



Does Climate Change Risk and Environmental Quality Influence Macroeconomic Entrepreneurship

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Abstract

The critiques on modernism have challenged the current set of rules of free market societies where demands are fulfilled without considering the adverse consequences of the environment. The business environment has yet to transform to explore modern innovative entrepreneurial solutions to create harmony in the natural ecosystem. Recent studies have separately investigated the role of business growth in economic development and its negative influence on the global environment. This study analyzes global data by analyzing global data to develop a nonlinear relationship between climate change and entrepreneurship. Based on the disruptive innovation theory, we argue that economic activities cause a rise in CO₂ emissions and create opportunities for entrepreneurship. Data has been taken from 45 countries to analyze the impact of climate change on entrepreneurship. The results show a nonlinear relationship exists between climate change and entrepreneurship at the global level. Policy developments are required for a sustainable environment through entrepreneurship.

Keywords: *Quadratic Effects; New Business Density; Innovation; CO₂ Emissions*



Introduction

In the global world, high-quality technological developments are the most desired for sustainable and economic developments (Kwatra, Kumar, & Sharma, 2020) as it develops a sustainable ecosystem, especially in developing economies, for people to live happy lives. Policymakers have shifted their focus to entrepreneurship activities that consider playing an important and necessary role in socioeconomic development (Gu, Wang, Hua, & Liu, 2021; Pacheco, Dean, & Payne, 2010). However, recent progress in entrepreneurship has ready to explore its dimensions to explore business opportunities that create environmental sustainability. In this regard, these entrepreneurs are important players in our societies (Patzelt & Shepherd, 2011), and their activities are the major factors for development as they regulate business activities by planning innovative solutions (Parrish, 2010). These entrepreneurs focus on value-based growth that brings sustainability and economic prosperity (Tilley & Young, 2009). There are multiple indicators in the research to measure entrepreneurship with its significance. Many researchers have agreed to look at entrepreneurship as innovation and sustainability (Gu, Qian, & Lu, 2018).

Since the advent of industrialization and recent technological and industrial development, climate change has become a global issue which is a major challenge for sustainable development (Destek & Sarkodie, 2019). The world has developed economically by promoting industrialization and urbanization (Dong, Hochman, Zhang, Sun, Li, & Liao, 2018a). However, a recent shift has been witnessed from product-dominant logic to service-dominant logic, transforming toward the service sector from industrial sectors and also upgrading environmental regulations, technology, and the structure of economies (Destek & Sarkodie, 2019). Many natural resources have been used for economic development, negatively affecting the environment (Wu, 2017). In both developed and developing countries, natural resources have been used in an unsustainable way which causes numerous problems such as deforestation, shortage of water, and climate change which affects the environment. Though developments have promoted many environmental issues at the global level, the major is CO₂ emissions (Dong, Sun, & Hochman, 2017).

Economic developments should balance environmental sustainability and climate change. Economic development promotes industrialization resulting in agricultural growth and reducing natural resources (Sarkodie, 2018). Also, the increased consumption of natural resources affects the environment through agriculture, deforestation, and mining. Government and policymakers



should understand the association between natural resources, economic development, and CO₂ emissions (Baloch, Mahmood, & Zhang, 2019). Literature has been focused on the effect of natural resources on economic growth, but there is still a gap in the research on consumption and CO₂ emissions (Balsalobre-Lorente, Shahbaz, Roubaud, & Farhani, 2018).

As per this agreement, it is required to raise the temperature of the pre-industrial level below 2 degrees Celsius (°C) for the long term. The facts that do not allow any action to limit climate change are the advantages and benefits for the long term, but the cost of that future benefits are facing today. Those responsible for climate change will not suffer from its consequences (Stern & Stern, 2007). All of the countries look for short-term and current benefits as if even actions taken against climate change have benefits for the long term, the short-term cost associated with the employment and GDP does not allow the actions for climate change (Brekke & Johansson-Stenman, 2008).

The current disequilibrium state could be addressed by implementing modern energy-based technological solutions that help towards sustainable communities with low carbon emissions. To increase nationwide competitiveness, many countries worldwide, including South Korea, China, and European countries, consider the policies for clean energy as strategies (Hongtao, 2013). Economies currently plan on using fewer resources and developing green technologies to promote sustainable development. Sustainable development aims to fulfill the needs of the current time without affecting future needs (Bruntland Report, 1987). Transferring towards the green economy to support sustainable development requires strategic policies which should be developed by considering human health, climate change, environmental protection, and economic development (Aceleanu, 2015). In this sense, policymakers need a holistic framework that, at the macro level, provides infrastructure, policies, and a social environment for green practices, along with an entrepreneurial ambition to exert all efforts to adjust innovatively at the micro level to achieve sustainability in the region. So, this research aims to study the nonlinear relationship between climate change, focusing on CO₂ emissions and entrepreneurship by analyzing the global data from numerous countries promoting economic development.

This study aims to highlight the nonlinear relationship between climate change and entrepreneurship. There are multiple research studies conducted to evaluate the relationship between climate change and innovations (Hakimi & Inglesi-Lotz, 2020; Martinez-Fernandez,



Hinojosa, & Miranda, 2010; Nwankwo, Ukhurebor, & Aigbe, 2020; Stoyanova, 2017), and entrepreneurship for sustainable development (Dhahri & Omri, 2018; Horne, Recker, Michelfelder, Jay, & Kratzer, 2020; Nakamura, 2019, 2020; Nakamura & Managi, 2020; Youssef, Boubaker, & Omri, 2018) but this is the first empirical study to analyze the nonlinear relationship between climate change and entrepreneurship by collecting data from different countries and evaluating the relationship effects in different regions and countries. Our study claims that economic activities raise CO₂ emissions in the countries but also increase entrepreneurship opportunities. Like a complex adaptive system, economic development follows mechanistic procedures of increasing growth, and at the same time, positive feedback creates a shadow economy in the form of global warming. Therefore many regions have foreseen the edge of chaos situation, and now they are focusing on economic activities, making more business investments, and focusing on the growth of infrastructure, developing more innovations and entrepreneurship. Increasing business and economic activities can raise CO₂ emissions but also increase entrepreneurship, which should not be neglected. In this regard, recently digital technologies have played an important role in shifting the focus of organizations to designing new innovative eco-friendly sustainable products. However, the productivity of entrepreneurship does not solely determine economic activities but it requires an entrepreneurial ecosystem where organizations and policymakers interact with contextual factors to deliver eco-friendly products to large segment of society such as sustainable farming, green supply chain management of food, electric vehicles, energy management systems, and digital health platforms. By analyzing empirical data collected from multiple countries, our study claims the increase of entrepreneurship through economic activities and climate changes.

Objectives of the study

The contribution of this paper is the policy implications at regional and global levels by providing the impacts of climate change on entrepreneurship. Previous studies have narrowly focused on small geographical locations, while this study analyzed the nonlinear relationship to theoretically validate the relationship between climate change and entrepreneurship by collecting data from numerous countries. This research study contributes to the literature by addressing this gap and addressing how climate change affects technological innovations and promotes entrepreneurship in different countries (Embry, Jones, & York, 2019).



The results from the panel data analysis pointed out that climate change risks are quadratically affecting multidimensional entrepreneurship. At low levels of climate change risk, it works as a positive motivator of disruptive technology and social entrepreneurship, while at high levels, it increases the cost of doing business, which demotivates the entrepreneurs.

This study helps organizations and government policymakers to develop strategies that follow a systematic plan of promoting local entrepreneurial activities with strict control systems to protect the environment at a local and global level which minimizes the harmful impacts of climate change and promotes entrepreneurial competencies and skills to tackle the impacts of climate change or CO₂ emissions.

Literature Review

Economic Development: Climate Change and Entrepreneurship

To fulfill the needs of energy and productivity demands, economies depend on greenhouse gases and CO₂ emissions (IPCC, 2013, 2018; Steffen et al., 2015). Greenhouse gases and CO₂ emissions are rising rapidly. According to the World Bank World Development Indicators database and S. IEA (2017), greenhouse gasses are increasing fastly, and the total increase in greenhouse gasses is 54 from 39 gigatons. Greenhouse gases are rising above the earth's capacity, which is the main reason for climate change (IPCC, 2013).

To reduce the climate effects and protect the environment, it is necessary to reduce the carbon emissions from economic activities (Ward et al., 2016). The basic source of greenhouse gasses is energy utilization (IPCC, 2014b, 2018). To develop a protected environment, energy should be used efficiently in economic activities, and energy can not limit greenhouse gasses. The effects of CO₂ emissions and greenhouse gasses has been admitted by national contributions made by the signatories of the Paris Agreement (IRENA, 2017; UNEP, 2017) and other agencies to advise the specific measure taken by the energy sectors (DDPP, 2015; IEA, 2015; IPCC, 2014b).

International Energy Agency (IEA, 2015) presented a way to transfer toward renewable energy sources and increase energy efficiency. IEA presented a 2-degree path that will lead global warming to 6 °C at the global level, and it proposed that it can reduce 55% of global warming from electricity created from coal, 26% reduction of global warming from electricity created



from natural gas, and 13% reduction of global warming of electricity created from oil. The 2-degree path also presented a proposed increase in the electricity produced from renewable sources, including wind 75%, geothermal 75%, nuclear energy 46%, solar systems 59%, and hydropower 16% globally. It also proposed reducing total electricity by 9% by increasing energy efficiency. It is also being admitted that focusing on climate change can reduce greenhouse gasses by 50% globally by 2050, more specifically in developed countries (Stern & Stern, 2007).

Traditionally, the economic development framework describes a tradeoff between environmental sustainability and economic opportunities (Portney, 2003). Economic development is negatively affecting the environment and protecting the environment. Emerging economic development is the green economic development that assimilates the association between environmental protection and economic development. As per the theory of environmental economics, the Pareto-superior result can be attained by adopting the other effects of economic activities (Stavins, 2001).

Eco-innovation is the way for organizations and other industries to become efficient and improve their effects on the environment. As per OECD (2009a), innovation is the process of improved processes, products or services, new organizational methods, and organizational internal or external relationships. Eco-innovation is the same as other innovations, but it is quite different in two aspects as it is the innovation that focuses on the environment and its consequences impact the environment, and its focus is not only on the improvements of the organization but also on improving the sociocultural norms, environmental improvements, and institutional structures (OECD, 2009a).

Disruptive Innovation Theory

The concept of disruptive innovation was first presented by Bower (1995) and later refined by Christensen (1997) by presenting “Innovator’s Dilemma” and asking why big organizations suffer from market myopia and newcomer firms overtake them by developing new and disruptive technologies. Disruptive technologies are used to improve existing current products to enhance the value of the products in the market (Christensen, 1997). Disruptive innovations theory poster that disruptive technologies are those, which are improved existing technologies, but they have different qualities that the customers already value. Technologies that initially



failed to perform with sustainable qualities become disruptive when they meet the performance of sustaining innovations with the qualities the customer value. At this stage, the current technologies become displaced, failing most organizations. Christensen (1997) presented an example of the hard disk drive industry's evolution between the times of 1976 to 1992.

Disruptive innovation theory explains changes and how new technologies enter the established market. Disruptive innovation theory results when most customers transfer towards new disruptive technological products that have captured market share in the existing markets. So based on the disruptive innovation theory, our study analyzed that as climate changes increase, CO₂ emissions increase in the environment, which compels organizations and economies to transfer their production and manufacturing systems towards innovative technologies which foster entrepreneurship.

Schumpeter (1947) explains that in economic development, the meaning of creative activities is to combine the current products into new ways called entrepreneurial activity, so we can say that entrepreneurship is essential for economic development. Entrepreneurial activities are the backbone of economic development and should be considered a major production element as land, capital, and labour are considered. By using the Global Entrepreneurship Monitor (GEM) data, Galindo (2014) developed multiple models to examine and compare the association between innovation, entrepreneurship, and economic development. Urbano (2016) examined the impacts of entrepreneurship capital types on economic development by using the function of Cobb–Douglas production. Entrepreneurship is necessary for economic development through social entrepreneurship and technological innovation, and society needs to pay attention to it. Bosma (2012), stated that “necessity-motivated” entrepreneurship is initiated by individuals left with no other options for employment or work, and their objective is to acquire new opportunities by developing social entrepreneurship, which is called opportunity-driven entrepreneurship and technological innovation.

Entrepreneurship can also be an outcome of the intentions of people to provide nature-based solutions, which comes under social entrepreneurship in response to the prevailing climate change (Kooijman et al., 2021). Sustainability-oriented firms initiate innovative and entrepreneurial ventures to attract customers by introducing sustainable lifestyles in response to climate change (Arslan et al., 2021). Riedy (2022) introduced the term discursive



entrepreneurship and explored the role of entrepreneurship in transforming business practices for posterity. Ray and Shaw (2022) and Speckemeier and Tsivrikos (2022) added similar discussion in the context of technology and green entrepreneurship in addressing prevailing climate change.

Sustainable Development: Climate Change and Entrepreneurship

With economic development, numerous environmental problems are rising. Economic development and environmental problems work together, which affects the countries' sustainability. Several studies have described the environmental Kuznets curve, including (Al-Mulali, Saboori, & Ozturk, 2015; Arouri, Youssef, M'henni, & Rault, 2012; Heerink, 2001; Jaunky, 2011; Kiliç & Balan, 2018; Magnani, 2000; Torras & Boyce, 1998; Yang, Sun, Wang, & Li, 2015). But there is still a need for research on the sustainability of the environmental concerns and climate change consequences. Youssef et al. (2018) empirically studied Africa using a modified environmental Kuznets curve model. This study demonstrated that through entrepreneurship is favourable for sustainability and environmental quality, entrepreneurship also contributes to the environmental problems in informal businesses than the formal entrepreneurship. They also found a positive association between entrepreneurship and sustainable development if there is a higher level of institutional quality and innovation. Dhahri and Omri (2018) conducted a study on developing countries and found that the capabilities of entrepreneurship activities promote economic growth and improve environmental quality and social settings. They also found that entrepreneurship contributes to economic and social development in developing economies. Entrepreneurship is much needed to reduce climate changes or CO₂ emissions and promote sustainable development. So, on the basis of the literature, we develop and hypotheses as:

H1: There is a nonlinear relationship between climate change and entrepreneurship.

Methodology

This is a quantitative study based on a deductive approach. The population of the study is all the country and all time periods. This study selects the sample of secondary data in panel data form for 46 countries for the time period of 2008-2018. A total of 285 country-year observations are selected for panel data analysis. The data sources are mentioned in table 1.

Variables and data sources



Table 1 shows the variables which are used in the study. The first section shows the items used to form the index of macroeconomic entrepreneurship, while other variables are also mentioned in this table. The entrepreneurship indicators are proposed by (Martins, 2007) and previously used by (Sohail & Arshed, 2022).

Table 1

Construction of Variables

Variables (Symbols)	Definition	Source
Entrepreneurship (NBR)	New Business Registered Density	(WDI, 2021)
Innovation by Locals (PATR)	Patent Applications by Residents	(WDI, 2021)
Innovation by Foreigners (PATN)	Patent Applications by non-residents	(WDI, 2021)
Self Employment (SELT)	Self Employed as a percent of Total Employed	(WDI, 2021)
Tertiary Enrollment (TER)	Tertiary School Enrollment Gross	(WDI, 2021)
Employment in Services Sector (EMPS)	Employed labor in services sector as percent of total employed	(WDI, 2021)
Employment in Industry Sector (EMPI)	Employed labor in industry sector as percent of total employed	(WDI, 2021)
High Tech Exports (HTE)	High technology exports and a percent of total exports	(WDI, 2021)
R&D Spending by Firms (RND)	Percent of firms which spend on R&D	(WDI, 2021)
Technicians registered doing R&D (TRND)	Number of technicians who are engaged in doing R&D	(WDI, 2021)
Other Variables		
Climate Change Risk Index (CRIND)	Log of Climate Change Risk (High value = low risk)	(Eckstein, Kunzel, Schafer, & Wings, 2019)
Environmental Quality (CO2)	Log of CO2 Emission	(Statistics, 2022)
Institutional Quality (INST)	Institutional Quality Index	(WEF, 2021)
Economic Activity (GDP)	Log of Gross Domestic Product	(WDI, 2021)

Methods

The analysis of the study is conducted in two stages. In first stage the factor analysis method is used to constitute the index of entrepreneurship, thus reducing the number of items and collinearity while keeping most of the information (Hassan, Bukhari, & Arshed, 2020). Hameed, Arshed, Grant, Munir, and Aziz (2022) have used this method to form an index in an entrepreneurship study. While in the second stage, the Panel quantile regression is used to estimate the effect of climate change risk on entrepreneurship. The advantage of this panel data model is that it is robust to outliers in the data and can provide distribution-specific estimates (Jiang, Zhang, & Sun, 2020; Sardar & Rehman, 2022; Xie, Wu, & Wang, 2021).

Theoretical model



This study has availed the Kuznets curve hypothesis in tracing the quadratic effects of environmental quality on entrepreneurship. This study hypothesized that environmental quality changes nonlinearly influence the economy's entrepreneurial orientation. Increasing CO₂ emissions call for disruptive and green innovations welcomed by the masses. Past studies have assessed nonlinear behaviour using the quadratic specification of an independent variable (Haans, Pieters, & He, 2016). Equation 1 is the parameterized version for estimating and assessing climate-related determinants of entrepreneurship.

$$ENT_{it} = \alpha_0 + \alpha_1 CO2_{it} + \alpha_2 CO2_{it}^2 + \alpha_3 CRIND_{it} + \alpha_4 INST_{it} + \alpha_5 GDP_{it} + \varepsilon_{it} - (1)$$

Results and Discussions

Table 2 discloses the descriptive statistics of the variables included in the study. In this table, the first 10 variables are the items for constructing the Entrepreneurship Index (ENTIND), while the remaining 4 are the control variables of the estimation model shown in equation 1. Here, NBR, PATR, HTE, and TRND have mean values smaller than the standard deviation, which means that these variables are over-dispersed, indicating that the selected countries are heterogeneous in terms of these variables. At the same time, other variables are under-dispersed, showing homogenous patterns across countries. Further, the skewness and kurtosis values are not nearing 0 and 3, respectively, this indicates that the data is not normally distributed. This rules out standard OLS-based regression models for inference.

Table 2
 Descriptive Statistics

Stat.	NBR	PATN	PATR	SELT	TE R	EM PS	EM PI	HT E	RN D	TRN D	LCRI ND	LC O2	INS T	LG DP
Mean	13.09	26125.2	56490.3	44.75	27.9	48.88	20.00	9.86	22.5	530.3	4.14	4.59	4.10	8.42
Sd	185.44	81378.4	195629.9	27.18	24.1	18.54	8.26	11.3	13.50	640.55	0.62	1.43	0.88	1.48
Sk.	20.26	4.85	4.80	0.24	0.96	-0.09	0.05	2.19	0.68	1.86	-0.59	0.15	0.60	0.09
Kurt.	422.06	31.16	29.89	1.75	3.15	2.02	2.92	9.58	3.01	6.51	2.52	3.09	2.37	2.06

Figure 1 shows the correlation matrix of included variables in the study. Here it can be seen that CO₂ positively and negatively correlated with several entrepreneurship indicators. CO₂ positively correlates with patents while negatively correlates with new business density.

Figure 1
 Correlation Matrix

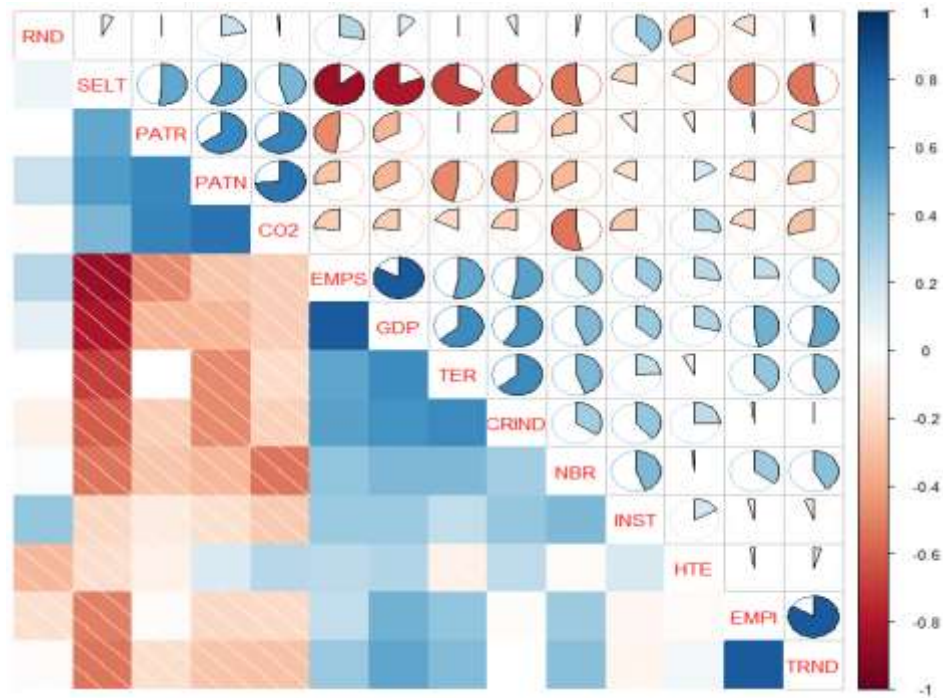


Table 3, 4, and 5 show the statistics of entrepreneurship index construction. Starting with KMO and Bartlett’s test in table 3, they indicate that the variables are not independent, so the index will be optimal in reducing the multicollinearity.

Table 3

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.418
Bartlett's Test of Sphericity	Approx. Chi-Square	263.344
	df	45
	Sig.	0.000

Further, table 4 provides the explaining power of the index against the 10 items used to make it. Here in extraction sum square loadings, it is shown that the constructed index explains 28.19% of the variation, which the 10 items could explain jointly. Hence this index has reduced the dimensions/complexity in the model by 90%.



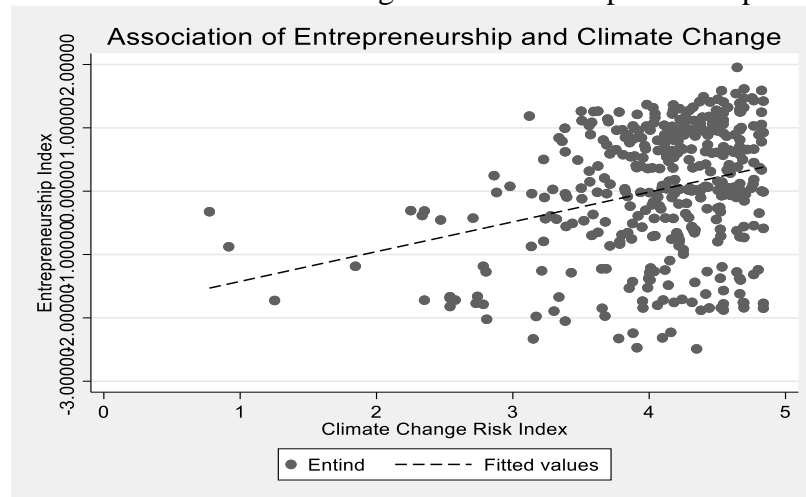
Table 4
Total Variance Explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.265	32.646	32.646	2.820	28.198	28.198
2	1.898	18.979	51.625			
3	1.601	16.007	67.632			
4	0.984	9.837	77.469			
5	0.699	6.988	84.457			
6	0.598	5.979	90.435			
7	0.399	3.993	94.428			
8	0.285	2.848	97.276			
9	0.240	2.399	99.675			
10	0.033	0.325	100.000			

Extraction Method: Principal Axis Factoring.

While linking the entrepreneurship index with independent variables, figure 2 shows a positive association between the increase in climate change risk value (decrease in risk) with entrepreneurship at the country level. This indicates that for the instances where countries are at low risk of climate change, there is a high incidence of entrepreneurship. Policymakers do not adhere to strict business policies in low risk of climate situation that indirectly signals to entrepreneurs to explore growth opportunities (Levie & Autio, 2011).

Figure 2
Scatter Plot of Climate Change Risk and Entrepreneurship



Further, figure 3 provides the association between CO2 emissions and the Entrepreneurship index, which is flattening with the increase in CO2 emissions. This points out that a low incidence of CO2 emissions is negatively associated with entrepreneurship, while a high incidence of CO2 has a weak negative association with entrepreneurship.

Figure 3
Scatter Plot of CO2 Emissions and Entrepreneurship

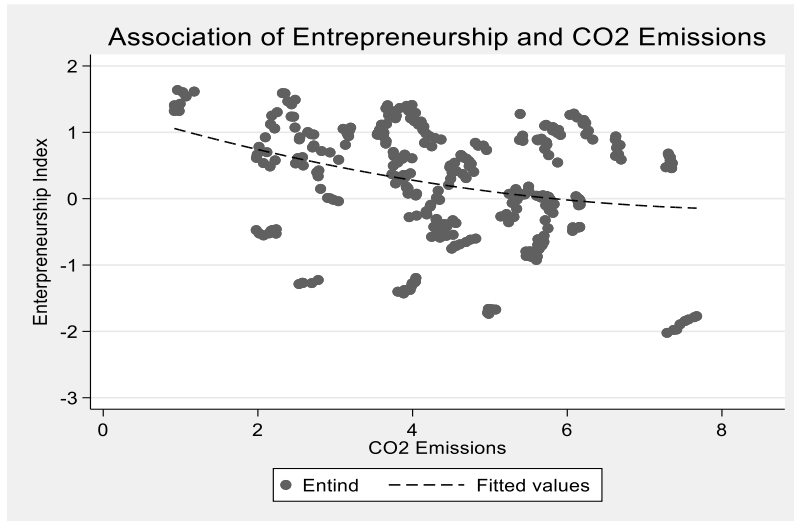


Table 5 provides the regression estimates of equation 1 using a sample of 286 country-time observations, including 45 countries. Here we can see an increase in the size of the economy (LGDP) by 1%, and there is a 1.13% increase in entrepreneurship at the median. This means that when the economy expands, it creates a demand gap or availability of goods, creating opportunities to start new businesses (Hameed et al., 2022). Entrepreneurship is the ultimate way to develop more opportunities as a result of economic activities. Wennekers, Van Stel, Carree, and Thurik (2010) evaluated the association between economic growth and entrepreneurial activities. As per capita GDP as an indicator of national wealth, they showed that while entrepreneurial activities are abrupt in both high- and low-GDP countries, they are slow in middle-income countries, resulting in a U-shaped curve. Through developing economic activities, technological innovations may promote entrepreneurship activities in countries with higher per capita GDP. Entrepreneurship is promoted through climate change as it compels us to use more renewable energy sources to eliminate the effects of climate change and to develop a



sustainable environment. More innovative activities are required to develop renewable energy, which is the ideal source of entrepreneurship development.

A 1% increase in the institution quality decreases entrepreneurship by 0.052 percent at the median. Arshed, Hanif, Aziz, and Croteau (2022) have discussed the over-regulation effect of institutions on innovation which may lead to a fall in entrepreneurship in the selected countries. When institutes are required to focus on quality, they will have to close their projects which may cause climate change, but by closing those projects, the opportunities for businesses will be eliminated, which will also cause the elimination of innovation.

Climate change could be neutralized by regularly mitigating environmental forces (Geneva, 2013). In pursuit of environmental adaptation and climate risk, societies transform with new schemas in the form of new products and services. Therefore, climate risk drives new business opportunities. A 1% decrease in climate risk (increase in LCRIND) leads to an increase in entrepreneurship by 0.007% at the median. If there is a lower climate risk, it helps increase the consistency and stability of plans (Wang et al., 2020).

Lastly, the level coefficient of CO₂ is positive, and the squared coefficient is negative, which shows that CO₂ has an inverted U-shaped effect on entrepreneurship which is also evident in figure 4. This shows that the deterioration of environmental quality disrupts businesses at low levels, which motivates new businesses at the start. But beyond a certain threshold of environmental degradation, it increases the cost of businesses which shrinks the rate at which new businesses are entering the market.

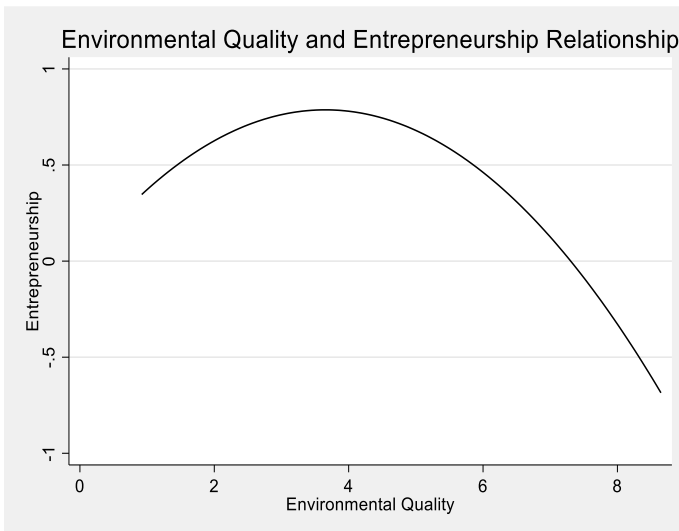
Table 5
Regression Estimates

Panel Quantile Regression – Dep Var. ENTIND		
Variables	Coefficients	Prob.
LCRIND	0.007	0.038
LCO ₂	0.431	0.088
LCO ₂ ²	-0.059	0.050
INST	-0.052	0.020
LGDP	1.133	0.000
Sample	286	



Countries	45	

Figure 4
Quadratic Fit Plot of CO2 and Entrepreneurship



Conclusion and Policy Implications

This study tested the nonlinear relationship between climate change and entrepreneurship using data from 45 countries. The idea here is that when economies develop, it also results in climate change and creates opportunities for development and innovation. The climate change results from economic activities create development opportunities, reduce poverty and raise nations' standards. For successful developments, there should be political and institutional measures and an integrated approach to developing the basic structural conditions necessary for economic development and entrepreneurship.

The findings of this study match the previous studies, and the results also accept our hypothesis. Traditionally, economic development was believed only to cause climate change and raise CO2 emissions. But if the countries invest more in economic activities, they will develop innovation. The major source of CO2 emissions is greenhouse gasses which should be eliminated by promoting renewable energy, which requires innovative methods. Policies should be developed



for a sustainable environment, and there should be a strong look after the economic activities that create CO₂ emissions. To eliminate CO₂ emissions and the use of greenhouse gases, strong steps should be taken through promoting entrepreneurship so the use of renewable energy will be improved to protect the environment.

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