

ICRR Seminar Series:

Professor David Stern







The Macro-Economic Impacts of Weather-Related Disasters and Climate Change

Disasters, such as floods or droughts, and climate change are short-term and long-term meteorological phenomena that are expected to have important economic effects. The measured effects of weather-related disasters on economic activity could be negative or positive depending on how the economy recovers from the disaster. Working with Xueting Jiang, I find that floods have a positive long-term effect on GDP in a panel of 179 countries, particularly in developing countries, while other types of disasters do not have statistically significant effects. Increased government expenditure is the main channel through which the positive effect manifests. Existing research shows that the estimated impact of climate change on GDP is model dependent, with some approaches better equipped than others to capture long-term effects and adaptation. I will present preliminary results applying the long differences estimator to a global country panel data set. This method should be particularly good at capturing long-run effects while avoiding pitfalls inherent in other popular models

Speaker Bio:

David Stern is a professor in the Arndt-Corden Department of Economics in the Crawford School of Public Policy at the Australian National University. David is an energy and environmental economist, whose research focuses mostly on the macroeconomics of energy, air pollution, and climate change. He also works on research assessment using meta-analysis and bibliometrics. David has published widely in economics and natural science journals including articles in *Nature* and the *Journal of Economic Literature*. He is co-editor in chief of the *Australian Journal of Agricultural and Resource Economics* and a Fellow of the Academy of Social Sciences in Australia. David was a lead author for the chapter on Drivers, Trends, and Mitigation in Working Group III's contribution to the IPCC's 5th Assessment Report and a review editor on the 6th Assessment Report.

-  19 June 2024
-  10:30am - 12:00pm
-  Climate Change Research Centre Seminar Room
-  Level 4, Mathews Building, UNSW Sydney