RegensburgEconNews

Newsletter 2019-13

CALENDAR:

Departmental Seminar

Michael Wyrwich (University of Jena):
Migration restrictions and long-term regional develop-ment: evidence from large-scale expulsions of Germans after World War II

Monday, June 17
16:30–18:00
H25

IOS Seminar

Mariola Pytlikova (CERGE-EI Prague):
Air Pollution and Migration - exploiting a natural experiment fro the Czech Republic

Tuesday, June 18
13:30–15:00
WiOS 109 (Landshuter Str. 4)

Lunch Seminar

Ted Loch-Temzelides (Rice University):
Energy and Climate: Robust Solutions Needed

Wednesday, June 19
12:00-13:30
VG 2.35

ABSTRACTS:

Departmental Seminar

Michael Wyrwich:

Migration restrictions and long-term regional develop-ment: evidence from large-scale expulsions of Germans after World War II

Abstract: This paper investigates the long-run impact of a migration barrier on regional development. The analysis is based on the large-scale expulsion of Germans from Central and Eastern Europe after World War II (WWII). Expellees were not allowed to resettle in the French occupation zone in the first years after the War while there was no such legislation in the other occupation zones (U.S.; U.K; Soviet Union). The temporary migration barrier had long-lasting consequences. In a nutshell, results of a Difference-in-Difference (DiD) analysis show that growth of population and population density were significantly lower even 60 years after the removal of the barrier if a region was part of the French occupation zone. There was a common trend in regional development before the migration barrier became effective. Further analyses suggest that this pattern is driven by different population dynamics in agglomerated areas. The paper discusses implications for spatial theory namely whether location fundamentals, agglomeration theories or both affect the spatial equilibrium under certain conditions.

IOS Seminar

Mariola Pytlikova:

Air Pollution and Migration - exploiting a natural experiment from the Czech Republic

Abstract: This paper examines causal effects of air pollution on migration flows by exploiting a natural experiment of rapid desulfurization of power plants in the region of Northern Bohemia in the Czech Republic in the years following the fall of communism in 1989. Our preliminary findings from a difference in differences estimator show a significant positive effect of sulfur dioxide concentrations on emigration. All the above results are validated in analyses using net immigration rates: we find negative effects of air pollution on net migration. The results are also supported by zero effects from placebo tests. Our preliminary results thus suggest that air pollution as measured by concentrations of sulphur dioxide (SO2) in the air pushes away people from the highly polluted areas. In the future, we would like to include analyses of heterogonous responses to air pollution by different characteristics of people, for instance by their educational attainment, by age and gender.

Lunch Seminar

Ted Loch-Temzelides:

Energy and Climate: Robust Solutions Needed

Abstract: The success of the Paris climate summit has generated a fair amount of excitement and captured the public's imagination regarding additional future climate actions. Despite recent challenges, there is renewed hope that more nations will join in coordinating action in the future. Indeed, such a turn of events might well be considered necessary. Climate change affects the entire planet and, by definition, it requires global, coordinated, and self-enforcing solutions. By now, it is all but certain that anthropogenic GHG have an important effect on the earth's climate. It is also virtually certain that the resulting climate change will adversely affect economic activity and wellbeing in several regions around the globe. As fossil fuel use contributes to GHG emissions, an important question concerns the optimal future path for the fossil fuel and the renewable energy mix, or, in other words, the optimal energy transition. There is an important trade-off that we need to consider. GHG emissions aside, fossil fuel have supplied us with a cost effective way to fuel economic growth that has met the planet's energy needs since the industrial revolution. While exciting ongoing technological innovations are constantly reducing

the costs of producing renewable energy, numerous innovations in fossil fuel extraction are also having a corresponding effect. Rigorous economic analysis is needed to balance the corresponding costs and benefits, and to prescribe the most desirable path among all available alternativesfor our planet's current and future energy mix. Given the novelty of the problem, the corresponding uncertainties reflect our incomplete knowledge about both climate science and the economic consequences of climate change. It is fair to say that our understanding of most economic effects of GHG emissions is, at best, incomplete. In such situations, it is reasonable to prescribe an extra level of caution. More precisely, instead of optimizing taking into consideration past averages, we might be better off identifying and focusing on reasonable worst-case scenarios.

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Wednesday, June 19 – 11 am

FAKULTÄT FÜR WIRTSCHAFTSWISSENSCHAFTEN

INSTITUT FÜR VOLKSWIRTSCHAFTSLEHRE UND ÖKONOMETRIE

Universitätsstraße 31 ▪ 93040 Regensburg

Newsletter-Redaktion: Martina Kraus-Pietsch
Telefon: +49 941 943-2710
Fax: +49 941 943-2734
E-Mail: econ.news@ur.de
Internet: www-economics.ur.de
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