

# EAO Sustainability Workshop Report

Xuepeng Liu, Coles College of Business

I had benefited a lot from the workshop by visiting the EAO and interacting with wonderful people including the hosts, invited speakers and our colleagues from KSU. As intended, this workshop has deepened my understanding of and engagement in broader topical policy debates and discussions occurring in the world today, and provided me with an additional foundation for bringing these themes back to KSU. The UN 2030 sustainable development goal of promoting prosperity while protecting the planet is an urgent call for all countries to take action as soon as possible. The host country, Germany, is one of the leaders of the global efforts on sustainable development. Against the backdrop of the U.S.'s withdraw from the Paris Agreement, the focus on sustainability and "Global Citizenship" of this workshop is timely.

My teaching and research focus on international trade and development economics. Many of the topics covered by this workshop are highly relevant to my research and teaching. The specific topics include but do not limit to the following: the roles of government/NOGs vs. market in sustainable development and environmental protection, global warming, trade and environment, technology, consumer behaviors, and educational challenges and opportunities. Below I list a few things I have learned from the workshop or what I plan to incorporate into my research and my teaching at KSU.

1. One thing I learned is that concerted and more proactive efforts are needed to enhance the global awareness of sustainable development and speed up this process of solving the related problems. As most of the economists, I believe that market-based solutions are usually more effective than alternative mechanisms in addressing many socio-economic issues. Even in the case of market failures such as many environmental and climate issues, policies should be aligned to market forces and incentives to be effective. These policies include but not limited to pollution taxes, subsidies to greener technologies, and tradable pollution permits. Much of work in the field of environmental economics is based on this guiding principle. I believe that there is still a lot to be done in these fields. As an economist, I feel obliged to learn and teach my students, and hopefully to contribute to this fields through scholarly work. The awareness of these urgent issues in sustainable development should be in the standard economics curriculum, including several courses I have been teaching at KSU (Principles of Microeconomics, International Trade and Investment, and especially Development Economics).

2. One of my main research areas is international trade and economic integration. I had visited or been working at the WTO, IMF and World Bank, but the trip to European Parliament during the workshop was the first time for me to visit an EU headquarter. The visit and the discussion of the European political structure helps me to obtain some first-hand experience and a deeper understanding of the EU and how they cope with many global and regional challenges. This also helps me to see how different approaches to globalization (bilateral, multilateral and plurilateral) interact with each other. On the one hand, for many truly global problems including global warming, countries need to work together and sometimes need to sign international agreements or even establish international organizations. On the other hand, the massive size of the governmental bodies and budgets of regional and international organizations shows that it is daunting task to achieve the goals when many countries are involved. I plan to develop a new chapter on related topics in my teaching of some courses such as International Trade and Finance, and Development Economics. I will continue to work on research topics on international agreements with a focus on trade and development and also evaluate the possibility of some new research projects analyzing the effects of trade on environment and sustainability and investigate how international collaboration should be properly designed to address new challenges.
  
3. Most of the speakers of this workshop did a very good job to stimulate discussions. I will incorporate some of the activities and games in my classes in the future when possible to make my classes more interactive and engaging.

Finally, I'd like to take this opportunity to mourn Harvard Professor Martin Weitzman - a pathfinder in environmental economics. He committed suicide on 8/27/2019. As reported by the New York Times (9/4/2019), "Colleagues said Professor Weitzman had grown increasingly despondent after being passed over for the Nobel Prize in economics last year and had left a note questioning whether he any longer had the mental acuity to contribute to his field." His analysis of the economics of climate change became known as the [Dismal Theorem](#). Here are two quotes from his coauthored book: "Most everything we know tells us climate change is bad." "Most everything we don't know tells us it's probably much worse." He basically suggested that we should prepare for the worst scenario even if the likelihood of catastrophic outcome is small. His death may reflect his own dismal view on how people today view climate change and environmental problems and how he can continue to make changes. I hope that our societies' ability to face the challenge of climate change will not die with him. The EAO workshop is one of the efforts of KSU in this endeavor.