Sustainable Development and Environment

Semester: Spring semester 2022

Root Number: 455489

ECTS: 3

Lecturers: Patrick Tomberger and Hugo Rojas-Romagosa. World Bank staff will be invited to present on one session.

Dates: March 2nd, 4th, 9th and 16th; April 6th, 13th, 27th; May 4th. Session for student presentations: May 11th.

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
- This course is not open to MILE a la Carte

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
   - Climate change and responsibility
   - GHG emissions embodied in trade
   - Border tax adjustments

Grading will be based on presentations and a seminar paper prepared by groups of students related to one of the topics discussed in the lectures. The presentations will take place at a special session to be conducted after the final lecture took place. Active participation in the course is required. Thus, 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 postdoc researcher at the World Trade Institute located in Bern, Switzerland. Before he joined the WTI, he worked as a predoc researcher at the University of Linz from 2010 to 2015 where he obtained a PhD in Economics. He also holds Master degrees in Political Economy and Political Science from the University of Innsbruck. He 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. 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 Letter and Environmental and Resource Economics.

Hugo Rojas-Romagosa
Hugo Rojas-Romagosa is a research economist at the World Bank. He worked as senior
fellow researcher at the World Trade Institute in Bern (2018-2020), as a senior researcher at the CPB Netherlands Bureau for Economic Policy analysis (2006-2018), and previously at the Central Bank of Costa Rica. He has been part of several EU-funded projects and has done consultancy work for many international and national organizations, including the World Bank, the Inter-American Development Bank, UNCTAD, UNDP, ECLAC, OECD, the Vienna Institute for International Economic Studies and INCAE Business School (Costa Rica). More recently he has done trade-policy consultancy work for the British and Swiss governments. He obtained his PhD in economics from the Erasmus University Rotterdam and holds a Master of Philosophy from the Tinbergen Institute in The Netherlands. His research interests include trade theory and trade policy, quantitative trade analysis CGE modelling and gravity estimations), FDI and trade in services, trade in value-added and global supply chains, globalization and labour markets, income distribution, human capital, international migration and economic development.

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 analyze and discuss.

Exam and Grades:

30% student presentation
60% term paper
10% participation in class

Course Overview
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<td>Wednesday</td>
<td>10:00-13:00</td>
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<td>Hugo Rojas-Romagosa</td>
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Session 1

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 2

Subject
Economic growth

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

Compulsory Reading Material

Optional Reading Material
Session 3

Subject
Growth determinants and poverty

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

Compulsory Reading Material

Optional Reading Material
Session 4

Subject

Growth in the open economy

Topics

- Globalization: trade, FDI, GVCs and debt
- Presentation by WB Staff

Compulsory Reading Material


Optional Reading Material

Session 5

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 6

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 7

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 8

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