

JOHANNES GALLÉ

Postdoctoral Researcher in Economics

Potsdam Institute for Climate Impact Research ◊ Berlin, GER

jgalle@pik-potsdam.de ◊ johannesgalle.github.io

RESEARCH FIELDS

Development Economics, Environmental Economics, Regional Economics

EDUCATION

Ruhr University Bochum - Economics, PhD (Member of the DFG Research Training Group 2484: Regional Disparities and Economic Policy)	2019 - 2023
University of Freiburg - Economics, M.Sc.	2016 - 2019
University of Auckland - Economics and Development Studies	2018
University of Freiburg - Economics, B.Sc.	2014 - 2016
University of Mainz - Economics	2012 - 2014

PUBLICATIONS

"Place-based policies, structural change and female labor: Evidence from India's Special Economic Zones", with Daniel Overbeck (U Mannheim), Nadine Riedel (U Münster) and Tobias Seidel (U Duisburg-Essen)
Journal of Public Economics, 2024

This paper quantifies the local economic impact of Special Economic Zones (SEZs) that were established in India between 2005-2013. Based on a novel data set that combines census data on the universe of Indian firms with georeferenced data on SEZs, we find that SEZs increased manufacturing and service employment with positive spillover effects up to 10km. This employment gain was paralleled by a decline in local agricultural employment, in particular of women, suggesting that the policy contributed to structural change. We find no evidence for heterogeneous effects between privately and publicly run SEZs or zones with different industry denominations.

"Indian Agriculture under Climate Change: The Competing Effect of Temperature and Rainfall Anomalies", with Anja Katzenberger (PIK Potsdam)
Economics of Disasters and Climate Change, 2024

The latest generation of global climate models robustly projects that monsoon rainfall anomalies in India will significantly increase in the 21st century due to global warming. This raises the question of the impact of these changes on the agricultural yield. Based on annual district data for the years 1966-2014, we estimate the relationship between weather indices (amount of seasonal rainfall, number of wet days, average temperature) and the most widely grown kharif crops, including rice, in a flexible non-parametric way. We use the empirical relationship in order to predict district-specific crop yield based on the climate projections of eight evaluated state-of-the-art climate models under two global warming scenarios for the years 2021-2100. We find that the loss in rice yield by the end of the 21st century lies on average between 3 - 22% depending on the underlying emission scenario. Potential gains due to increasing rainfall are more than offset by the negative impacts of increasing temperature. Adaptation efforts in the worst-case global warming scenario would need to cut the negative impacts of temperature by 50% in order to reach the outcome of the sustainable scenario.

WORKING PAPER

"Carbon Taxation and Firm Behavior in Emerging Economies: Evidence from South Africa", with Daniel Overbeck (U Mannheim), Rodrigo Oliveria (UNU-WIDER), Nadine Riedel (U Münster) and Edson Severini (Boston College)

NBER Working Paper 34406

This paper provides the first comprehensive evidence on how firms in emerging economies respond to carbon taxation. Using detailed administrative data, we study the announcement and implementation of South Africa's 2019 carbon tax—a potential trailblazer for other developing countries with limited state capacity amid the global expansion of carbon pricing. Contrary to concerns that carbon taxes might hinder growth or employment, we find no negative effects on firm performance or jobs. Firms facing higher effective tax rates increased activity following the tax's announcement, four years before implementation, likely reflecting the resolution of regulatory uncertainty and efforts to mitigate stranded asset costs. While we find no measurable reduction in emissions—likely due to this anticipatory behavior—our results suggest that carbon taxation can be implemented without harming economic outcomes, even in the short term and in low- and middle-income settings.

"City Shape and Air Pollution"

Ruhr Economic Papers, #1012

Air pollution has become an increasing health threat for the local population in many cities around the world. Using high resolution remote sensing data on nightlights and fine particulate matter (PM2.5) for the years 1998–2013, I study the contemporary nexus between city shape and air pollution in India. I find that the compactness of a city has statistically significant and negative effects on local air quality. The results are more pronounced in larger cities and robust with respect to different compactness measures. While geographic dispersion allows for more fresh air corridors, differences in commuting patterns could serve as an additional explanation. People in less compact cities are more likely to use public transport and thereby reducing the overall road traffic within cities translating into less pollution. However, the statistically significant effects do not translate into substantial changes in the relative risk of PM2.5-induced diseases.

SELECTED WORK IN PROGRESS

"Distributional Effects of the European Union Carbon Border Adjustment Mechanism", with Timothé Beaufils (PIK Potsdam), Michael Jakob(CT Economics), Matthias Kalkuhl (PIK Potsdam), Jan Steckel (PIK Potsdam) and Joschka Wanner (U Würzburg)

This paper quantifies distributional effects of the recently proposed EU-CBAM on Households in EU trading partner countries. We develop a Ricardian type trade model to derive sectoral income and price effects of the CBAM. We combine the model output with detailed household-level consumption data and thereby explore horizontal and vertical distributional impacts of the EU-CBAM at the household-level.

"Welfare-optimal Policy Response to Border Carbon Adjustments: An Emerging Economy Perspective", with Simon Bolz (TU Dresden)

This paper presents a Melitz-style model of asymmetric countries to identify the optimal environmental policy response to a Border Carbon Adjustment (BCA) from an emerging economy perspective. We calibrate the model with detailed Indian firm data on emissions, productivity and exports. In a quantitative simulation, we show that the presence of a BCA strongly reduces the welfare costs of raising India's emission tax to the level of that of the EU. Further analysis shows that there are substantial differences in the distribution of welfare costs across sectors. Finally, we show that this welfare smoothing effect is decreasing in productivity and thereby limiting the incentive to raise domestic carbon price in the least developed countries.

OTHER PUBLICATIONS

"Distributional Effects of Energy Innovation", with Michael Jakob(CT Economics) and Jan Steckel (PIK Potsdam), *Forthcoming in the Handbook of Energy Innovation, 2025*

"Indiens Weg zur Nachhaltigkeit: Ein Balanceakt zwischen Wirtschaftswachstum und Klimaschutz", with Ganesh Gorti (PIK Potsdam) and Jan Steckel (PIK Potsdam), *Prepared for Landeszentrale für Politische Bildung Baden-Württemberg*

"Place-based policy in India: How Special Economic Zones promoted structural change and women's employment", with Daniel Overbeck (U Mannheim), Nadine Riedel (U Münster) and Tobias Seidel (U Duisburg-Essen), *VoxDev Column, December 2024*

AWARDS & GRANTS

International Growth Center (Co P.I.), 15.000 GBP	2025/2026
(for research project on "Impacts of the EU Carbon Border Adjustment Mechanism on India's Steel Sector" via the India Sustainable Growth Hub (ISGH))	
Mercator-IPC short term fellowship (Co P.I.), 10.000 EUR	2024/2025
(for research stay and workshop organization at the Istanbul Policy Center)	
UNU-WIDER research grant (Co P.I.), 10.000 USD	2023/2024
(for research project on "Carbon Taxation in Emerging Economies")	
Friedrich-August-von-Hayek Award 2020, 1.500 EUR	2020
(for an outstanding dissertation in Economics at the University of Freiburg)	
Fellow of the Baden-Württemberg Foundation, 3.600 EUR.	2018
(scholarship for a semester abroad at the University of Auckland)	

CONFERENCES & TALKS

2025

AUROE (ZEW Mannheim), Middle East Technical University (Ankara), German Development Economics Conference (Frankfurt), European Association of Environmental Economists (Bergen), World Bank Public Finance Conference (London), Wageningen University, Kiel-CEPR African Economic Development Conference (Berlin)*

2024

German Development Economics Conference (Hannover), What Works Climate Solution Summit (Berlin), International Institute of Public Finance (Prague), VfS Annual Meeting (Berlin), UNU-WIDER Workshop (Pretoria), Leibniz Environment and Development Symposium (Berlin), IPC Research Seminar (Istanbul), Africa in the global economy (IDOS, Bonn)

2023

Royal Holloway University (London), German Development Economics Conference (Dresden), EfD Annual Meeting (Accra)

2022

National Institute of Public Finance and Policy (Delhi), 26th European Spring Meeting of Young Economists (Orléans), German Development Economics Conference (Hohenheim), ZEW Public Finance Conference (Mannheim), UEA North American Meeting (Washington D.C.), Ifo Regional Economics Workshop (Dresden), AUROE (Graz), Leibniz Environment and Development Symposium (Hamburg), World Bank/IZA/UNU-WIDER Jobs for Development Conference (Cape Town)

2021

16th Annual Conference on Economic Growth and Development, 60th ERSA Congress

2020

4th International Conference PEDD (Münster)

*scheduled

TEACHING & WORKSHOP ORGANIZATION

Potsdam Institute for Climate Impact Research - Weekly research seminar on environmental economics	since 2025
BTU Cottbus - Economic instruments for climate policy	2025/2026
Istanbul Policy Center - EU-CBAM Workshop	2025
Ruhr University Bochum - Supervision of final theses and seminar papers	2019 - 2023

ACADEMIC SERVICE

Refereeing: International Tax and Public Finance, The Annals of Regional Science, Nature: Humanities and Social Science Communications

RESEARCH ASSISTANCE

Ruhr University Bochum, RA for Thomas Bauer	2019 - 2023
University of Freiburg, RA for Tim Krieger	2018 - 2019
University of Freiburg, RA for Bernd Raffelhüschen	2014 - 2019

NON-ACADEMIC WORK EXPERIENCE

German-New Zealand Chamber of Commerce, Auckland, New Zealand - Internship	Oct 2017 - Feb 2018
Indo-German Chamber of Commerce, Pune, India - Internship	Mai 2016 - Sep 2016
Hohepa Auckland, Auckland, Voluntary Service/ Civilian Service	Jul 2011 - Jul 2012

OTHER

Software	STATA, Python, R, QGIS, L ^A T _E X, Video and Image editing software
Language	German (native), English (fluent), French (intermediate), Spanish (beginner)

Last update. November 4, 2025