
The impact of government environmental protection policy on CO₂ emissions

Elena A. Trofimova, Cand. of Sci. (Econ.)

<https://orcid.org/0000-0002-6946-5098>; SPIN-code (RSCI): 4849-9349

e-mail: elena.Trofimova@urfu.ru

Evgeniya V. Lapteva, Master's Student

<https://orcid.org/0000-0002-1128-7700>

e-mail: evlapteva@edu.hse.ru

Nikita R. Muzafarov, Master's Student

e-mail: nrmuzafarov@edu.hse.ru

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Abstract

The subject/topic. The article examines and evaluates the parameters of state policy aimed at regulating the state of the environment for different groups of countries. **Goals/Objectives.** The aim of the work is to study the impact of government policy measures on the volume of CO₂ emissions. **Methodology.** Authors studied and analyzed the trends in the state measures development in the field of environmental protection by groups of 30 developed and emerging countries for the period 2009-2018 and relevant scientific papers on the stated issues. In the empirical part of the study, models were built and evaluated to establish the relationship between CO₂ emissions and government spending on environmental protection, tax revenues from pollution, production of environmental services and a number of control variables. **The Results.** An N-shaped relationship between tax revenues from environmental pollution and CO₂ emissions was revealed, investments in environmental protection projects is significant for both groups of countries (they reduce emissions more strongly in developed economies), the hypothesis of the Kuznets Ecological Curve and the «pollution harbor» effect were confirmed for emerging countries. **Conclusions/significance.** Based on the results, authors formulated recommendations for improving environmental policy. **Application.** The empirical estimates of the environmental policy effectiveness parameters give the necessary information for sustainable control and management of pollution levels.

Keywords: CO₂ emissions, environmental protection, government ecological spending, government environmental policy, environmental Kuznets curve, «pollution harbor».

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About authors

Elena A. Trofimova, Candidate of Sci. (Econ.), Associate Professor, Department of Finance, Monetary Circulation and Credit, Ural Federal University named after the first President of Russia B.N. Yeltsin, Yekaterinburg.

Evgeniya V. Lapteva, Master's Student, Faculty of Economic Sciences, Program «Financial Markets and Financial Institutions», National Research University Higher School of Economics, Moscow

Nikita R. Muzafarov, Master's Student, Faculty of Economic Sciences, Program «Corporate Finance», National Research University Higher School of Economics, Moscow