Development economics and environmental sustainability

Semester: Spring semester 2024
Root Number: 455489
ECTS: 3
Lecturers: Patrick Tomberger and Jesús Crespo Cuaresma
Dates: February 21, 22, 23, 28 and 29, 2024

Audience:
- Master of Advanced Studies of International Law and Economics (MILE) Students – Compulsory
- Joint LL.M. / Diploma of Advanced Studies Trade and Investment Law (TRAIL+) Students - World Trade Institute / Faculty of Law, Unibe – Optional

Course description:
In this course, the students will receive a general introduction into development economics and environmental sustainability. The first part of the course will focus on specific topics in environmental economics and its linkages with economic development. The second part will focus on economic development and growth theories and link them to contemporary issues in development.

The topics we are going to cover include:

1. Economic Development
   - Cross-country income differences
   - Economic growth models
   - Human capital and technology
   - Growth and globalization

2. Development and environmental sustainability
   - Foundations in environmental economics
   - Policy instruments to internalize environmental externalities
   - The economics of climate change
   - Topics on trade and the environment
Grading will be based on short essays prepared by groups of students related to the topics discussed in class. Active participation in the course is required and the students are required to prepare the material discussed in the lectures in advance. For this, the required literature as well as the slides discussed in the lectures will be made available in ILIAS.

Lecturers

Patrick Tomberger

Patrick Tomberger is a post-doc researcher at the University of Innsbruck, Austria, and the World Trade Institute, Switzerland. Before he joined the University of Innsbruck, he worked from 2010 to 2015 as a pre-doc researcher at the University of Linz, Austria. After he obtained his PhD in Economics he moved as pre-doc researcher to the World Trade Institute located in Bern, Switzerland, and stayed there until 2022. He also holds Master degrees in Political Economy and Political Science from the University of Innsbruck. During his career, Patrick also worked as consultant for the World Bank and has been part of projects funded by the European Union and the Swiss National Science Foundation (SNSF). His main research interests are international trade, global value chains, input-output analysis and environmental economics. In those fields, he published in international peer-reviewed journals such as Applied Economics, Empirical Economics, The World Economy, Ecological Economics, Economics Letters and Environmental and Resource Economics.

Jesús Crespo Cuaresma

Jesús Crespo Cuaresma is Professor of Economics at the Vienna University of Economics and Business (WU), as well as Director of Economic Analysis at the Wittgenstein Centre for Demography and Global Human Capital (WIC) and Research Scholar at the International Institute of Applied Systems Analysis (IIASA). His research interests are in the fields of applied econometrics, macroeconomics, economic growth, human capital and economic policy. He has published extensively in renowned scientific journals such as Science, Proceedings of the National Academy of Sciences, Nature Communications, Nature Climate Change, Demography, European Economic Review or Journal of Applied Econometrics, just to name a few.
Learning objectives

Over the duration of the course, students will be introduced to and gain an understanding of a range of concepts, theories, and issues in development economics, environmental economics and trade policy, which they will be able to critically analyse and discuss.

Exam and Grades:

Patrick Tomberger (environment): take home assignment 50%. Instructions will be provided on Friday, February 23. The final projects are to be sent to masters@wti.org by March 06, 2024 at 23:59 CET.

Jesús Crespo Cuaresma (economic development) take home assessment 50%. Instructions will be provided on Friday March 1 at noon. Papers should be sent to masters@wti.org by Saturday March 10, 2024 at 23h59 (CET).

Course Overview

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<th>Class</th>
<th>Date</th>
<th>Day</th>
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<th>Topic</th>
<th>Lecturer</th>
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<tr>
<td>1</td>
<td>21.02.2024</td>
<td>Wednesday</td>
<td>14:00-17:00</td>
<td>3</td>
<td>Primer in env. economics 1</td>
<td>Patrick Tomberger</td>
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<td>2</td>
<td>22.02.2024</td>
<td>Thursday</td>
<td>10:00-12:00</td>
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<td>Primer in env. Economics 2</td>
<td>Patrick Tomberger</td>
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<td>13:00-15:00</td>
<td>2</td>
<td>The economics of climate change</td>
<td>Patrick Tomberger</td>
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<td>3</td>
<td>23.02.2024</td>
<td>Friday</td>
<td>10:00-13:00</td>
<td>3</td>
<td>Trade and the environment</td>
<td>Patrick Tomberger</td>
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<td>4</td>
<td>28.02.2024</td>
<td>Wednesday</td>
<td>14:00-17:00</td>
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<td>History and concepts of economic development</td>
<td>Jesús Crespo Cuaresma</td>
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<td>29.02.2024</td>
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<td>Economic growth models</td>
<td>Jesús Crespo Cuaresma</td>
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<td>6</td>
<td>29.02.2024</td>
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<td>3</td>
<td>Growth determinants and poverty</td>
<td>Jesús Crespo Cuaresma</td>
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Session 1 -2024

February 21, 2024

Lecturer: Patrick Tomberger

Subject

A primer in environmental economics 1: public goods, externalities, and discounting.

Topics

- The link of environmental and development economics
- Public goods
- Externalities
- Discounting

Compulsory Reading Material


Optional Reading Material

Session 2-2024

February 22, 2024

Lecturer: Patrick Tomberger

Subject

A primer in environmental economics 2: policy measures.

Topics

- Private responses
- Pigouvian tax
- Emission fees
- Cap and trade systems

Compulsory Reading Material


Optional Reading Material

Session 3-2024

February 22, 2024

Lecturer: Patrick Tomberger

Subject

The Economics of Climate Change.

Topics

- GHG emissions as global externality
- The bathtub analogy – risks and targets
- The costs of abatement
- The social costs of carbon
- Policy instruments and international economic policy

Compulsory Reading Material


Optional Reading Material

Session 4 – 2024

February 23, 2024

Lecturer: Patrick Tomberger

Subject

GHG emissions embodied in trade; tensions between the WTO framework and climate change policy.

Topics

- Trade and GHG footprints
- The pollution haven hypothesis
- Border tax adjustments

Compulsory Reading Material


Optional Reading Material

Session 5 – 2024
February 28, 2024

Lecturer: Jesús Crespo Cuaresma

Subject
History and concepts of economic development

Topics
- What is economic development?
- Social and economic indicators of development
- Cross-country income differences
- Sources of global inequalities

Compulsory Reading Material

Optional Reading Material
Session 6
February 29, 2024

Lecturer: Jesús Crespo Cuaresma

Subject
Economic growth models

Topics
- Working with growth rates
- Production functions
- Neoclassical (Solow) growth models
- Endogenous growth models

Compulsory Reading Material

Optional Reading Material
Session 7  
February 29, 2024

Lecturer: Jesús Crespo Cuaresma

Subject  
Growth determinants and poverty

Topics  
- Technical progress and productivity differences across countries  
- Human capital  
- Income distribution and political economy  
- Poverty

Compulsory Reading Material