

ECONOMIC DEVELOPMENT AND ENVIRONMENTAL DEGRADATION: A PANEL ARDL/PMG MODEL FOR EU-27 COUNTRIES

Ionuț Jianu*

The Bucharest University of Economic Studies, Bucharest, Romania

Abstract

This research aims to examine the relationship between economic development and environmental degradation in European Union over the period 2000-2019 using a Panel ARDL/PMG model. In this respect, I have used GDP per capita expressed in PPS to catch the economic development and greenhouse gas emission per capita as a proxy for environmental degradation. The study confirms a positive impact of greenhouse gas emissions (per capita) on GDP (per capita) on short-run, but also a negative effect on long-run - the long-run effect being present in 24 EU Member States.

Keywords

economic development, environment, GDP, greenhouse gas emissions, Panel ARDL / PMG model

JEL Classification

C33, Q53, O11, Q56

* Corresponding author, **Ionuț Jianu** – ionutjianu91@yahoo.com