



University
of Basel

Faculty of
Business and Economics



«Border Carbon Adjustments: Curb Your Enthusiasm»

Public Lecture by
Prof. Thomas F. Rutherford

Thursday, November 24, 2022, 18:00 - 19:15

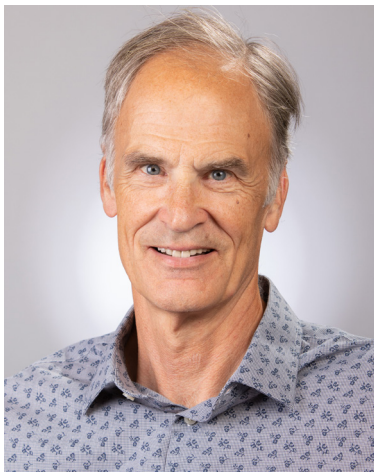
WWZ Auditorium, Faculty of Business and
Economics, Peter Merian-Weg 6, 4052 Basel

«Border Carbon Adjustments: Curb Your Enthusiasm»

**Public Lecture by Prof. Thomas F. Rutherford,
Department of Agricultural and Applied Economics
University of Wisconsin-Madison**

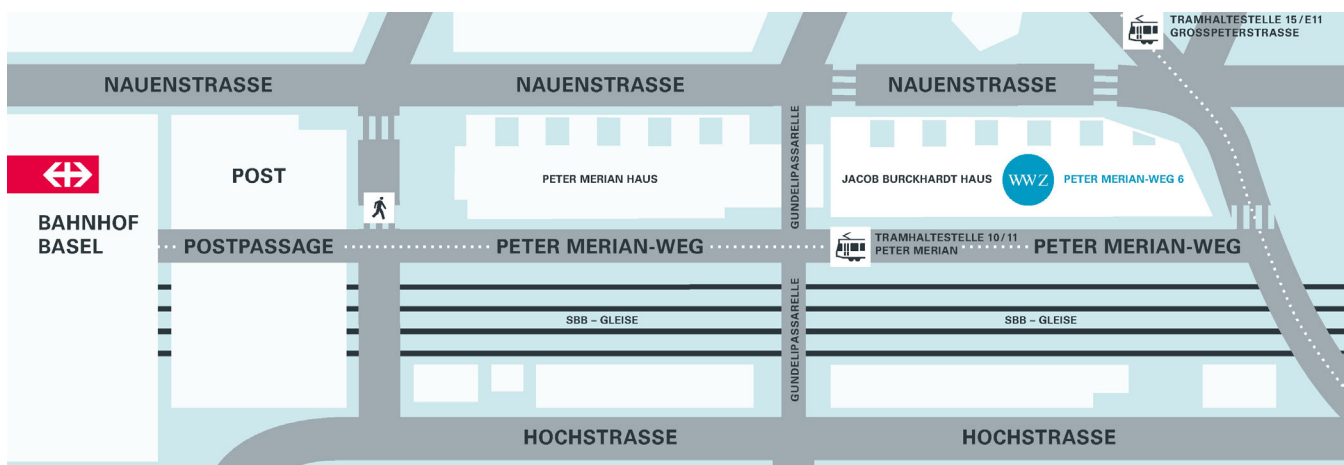
Thursday, November 24, 2022, 18:00 to 19:15, WWZ Auditorium,
Ground floor (EG), Peter Merian-Weg 6, 4052 Basel

Abstract: Harmonized carbon pricing across borders is hard to achieve, and carbon leakage reduces the cost-effectiveness of unilateral approaches to reduce global emissions. To address this problem, border carbon adjustments (BCAs) apply the domestic carbon price to emissions embodied in traded goods, thereby attempting to „level the playing field“ for emissions-intensive and trade-exposed industries. In this talk I evaluate the environmental and economic impact of border carbon adjustments: leakage reduction, competitiveness restoration, cost-effectiveness, equity and cooperation enhancement. The viability of border carbon adjustment schemes is substantially diminished when legal and practical implementation constraints are taken into consideration. More broadly the talk reflects on the usefulness of simulation models for assessing the policy-relevance of economic narratives.



Thomas Rutherford is an applied economist working on issues in trade, energy and environmental economics. Before joining the University of Wisconsin, he has been a faculty member at the University of Western Ontario, the University of Colorado, and the ETH Zurich.

His research focuses on the formulation, solution and application of numerical equilibrium models for economic issues in environmental economics, international trade and economic growth. His work focuses on the economic analysis of global warming, the economic consequences of multi-regional trade agreements, the economic effects of trade reform in small open economies. His research also includes methodological contributions related to the application of so-called CGE models in economics.



**Educating
Talents**
since 1460.

Universität Basel
Wirtschaftswissenschaftliche Fakultät
Peter Merian-Weg 6
4002 Basel
Switzerland

wwz.unibas.ch