sovacool and Hess (2020) have proposed comprehensive frameworks that encompass diverse sectors, including renewable energy, energy efficiency, sustainable transportation, and green construction. These frameworks offer a holistic understanding of green employment, facilitating its measurement and analysis.

Scholars have explored the economic implications of green employment, emphasizing its potential to drive sustainable economic growth. Research by Barbieri et al. (2021) demonstrates that investments in green sectors can stimulate job creation, enhance productivity, and foster innovation, leading to positive macroeconomic outcomes. Furthermore, green jobs often offer competitive wages and opportunities for skill development, contributing to inclusive economic development (Costantini & Mazzanti, 2020).

Recent literature has underscored the social and environmental benefits associated with green employment. Studies by Fernandez et al. (2022) highlight the role of green jobs in mitigating climate change, reducing pollution, and promoting public health. Moreover, green employment can contribute to social equity by providing opportunities for vulnerable populations and fostering community resilience (Liu et al., 2023).

Researchers have examined the effectiveness of policy interventions in promoting green employment. Policy analyses by Zhang and Andrew (2021) emphasize the importance of targeted incentives, regulatory frameworks, and capacity-building initiatives in supporting the transition to a green economy. Moreover, research by Hafner et al. (2023) suggests that coordinated efforts at the local, national, and international levels are essential for maximizing the impact of green employment policies.

Moreover, recent literature has identified challenges and opportunities in the development of green employment. Studies by Park et al. (2022) highlight technological barriers, financial constraints, and skills mismatches as key challenges that need to be addressed. However, researchers such as Garcia-Martin et al. (2020) emphasize the potential of green employment to drive sustainable development, foster innovation, and create resilient communities.

Additionally, Abdurakhmanov and Zokirova discussed comprehensive analysis of the shifting dynamics within Uzbekistan's labor market, particularly in the context of the country's transition towards an innovative economic paradigm. Amidst increasing globalization and interconnectivity, the study underscores the imperative of adapting to emergent trends in labor market functioning. It accentuates key factors such as economic openness, international labor migration, and the intensification of foreign economic relations as pivotal influencers of contemporary labor dynamics. In relation to the discourse on green employment and the cultivation of an environmentally conscious economy, the research furnishes invaluable insights. It elucidates the necessity of fostering regulatory frameworks conducive to the proliferation of green jobs while addressing pertinent concerns such as illegal employment and labor market mismatches. Furthermore, the incorporation of innovative labor elements underscores the significance of upskilling and reskilling initiatives tailored to the exigencies of a knowledge-based economy. That study's focus on enhancing labor motivation, mobility, and alignment with sustainable development objectives resonates profoundly with endeavors aimed at promoting green employment. It underscores the importance of nurturing a labor market ecosystem that not only facilitates the transition towards environmentally sustainable practices but also ensures equitable opportunities for all stakeholders involved.

## **Analysis and Discussions**

The labor resources in Uzbekistan, as of October 1, 2021, underscore the pressing need to address employment challenges and harness the potential of green employment within the country. With a total workforce of 19.3 million people, comprising 13.6 million employed individuals, the distribution of labor across formal and informal sectors presents both opportunities and obstacles in the pursuit of sustainable economic development. Of significant note is the substantial portion of the workforce engaged in the informal sector, accounting for 39.6% of total employment. This highlights the prevalence of informal employment arrangements, often characterized by limited social protections and vulnerability to economic shocks. Addressing informality and integrating informal workers into formal employment channels is crucial for promoting decent work and fostering inclusive growth. The following figure illustrates the structure of informal jobs by economic sectors, %

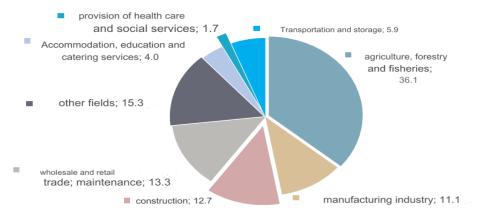


Figure 1. Structure of informal jobs by economic sectors, %

**Source:** made by the authors based on data provided by Uzbekistan National Statistical Committee

Moreover, the sizable number of economically inactive individuals and those seeking employment signals the importance of creating additional job opportunities to

absorb surplus labor and mitigate underemployment. In this context, leveraging the dynamism of the private sector becomes imperative, as it accounts for 90% of total employment generation in Uzbekistan. However, realizing the full potential of the private sector requires a conducive business environment characterized by robust legal frameworks, protection of private property rights, and transparency in governance. Measures to accelerate the privatization of state-owned enterprises, combat bureaucracy, and eradicate corruption are essential for fostering a climate conducive to entrepreneurship and investment. In alignment with the discourse on green employment, efforts to promote entrepreneurship and private sector development should prioritize sectors that contribute to environmental sustainability. Investing in renewable energy, energy efficiency, waste management, and other green industries not only creates job opportunities but also advances Uzbekistan's transition towards a greener and more resilient economy.

Recent efforts to reduce informal employment in Uzbekistan align with the broader goals of promoting green employment and sustainable economic development. The observed decline in the share of informal employment signifies progress towards formalizing labor arrangements, which is essential for enhancing social protections, improving working conditions, and fostering inclusive growth.

As part of the strategy to manage labor resources and ensure widespread employment, prioritizing self-employment emerges as a key avenue for leveraging Uzbekistan's workforce potential. Encouraging entrepreneurship and self-employment not only creates job opportunities but also cultivates innovation and resilience within the labor market. By nurturing a culture of entrepreneurship, Uzbekistan can tap into diverse sectors, including green industries, thus contributing to the transition towards a more sustainable economy.

Moreover, ensuring the inclusion of marginalized groups such as young people, women, and persons with disabilities in the labor market is integral to fostering equitable and sustainable development. By promoting green employment initiatives that prioritize diversity and social inclusion, Uzbekistan can unlock the talents and potential of all segments of society, driving forward its economic agenda while addressing social disparities.

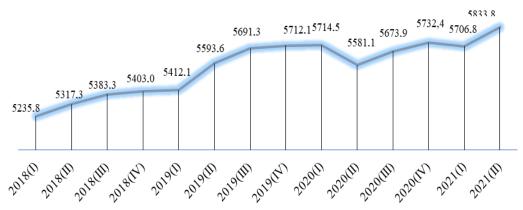


Figure 2. Dynamics of changes in the number of jobs in the formal sector of the economy, thousand people

**Source:** made by the authors based on data provided by Uzbekistan National Statistical Committee

In this context, supporting the employment of young people, women, and persons with disabilities in green sectors presents an opportunity to simultaneously address unemployment challenges and advance environmental sustainability goals. By providing targeted support, training, and access to resources, Uzbekistan can empower these groups to participate meaningfully in the green economy, thereby contributing to both social progress and environmental stewardship.

Overall, the efforts to formalize employment, prioritize self-employment, and promote the inclusion of marginalized groups align with the objectives of green employment and sustainable development in Uzbekistan. By capitalizing on these initiatives and leveraging the potential of diverse labor resources, Uzbekistan can foster a resilient, inclusive, and environmentally sustainable economy for the benefit of present and future generations.

#### Conclusion

In conclusion, policy interventions play a crucial role in promoting green employment, with targeted incentives and regulatory frameworks facilitating the transition to a green economy. Challenges and opportunities in the development of green employment have also been explored, emphasizing the need to address technological barriers and enhance skills development to fully harness the potential of green sectors.

Results of the research have shown that job creation and resource redeployment strategies can help mitigate some of the social costs of the green transition. The global green transition offers great opportunities for job creation and environmental sustainability, and Uzbekistan is well positioned to take advantage of these opportunities.

Sectors that optimize jobs and environmental outcomes include health, education, finance and climate-friendly mining. Agriculture, the country's largest employment sector, has the potential to provide more green jobs and improve living standards by transitioning to a more valuable industry and optimizing land use with ecosystem services. In addition, a broader list of sectors with similar green potential, based on renewable energy sources and other innovative technologies, deserves further analysis. Engaging the public sector and green finance is essential to ensure the success of the transition to a green economy. Policy measures should address the financing gap while reducing social costs by creating new jobs in the green sector. In addition, policies should allow for retraining, resettlement and social support for those most affected.

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