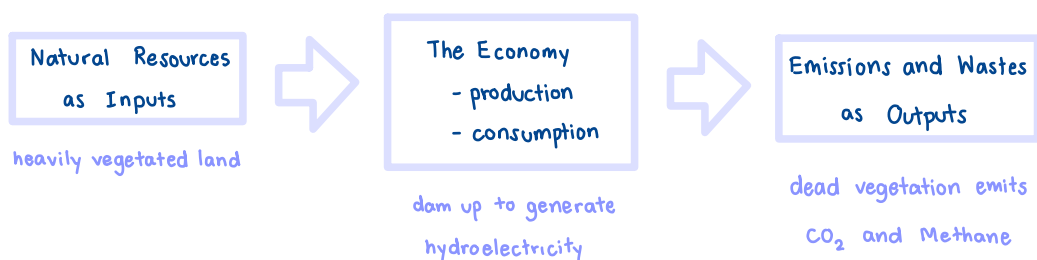


The Economy-Environment interactions



The problems = Enormous freshwater ecosystem in Mekong river basin is destroyed.

Also, numerous indigenous and ethnic minority communities are displaced.

The causes of the problems = The China-built dam as part of BRI project

The key economic insights

- 1 Economic growth contribute to environmental problems
 - ↳ In order to gain badly needed loans for infrastructure development from Chinese government, Cambodia loses the human and environmental costs which are the fishery income and cost of displacement.
- 2 Government intervention could make things worse
 - ↳ Cambodian government not only push ahead with this dam, but also ignore the opposition of local communities and even threaten them to leave their homes when the fishing grounds and ancestral farming lands were flooded.
- 3 The behavioral underpinning economics matter for environmental policies
 - ↳ the hydroelectric dam has carbon footprints that equal that of fossil fuel plants; however, the cost of emissions is not taken into account from the firm's perspective. Therefore, the policies to put a price on carbon and promote alternative energy sources are crucial.