

Economic growth and environment

Tourism Sustainability and Climate Change

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Specifics of the environment

- Public goods - Common resources
- Externality
- The environment knows no boundaries
- Complexity and uncertainty
- Irreversibility of changes
- Temporal and spatial variability

Think about it...



Companies that make paper produce the chemical dioxin as a by-product of this activity. Scientists say that once these substances enter the environment, the risk of cancer, birth defects and other health problems increases among humans.



Paper mill Slováky. (2021, May 28). In *Wikipedia*.
https://cs.wikipedia.org/wiki/Pap%C3%ADrna_Slov%C3%A1ky

Why is the production and release of dioxin a serious problem for society?

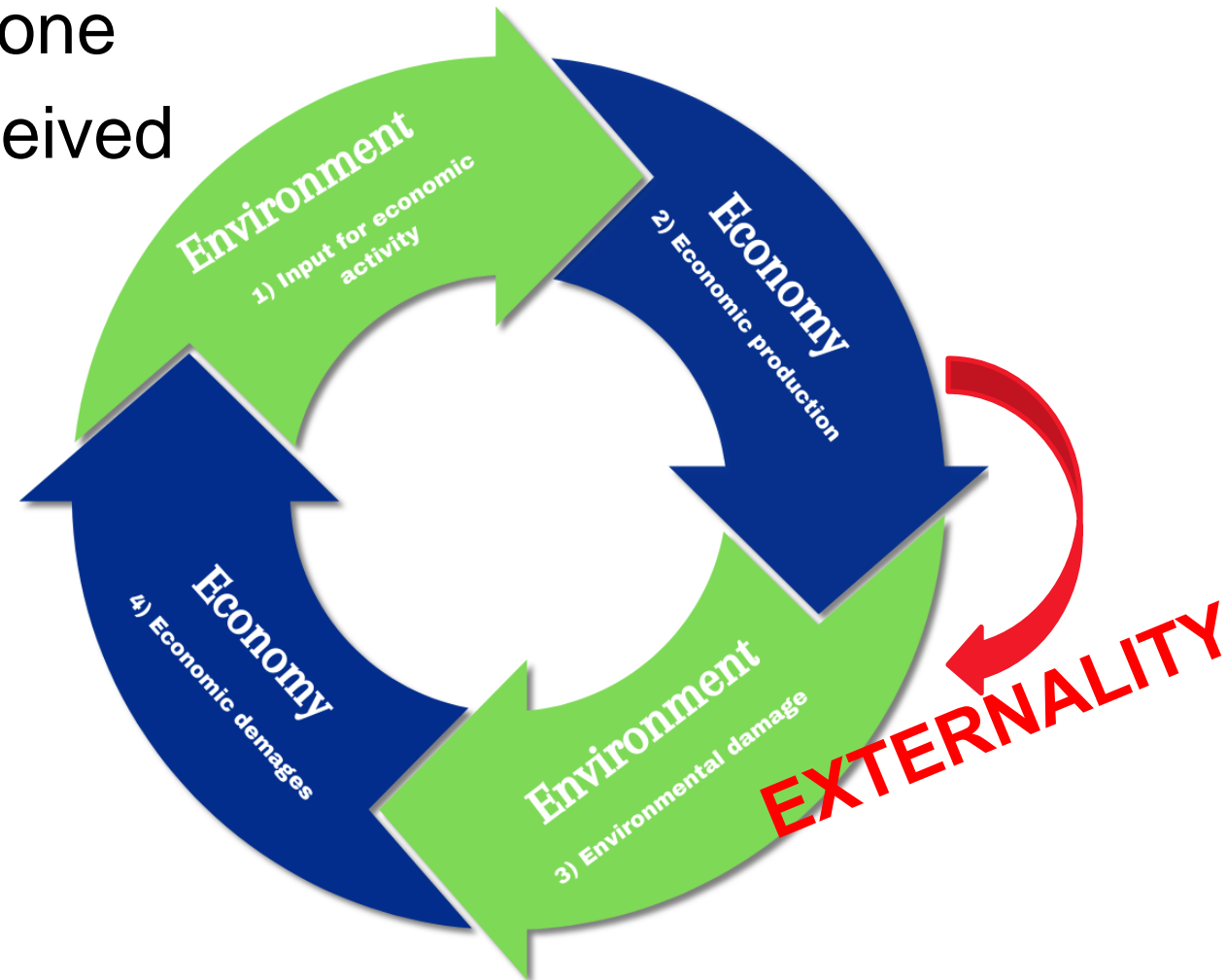
Externality



= cost or benefit that is caused by one party but financially incurred or received by another

- Negative externality
- Positive externality

- Production externality
- Consumption externality



Environmental externalities

Negative externalities

- Damage to the environment
- Costs borne by other entities



Positive externalities

- Benefits of a Environmental quality
- Benefits that may not be paid by other entities



Which externalities appear more frequently in the context of the environment?



Think about it...



The different types of goods we consume:

- car, ice cream, book, chair
- playgrounds, parks, public lighting
- rivers, mountains, beaches, lakes

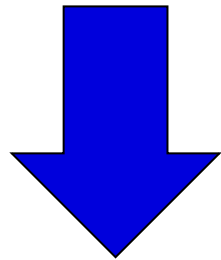
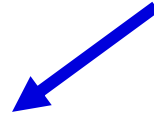


What problems can happen when we don't pay for using shared resources?"

Common resources

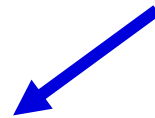
Main characteristics

rivalrous
non-excludable

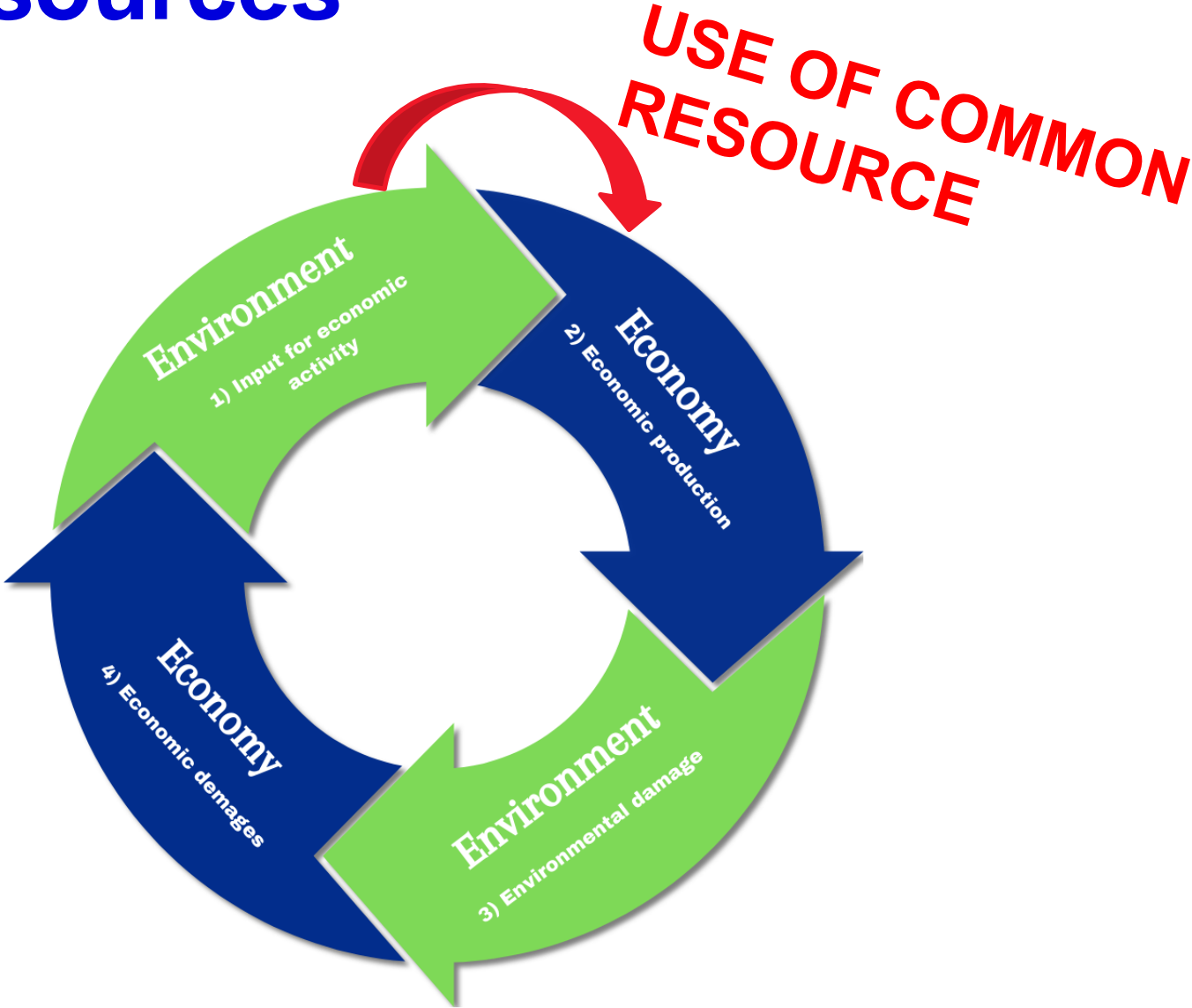


Key problem

overuse and depletion



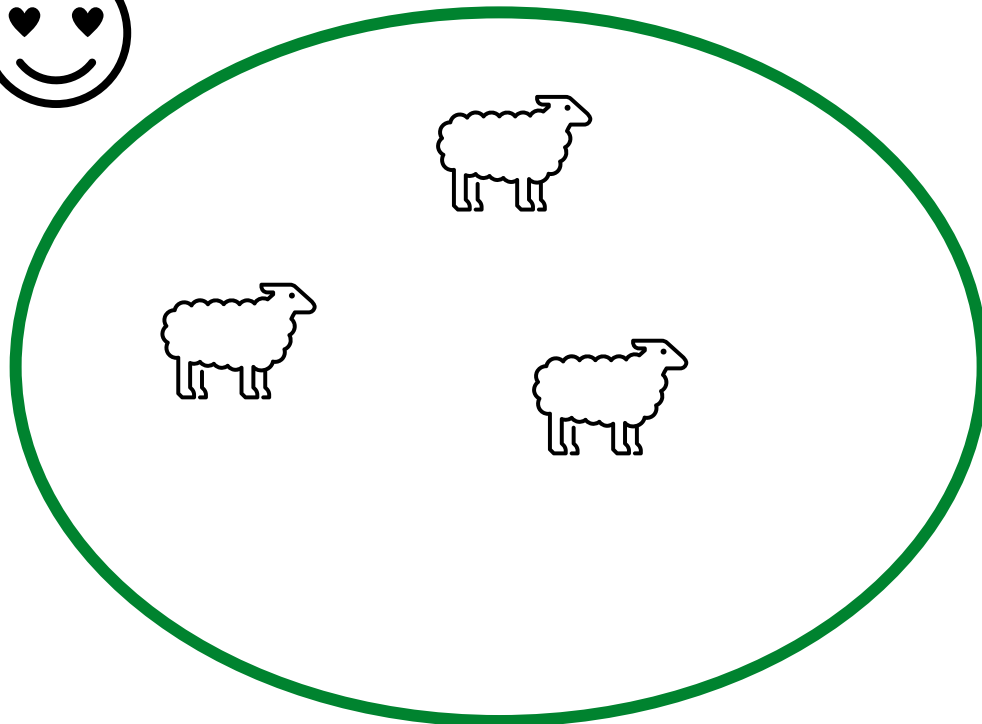
Common resources



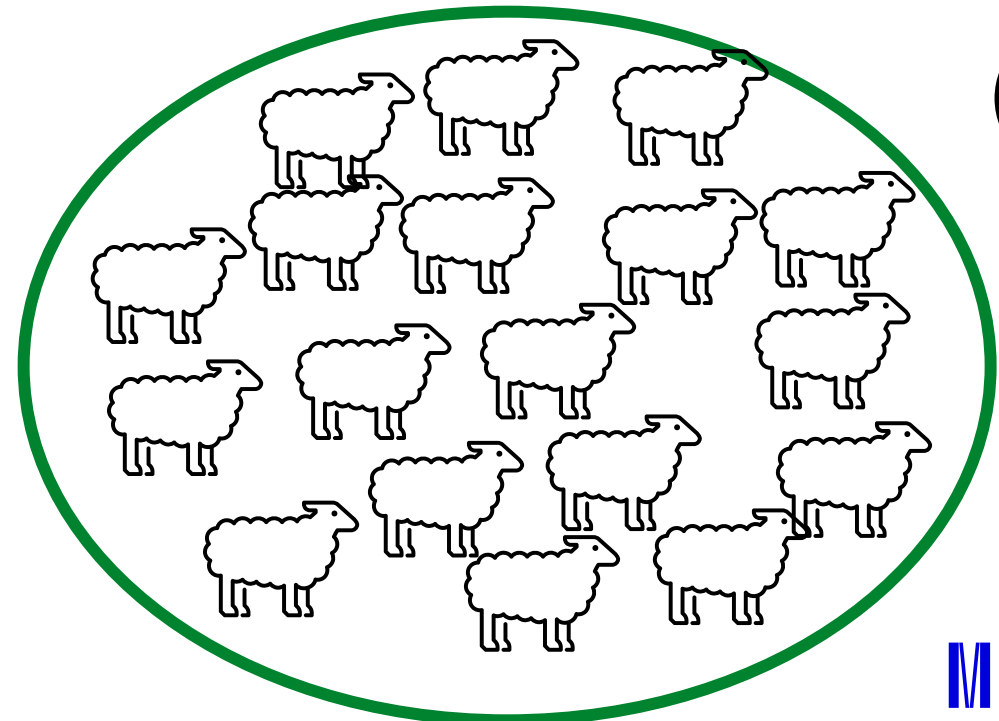
Common Resources - Tragedy of the commons

Situations why common resources are used more than is desirable for society as a whole

Private ownership

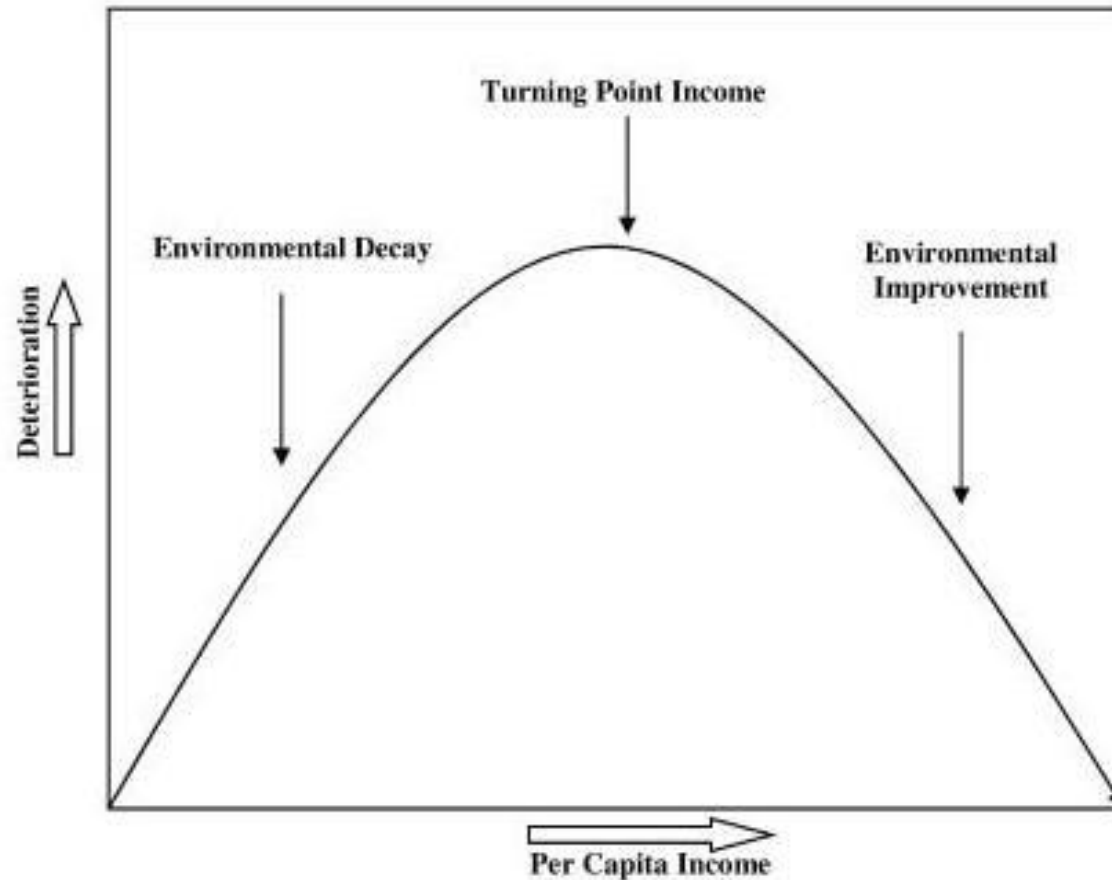


Collective ownership



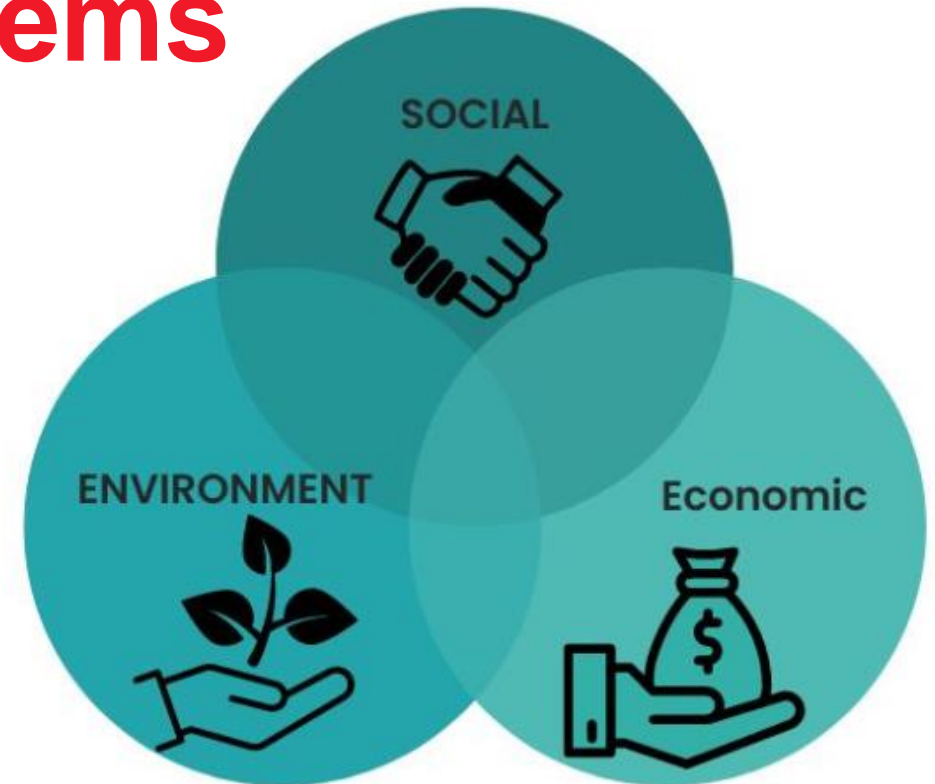
Environmental Kuznets curve

- \uparrow economic growth \rightarrow \uparrow environmental burden
- \uparrow economic growth \rightarrow \downarrow environmental burden



The consequences of climate change and other environmental problems

- **Economic impacts**
- **Social and health problems**
- **Environmental impacts**



Climate Change

Environmental Impacts

- Habitat destruction
- Ocean acidification
- Changes in species distribution

Health and Societal Impacts:

- Heatwaves
- Food insecurity
- Climate refugees

Economic Impacts:

- Agricultural losses
- Infrastructure damage
- Insurance costs



Biodiversity loss

Environmental Impacts:

- Ecosystem collapse
- Invasive species
- Reduced carbon sequestration

Health and Societal Impacts:

- Spread of diseases
- Loss of traditional livelihoods
- Mental health impacts

Economic Impacts:

- Reduced fisheries
- Tourism decline
- Increased costs for agriculture



Water Pollution

Environmental Impacts:

- Aquatic ecosystem degradation
- Loss of biodiversity
- Degraded freshwater systems

Health and Societal Impacts:

- Waterborne diseases
- Toxic exposure
- Loss of access to clean water

Economic Impacts:

- Decline in fisheries
- Water treatment costs
- Health care costs





Picture sources:

- <https://en.wikipedia.org/wiki/File:Sustainability-Components.jpg>
- Pexels.com
- Chat GPT