

Assignment 1, ^{summary (the problems and the causes)}

The Mekong River is an enormous freshwater ecosystem (thousands of migrating fish) and fish is a major part of Cambodians' diet. Millions of people on the Mekong River system live off catching and selling fish. Building the dam causes cutting off vital migration routes for native fish species, and displaced numerous indigenous and ethnic minority communities.

The causes ; Lower Sesan 2 dam in Cambodia's Mekong River Basin (as part of BRI project) was built.

The problem

- Destroying enormous freshwater ecosystem in Mekong river basin.
- Displacing numerous indigenous and ethnic minority communities.

The key economic insights

The Chinese government may be providing badly needed loans for infrastructure development and Cambodian government needed to gain this loans. Getting this loans, Cambodia loses the human and environmental costs → economic growth contribute to environment problems.

The villages were submerged by the dam (the fishing grounds and ancestral farming lands were flooded) **no food, no water, no income** People receive compensation from government but the compensation that was offered did not match the value of what they actually lost → **Government intervention could make things worse.**

Cambodia loses fishery income and the cost of displacement. Although Cambodia gets hydroelectric power, electricity is still in short supply and unreliable in Cambodia. Dead vegetation (dam up) emits large amounts of carbon dioxide and methane. costs of emissions not reflected in government's interests.

→ **The behavioral underpinning economics matter for environmental policies.**

the economy and environment interaction

