## Lehrstuhl für Wirtschaftliche Staatswissenschaften, insbesondere Energiewirtschaftslehre



#### **Bachelor Thesis**

# Meta-analysis: An Investigation into the Existence of the Green Paradox

The term "Green Paradox" was first introduced by the economist Hans-Werner Sinn in his 2008 book "The Green Paradox: A Supply-Side Approach to Global Warming". In this book, Sinn argues that efforts to reduce carbon emissions through the use of renewable energy sources can paradoxically lead to an increase in the extraction and thus consumption of fossil fuels. Carbon resource owners attempt to mitigate future regulation by accelerating the production of fossil energy while it is still possible.

The Green Paradox is a complex issue with multiple factors, e.g., economic, psychological, and political, contributing to it. Moreover, the Green Paradox can manifest itself in different ways and in various sectors. This phenomenon can undermine efforts to reduce carbon emissions and, until now, has not been fully understood.

Since Hans-Werner Sinn introduced the "Green Paradox", it has been increasingly studied by researchers in the field of energy and environmental economics. However, the conclusions differ among studies. Therefore, further research is needed to understand the underlying reasons for contrasting results and to aggregate the findings.

## Key tasks and objectives of the thesis

- A comprehensive review of the existing literature on the "Green Paradox", including a
  definition of the concept and an overview of theoretical models that have been proposed to
  explain it.
- Possible use of meta-analytic techniques to synthesise the available evidence and draw more robust conclusions about the existence and magnitude of the "Green Paradox".
- An evaluation of the implications of the "Green Paradox" for policy and future research.

### Your profile

• Student of economics, best with focus on energy

#### Literature

- Schmidt, Lukas (2020): Puncturing the waterbed or the new green paradox? The
  effectiveness of overlapping policies in the EU ETS under perfect foresight and myopia, EWI
  Working Paper, No. 20/07, Institute of Energy Economics at the University of Cologne (EWI),
  Cologne.
- Frederick van der Ploeg, Cees Withagen (2012): Is there really a green paradox? Journal of Environmental Economics and Management, Volume 64, Issue 3, Pages 342-363.
- Bauer, N., McGlade, C., Hilaire, J. et al. Divestment prevails over the green paradox when anticipating strong future climate policies. Nature Clim Change 8, 130–134 (2018).

#### Contact



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### **Topics**



- Green Paradox
- Climate Economics

#### **Methods**



- Literature Review
- Meta-analysis