Economics of Natural Disasters

The seminar reviews recent research that aims to assess the economic consequences of natural disasters. Large-scale catastrophes such as earthquakes, floods, volcanic eruptions or pandemics have various microeconomic and macroeconomic consequences. For instance, because of infrastructure destruction, there may be negative effects on trade, income and (regional) economic growth. Natural disasters may also influence the risk preferences and behavior of individuals (as illustrated, for instance, by changes in fertility). While regions affected by natural disasters may need a long time to recover (if at all), regions may also benefit from solid economic growth due to strong reconstruction efforts. We also discuss recent literature on COVID-19.

Structure: The seminar will be conducted on a paper discussion basis. A typical session starts with a (25 minutes) presentation of a published paper. This presentation is followed by a (5 minutes) comment. Finally, there will be a class discussion.

Requirements: All participants have to prepare (each in German or English):
- a written review of a published paper (max. 25 pages) (40% of the grading),
- a presentation of the paper in the class (as if they were the author) (40%), and
- a comment on another paper (preparing slides is useful) (10%).

In addition, we expect that all seminar participants are familiar with the paper that is discussed; active class participation is part of your grade (10%). Of course, joining all sessions is mandatory.

Administrative details: The seminar will take place as a “Blockseminar” in Darmstadt probably in December 2020. Joining all sessions is mandatory. The latest submission of the written review is one month after presenting via email. One printed version has to be submitted within one week after email submission. Delayed submissions are not accepted. The number of participants is restricted to 20 students. For registered participants, we will give further instructions by e-mail and in a brief meeting taking place virtually on November 04 at 14:00 via Zoom (please contact us in case you have not received the participation link).

Contact: The best way to reach me is to send an email to nitsch@vwl.tu-darmstadt.de. If you have organizational questions, please contact Dr. Johannes Rode: rode@vwl.tu-darmstadt.de.
Literature:

The following list offers a selection of papers. Own proposals are welcome.


