

MOD. VI - ENVIRONMENTAL ECONOMICS, SUSTAINABLE DEVELOPMENT AND GOVERNANCE

Course Title: **Making the sustainability transition work – data, policies, behaviours**

Instructor: Alessio D’Amato, Associate Professor in Economic Policy, DISEG Department, University of Naples Parthenope, and SEEDS – email: alessio.damato@uniparthenope.it

Course Description:

1. The Economics of the Sustainability Transition

This part of the course aims at introducing students to the economic aspects related to the sustainability transition. In particular, relevant specific data will be presented on the status of Agenda 2030 implementation, and critical trade-offs, relevant for policy design, will be covered in details. Specific topics include:

- Identifying conflicts and complementarities across SDGs
- Identifying relevant policy design issues
- Data on SDGs and their achievement
- Policy related case studies of Agenda 2030 Targets in detail

2. Energy, air pollution and climate change

This part of the course will specifically address the economic analysis of energy and pollution problems, and will also address specific issues arising when addressing climate change-related policy development. The starting point will be the microeconomic assessment of determinants of existing energy mixes and the reason why we seem to be “trapped” in a highly CO₂-intensive mix. Further, state and “voluntary” corrective measures will be presented. Topics covered in this part will include:

- Introducing the economics of pollution control and policy design
- Energy systems and the sustainability transition
- The complexity of climate change interventions: a political economy perspective

3. The Law and economics of the Circular Economy

This part of the course will provide an introduction to the circular economy transition as well as a deeper analysis of the related policy tools and barriers, in a law and economics perspective:

- Introducing the circular economy
- Drivers and barriers
- What role for policy design?

4. Environmental Behaviours and their drivers

This part of the aims at providing refinements in relation to consumers’ environmental behaviors, focusing (also) on apparently counterintuitive observed patterns (e.g. consumers increasing their environmental impacts in reaction to a more stringent environmental regulation – so called “crowding out effect”). Topics covered include:

- Behavioral drivers: are we rational and selfish when we take decisions that matter for the environment?
- Bounded rationality; social norms; risk perception

Duration: 21 hours

Exam: Written take-home exam

Suggested Reading:

- EEA (2019). The sustainability transition in Europe in an age of demographic and technological change. EEA Report No 23/2019:
<https://www.eea.europa.eu/publications/sustainability-transition-in-europe>
- LEWIS L. and TIETENBERG T. Environmental and Natural Resource Economics, 10th Edition, 2014, Pearson Education. Chapters 2, 5, 7, 14, 16.

More detailed and additional references will be provided during lectures.