

Review on Economic on Carbon Emission

Lili Wang¹, Jiemin Huang^{1,a*}

¹*Shenzhen Institute of Information Technology, Longgang, Shenzhen, China*

^a*57859579@qq.com*

^{*}*corresponding author*

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Abstract: Many scholars believe that human and economic factors have impact on carbon emission. This paper provides a review of the research in this area. There are mainly the following aspects: first, the influence of economic indicators on CO₂ has been widely studied by scholar; second, the EKC for CO₂ emissions, which is currently of great importance, is decreasing as institutional quality increases; Third, trade and tourism can also affect carbon emissions.

1. Introduction

In recent years, climate change and increase in environment pollution have attracted the interest. Since the study of Grossman (1991), the influence of economic indicators on CO₂ has been researched. The impact of GDP growth (Muhammad, 2019; Hanif, 2019; Kirikkaleli, 2020), trade (Essandoh, 2020; Wang, 2020), globalization (Leal, 2020), energy use (Dogan, 2020; Su, 2021c; Umar, 2021), renewable energy (Ali, 2020; Dong, 2020), FDI (Essandoh, 2020; Xie, 2020; Hanif, 2019), innovation (Kirikkaleli, 2020; Ganda, 2019), and financial development (Su, 2020; Umar, 2020) study it.

2. Review

2.1 Existing Research on Impact of Quality on Environment Sustainability Is Very Limited

Panayotou (1997) found that quality and law can reduce carbon dioxide emissions. Chang (2009) thought that if government agencies imply environment rules, environment quality will be improved. Yandle et al. (2004), the quality of bureaucracy, governance strengthened the role of trade in promoting growth. Thus, if institution quality can increase environment effects of trade, then institution change could provide both environment and economy benefit. Olson (1996) found that government play an important role in promoting cooperation. Thus, the rule of law is element in solving problems. Rule of law is important for enforcing CO₂ management. If efficiency

weaknesses occur, firms could be persuaded to ignore the CO₂ management while avoiding environment externalities (Su, 2021b; Welsch, 2004). As quality of institutions improves, the EKC of CO₂ emissions is declining (Ibrahim, 2016). In addition, Pellegrini, Gerlagh (2006) found that democracy has less impact on environment policy, while corruption is a force. Al-Mulali and Ozturk (2015), there is a link between stability and environment. Despite studies on carbon emission. Studies have ignored politic risk. This situation often increases the politic pressure on policy makers.

2.2 Tourism Plays an Important Role in Developing Tourism

Tourism plays a role in global tourism, developing the world economy (Brida, 2015; Balsalobre, 2020; Leita, Lorente, 2020). The expansion of the air transport contributed to the development of tourism. Before the emergence of COVID-19 pandemic, global tourism was expected to grow more than 44 million visitors per year to reach nearly 2 billion visitors by 2030, which would be seven times the number of visitors recorded in the 1970. Therefore, the impact of air transport on the economy of the tourism host countries, and the growth of tourism sector could be expected to occur (Khan, 1990; Brida, 2008, 2009, 2009; Balsalobre, 2020). Thus, the economies of these countries can also be considered to grow. However, although air transport industry exerts such economic impact, it brings environment pollution problems to the host country (Stabler, 2010; Balsalobre, 2020). It is thought that long term development of air transport industry may reduce the environment and that the spiritual pollution caused by these industries may become environment friendly. The favor environment outcome associated with development of air transport which offsets the environment damaging effect of tourism (Adedoyin, 2020a). It is vital to assess the link between air transport, and CO₂ emission.

2.3 The Econometric Analysis Is Carried Out

This research is from the point of view of achieving the goal of European Union states committed to achieving carbon neutrality by 2050. In addition, these countries have committed to reducing their greenhouse gas emission, co₂ (Murshed, 2021; Murshed, 2021). The reason for the intensification of co₂ emissions is that European countries rely on fossil fuel. Thus, maintaining carbon neutrality agenda enters the awareness that it is related for these to reduce fossil fuel use. Since European tourism is also identified as factor contributing to CO₂ emission figures in European, it's vital for the countries to transform their air transport in a green way. The study is expected to advance the cause and help the select EU5 countries to achieve carbon neutrality. The econometric analysis is carried out the EKC hypothesis (Balsalobre, 2020). The EKC framework acknowledge links between growth and environment degradation by including forces to enrich result (Alola, 2021; Khan, 2021; Le, Ozturk, 2020; Nathaniel, 2021). This study finds the impact of energy innovation (Alvarez, 2017) and renewable energy promotion (Sinha, 2017) . This paper also analyzes how foreign direct investment causes damage to environment, and makes a extrapolation of the pollution haven hypothesis (Balsalobre, 2019; Shahbaz, 2019; Guzel, 2020). This paper tests relationship of air transport and co₂ emission (Chang, 2012; we analyze the impact of air transport and fdi in flow on co₂ emission.

3. Conclusion

This paper provides a review of the research in this area. There are mainly the following aspects: first, the influence of economic indicator on CO₂ has been widely studied by scholar; second, the

EKC for CO₂ emissions, which is currently of great importance, is decreasing as institutional quality increases; Third, trade and tourism can also affect carbon emissions.

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Data Availability

Data sharing is not applicable to this article as no new data were created or analysed in this study.

Conflict of Interest

The author states that this article has no conflict of interest.

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