

New research suggests economic stagnation is no excuse for climate inaction

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Policymakers should be paying more, rather than less, attention to tackling climate change in economically tough times, a new study suggests. As economies have stagnated major emitters of CO₂ seem unwilling to accept binding emissions reduction targets. But findings, published this week in *Nature Climate Change*, show the social cost of carbon dioxide is higher in a low economic growth world.

The study by researchers from the Universities of Bristol and Cambridge investigated a range of GDP growth rates from 2008 to 2100 to see what effect they have on the mean Social Cost of CO₂ (SCCO₂) for a range of economic scenarios. Using data from integrated assessment model, PAGE09—designed to help policy makers understand the costs of climate change—the researchers calculated the cost of emitting an extra tonne of [carbon dioxide](#) today.

The results show the damage caused by emitting an additional tonne of carbon dioxide today is \$107, assuming economic growth of around two per cent per year. The cost if economies continue to stagnate is \$138 per tonne, however the mean social cost of CO₂ increases when economic growth is slow because the worst [climate impacts](#) occur in a relatively poor world. The results imply that the European [carbon price](#) is currently around \$100 too low.

Mat Hope, a researcher from Bristol's School of Sociology, Politics and International Studies, said: "In economically [tough times](#), governments' attention tends to shift away from the issue of climate change. Governments are abandoning climate action as they focus on reviving their economies. But our results show economic stagnation is no excuse for climate inaction. The carbon price should actually be higher if slow economic growth continues."

More information: 'The social cost of CO₂ in a low-growth world' by Chris Hope and Mat Hope www.nature.com/nclimate/journal/2013/07/nclimate1935.html

Provided by University of Bristol

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