

Green Economics and Corporate Sustainability

Course code	GRAB011
Level of studies	<i>Graduate</i>
Number of credits	<i>6 ECTS; 36 class hours, 124 hours of self-study, 2 hours of consultation</i>
Course coordinator (title and name)	<i>Assoc. prof. dr. J. Boyd, e-mail: jonboy@ism.it</i>
Prerequisites	<i>Undergraduate diploma</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE

The climate crisis and biodiversity loss represent two of the biggest challenges facing the contemporary world. This comprehensive course bridges the gap between the two fields of economics and corporate sustainability, employing insights and tools from both fields to study the implications and solutions to these challenges. The course builds on key concepts from environmental and natural resource economics, along with sustainability and ESG (Environment, Social, and Corporate Governance) frameworks. The objective is to understand strategic approaches through which companies can actively participate in positively addressing these challenges.

The course is divided into two parts; the first focuses on 'green economics'. Green economics, also known as environmental economics, is a subfield of economics focused on the relationship between the economy and the environment. Its objective is to achieve a balance between economic development and the preservation of ecosystems by integrating environmental costs and benefits into economic decision-making and policy. Green economics posits that a sustainable, environmentally-conscious economy can enhance society and human wellbeing, while reducing environmental risks. It promotes the sustainable management of resources and advocates for the valuation of natural capital and ecosystem services, recognizing the interconnectedness of the economy, society, and the environment. In essence, green economics guides us towards a future where economic progress does not come at the cost of our planet's health. Ultimately, grasping the principles of green economics lays the groundwork to understand both the present and potential future roles that corporations might play in striving for sustainability.

The second part of the course focuses on corporate sustainability and ESG frameworks, both of which are meant to encourage, and evaluate the degree to which, businesses work towards social goals beyond the traditional role of a corporation to maximise profits on behalf of its shareholders. These goals include: (i) Environmental concerns, such as climate action and environmental sustainability; Social concerns, such as diversity, human rights, consumer protection, and animal welfare; and Corporate governance concerns, such as employee relations and executive/employee compensation.

The course is discussion oriented and will require a high degree of participation by students in the classroom. Students are expected to complete the assigned readings and coursework before each session.

LEARNING OUTCOMES

Course learning outcomes (CLO)	Study methods	Assessment methods
CLO1. To understand economic characteristics and outcomes of the climate change.	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO2. To assess national and international climate policy design and their implementation issues.	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO3. To understand what are the costs and benefits and how the costs and benefits of mitigation are measured	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO4. To learn how to plan strategic development of a company with environmentalist mindset	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO5. To learn make better-informed environmental policy related decision, all while distinguishing between positive analyses and normative judgements	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.

CLO6. To sharpen critical analysis and communication abilities, especially in the context of complex and systemic climate change issues, and apply systems thinking to real-world business problems.	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO7. To expand general understanding of the complex decisions faced by managers in business, government, and non-profit organizations.	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO8. To be challenged to clarify your own values and opinions on issues related to sustainability and climate change.	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.
CLO9. To develop critical thinking and problem-solving skills	Lectures, readings, online modules, self-study, in-class discussions	Exam, presentations, participation, certificates.

ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating will lead to a report to ISM’s Committee of Ethics.

QUALITY ASSURANCE MEASURES

The lecturer will apply multiple teaching methods to keep the students engaged in the topic. Continuous student feedback will be invited and accommodated to improve class experience. Students are encouraged to e-mail the lecturer between the respective classes for any assistance or clarification needed.

COURSE OUTLINE

Session	Topic	In-class hours	Readings/activities
1	Earth’s vital challenges	4	<ul style="list-style-type: none"> UN CC:e-Learn “Climate Change: From Learning to Action” <u>The Economics of Biodiversity: The Dasgupta Review (pp. 1-39)</u> David Attenborough: A Life On Our Planet (Netflix, 2022) Breaking Boundaries: The Science of Our Planet (Netflix, 2021) BBC One – Climate Change: The Facts (2019)
2	Intro to environmental economics (1)	4	Core-Econ: Unit 4 & 12 <ul style="list-style-type: none"> <u>https://www.core-econ.org/the-economy/book/text/04.html</u> <u>https://www.core-econ.org/the-economy/book/text/12.html</u>
3	Intro to environmental economics (2)	4	Core Econ: Unit 20 <ul style="list-style-type: none"> <u>https://www.core-econ.org/the-economy/book/text/20.html</u>
4	Towards a green economy (1)	4	<ul style="list-style-type: none"> UN CC:e-Learn “Indicators for an inclusive green economy” (Intro and Advanced) UN CC:e-Learn “Introduction to Green Economy” UN CC:e-Learn “Green Economy and Trade”
5	Towards a green economy (2)	4	<ul style="list-style-type: none"> UN CC:e-Learn “An introduction to climate change and human rights” UN CC:e-Learn “Open online course on gender and environment” UN CC:e-Learn “Children and climate change” UN CC:e-Learn “Human health and climate change”
6	Corporate Sustainability and Reporting	4	<ul style="list-style-type: none"> McKinsey & Company, <u>Five ways that ESG creates value</u> (2019) United Nations, Global Sustainability Development Report 2023 UN Global Compact (<u>website</u>)

			<ul style="list-style-type: none"> KPMG, Survey of Sustainability Reporting 2022
7	ESG case studies	4	<ul style="list-style-type: none"> Danish Crown: Feeding the Future Nike's Response to China
8	Student Presentations (I)	4	Corporate sustainability report analysis
9	Student Presentations (II)	4	Corporate sustainability report analysis
		Total: 36 hrs.	

FINAL GRADE COMPOSITION

Type of assignment	% of the total grade
Midterm exam	35
UN CC:e-Learn certificates (8 x 3%)	24
Class participation	6
Corporate sustainability report analysis	35
Total:	100

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Assessment 1. Midterm exam (35%)

The questions will draw from the first five classes, i.e. the 'green economy' section of the class.

Assessment 2. UN CC:e-Learn certificates (24%).

Throughout the course, eight UN online modules must be completed (full list above). Upon successful completion of each module users are issued a certificate, which you will upload to e-Learning. Each completed certificate is worth 3% of your final grade.

Assessment 2. Class Participation (6%)

The course will be discussion-oriented and will require a high-degree of participation by students in the classroom. Students are expected to prepare for class by completing the assigned reading prior to the class and to participate in class sessions.

Assessment 3. Corporate sustainability report analysis (20%)

Students will select a Lithuanian corporate sustainability report (implemented according to GRI Standards). Students will analyse the extent to which it conforms with the EU's CSRD and ESRS in a 30-minute presentation to the class, along with a comprehensive ppt report. Q&A led by the instructor will follow each presentation.

RETAKE

In case of an unsatisfactory exam grade, students will be allowed to sit a retake exam, worth 35% of the final grade (the grades of the other assessments will remain untouched).

REQUIRED READINGS

Readings will be available on the internet or via e-learning. Assigned readings may be revised up until one week before class, so please check the syllabus regularly.