Special Issue on Asymmetries in Environmental Economics and Sustainable Finance

Journal of Economic Asymmetries

Call for Papers

Guest Editors

Md Akhtaruzzaman
Australian Catholic University, Australia
Md.Akhtaruzzaman@acu.edu.au

Sabri Boubaker
EM Normandie Business School, France & Swansea University, United Kingdom
sboubaker@em-normandie.fr

Thai-Ha Le
VinFuture Foundation, Vietnam & IPAG Business School, France
v.md@vinfutureprize.org

Special Issue information

Examining asymmetries in environmental economics and finance is essential for understanding the differential impacts of environmental policies, regulations, and market dynamics across various industries, regions, and countries. Asymmetric effects occur when the same environmental intervention yields divergent outcomes due to contextual factors such as industry structure, geographic conditions, socioeconomic disparities, cultural attitudes, or legal and regulatory environments. For instance, a carbon tax may significantly reduce emissions in energy-intensive economies while having minimal impact in regions with lower carbon dependency.

Furthermore, asymmetric risks and returns linked to environmental factors can result in significant variations in investment performance across markets and asset classes. Understanding these asymmetries is vital for analyzing how climate change and environmental regulations influence firm decisions, financial stability, capital allocation, and long-term economic trajectories. This knowledge contributes to the development of policies and managerial practices that not only promote sustainable economic growth but also mitigate systemic risks and ensure an equitable transition to a low-carbon economy. Thus, studying asymmetries in environmental economics and finance is fundamental to advancing both economic efficiency and environmental sustainability, providing a comprehensive perspective for tackling the complex global challenges posed by climate change.

Asymmetries in economics and finance have been well recognized since the seminal works of Akerlof (1970), Spence (1973), and Rothschild and Stiglitz (1976). In environmental economics and finance, these asymmetries have gained increasing importance, especially with the global shift towards sustainability and the changing financial landscape. Recent literature identifies key areas in this field, including climate change (Leventis and Palaios, 2024; Sautner et al., 2023), green finance, climate finance, and sustainable finance (Tao et al., 2022). Research in environmental economics and finance covers a broad range of topics, such as climate adaptation and mitigation (Linnenluecke et al., 2016), energy price volatility (Jadidzadeh and Serletis, 2017; Liddle and Sadorsky, 2020), international cooperation (Ciplet et al., 2018),

global policies (Hall et al., 2017), and capital market dynamics (Tang and Zhang, 2020). Alogoskoufis et al. (2023) examine a range of topics that emphasize the extensive economic and financial asymmetries in real-world economies, highlighting their crucial role in economic analysis and policy. Recent studies have explored the complex interactions between conventional and green finance, emphasizing their impact on risk management, portfolio optimization, and market dynamics. For example, Pástor (2022) finds that green bonds outperformed brown bonds due to rising environmental concerns. Akhtaruzzaman et al. (2022) explore the hedging potential of green assets against sectoral stock indices, emphasizing their differential effects on financial performance and risk management. In a more recent paper, Akhtaruzzaman et al. (2023) investigate the influence of green investments on portfolio optimization, offering insights into the asymmetric benefits and challenges of integrating sustainability into investment strategies.

This special issue invites researchers, scholars, and practitioners to contribute their original work to this special issue. We are particularly interested in high-quality submissions that encompass diverse disciplinary perspectives, methodological approaches, and theoretical frameworks. We also welcome studies that use new datasets—whether single-country or cross-country—and those that leverage exogenous shocks to examine the asymmetric effects of various laws, measures, practices, and initiatives on economic and financial outcomes, whether in a specific or global context.

Our aim is to showcase research that delivers significant impact, provides actionable policy insights, and enhances economic and financial practices, thereby benefiting firms, investors, capital markets, policymakers, and communities. We look for submissions that employ a diverse array of methodological techniques. We also encourage authors to make intellectual connections to prior work published in the *Journal of Economic Asymmetries*. Every manuscript will be subject to a rigorous peer-review process to ensure the highest academic standards. By facilitating the exchange of knowledge and ideas, this special issue seeks to drive progress in environmental economics and finance while supporting global sustainability initiatives.

We are seeking high-quality submissions that address various aspects of asymmetries in environmental economics and finance. Topics of interest include, but are not limited to:

- Asymmetries in sustainable finance
- Asymmetries in environmental economics
- Asymmetries in green finance
- Asymmetries in climate finance
- Asymmetric impacts of environmental policies on firm policies and financial markets
- Asymmetric responses in monetary and fiscal policies in mitigating climate risks
- Carbon tax and economic and environmental effects
- Climate change and the asymmetric role of energy policy
- Asymmetric responses in climate adaptation and mitigation
- Environmental risk and its asymmetries across sectors
- Asymmetric responses of financial markets to environmental shocks
- Role of environmental finance in mitigating economic disparities

Manuscript Submission Information: Submissions should follow the author guidelines of the *Journal of Economic Asymmetries*. Manuscripts should be submitted through the journal's online submission system, and authors should select the special issue titled ‘Asymmetries in

Environmental Economics and Sustainable Finance' during the submission process. All submitted papers will undergo a rigorous peer-review process.

Timeline

- Open for submissions: December 1st, 2024
- Submission deadline: July 31st, 2025
- Papers will appear online on the website of the journal as soon as accepted.

References

Akerlof, G. (1970). The market for "lemons": Quality uncertainty and the market mechanism. *The American Economic Review, 84*(3), 488–500.

Akhtaruzzaman, M., Banerjee, A. K., Boubaker, S., & Moussa, F. (2023). Does green improve portfolio optimization? *Energy Economics*, 106831.

Akhtaruzzaman, M., Banerjee, A. K., Ghardallou, W., & Umar, Z. (2022). Is greenness an optimal hedge for sectoral stock indices? *Economic Modelling*, 117, 106030.

Alogoskoufis, G., Malliaris, A. G., & Stengos, T. (2023). The scope and methodology of economic and financial asymmetries. *The Journal of Economic Asymmetries*, *27*, e00297.

Ciplet, D., Adams, K. M., Weikmans, R., & Roberts, J. T. (2018). The transformative capability of transparency in global environmental governance. *Global Environmental Politics*, *18*(3), 130-150.

Hall, S., Foxon, T. J., & Bolton, R. (2017). Investing in low-carbon transitions: energy finance as an adaptive market. *Climate policy*, *17*(3), 280-298.

Jadidzadeh, A., & Serletis, A. (2017). How does the US natural gas market react to demand and supply shocks in the crude oil market? *Energy Economics*, *63*, 66-74.

Leventis, F., & Palaios, P. (2024). Fresh evidence from temperature effects on growth and economic policy uncertainty: A panel quantile approach. *The Journal of Economic Asymmetries*, *30*, e00376.

Liddle, B., & Sadorsky, P. (2020). How much do asymmetric changes in income and energy prices affect energy demand? *The Journal of Economic Asymmetries*, *21*, e00141.

Linnenluecke, M. K., Smith, T., & McKnight, B. (2016). Environmental finance: A research agenda for interdisciplinary finance research. *Economic Modelling*, *59*, 124-130.

Pástor, Ľ., Stambaugh, R. F., & Taylor, L. A. (2022). Dissecting green returns. *Journal of Financial Economics*, *146*(2), 403-424.

Rothschild, M., & Joseph, S. (1976). Equilibrium in competitive insurance markets: An essay on the economics of imperfect information. *Quarterly Journal of Economics, 90*(4), 629–649.

Sautner, Z., Van Lent, L., Vilkov, G., & Zhang, R. (2023). Firm-level climate change exposure. *The Journal of Finance*, *78*(3), 1449-1498.

Spence, M. (1973). Job market signaling. *Quarterly Journal of Economics, 87*(3), 355–374.

Tang, D. Y., & Zhang, Y. (2020). Do shareholders benefit from green bonds? *Journal of Corporate Finance*, *61*, 101427.

Tao, H., Zhuang, S., Xue, R., Cao, W., Tian, J., & Shan, Y. (2022). Environmental finance: An interdisciplinary review. *Technological Forecasting and Social Change*, *179*, 121639.