

## **CLIMATE CHANGE**

### **Climate Change: The Cost of Inaction Failure to Tackle Global Warming Could Cost Trillions Environment News Service**

LONDON, England, October 13, 2006 (ENS) – The world economy could suffer a \$20 trillion hit by century’s end if governments fail to address global warming, according to new report by two American economists. The report, released today, warns the figure—equal to six to eight percent of projected global economic output in 2100—is likely an underestimate because it does not account for the cost of biodiversity loss or of unpredictable events such as extreme weather or the collapse of the Gulf Stream.

“The climate system has enormous momentum, as does the economic system that emits so much carbon dioxide,” said coauthor Frank Ackerman, an economist with Tufts University’s Global Development and the Environment Institute. “We have to start turning off greenhouse gas emissions now in order to avoid catastrophe in decades to come.”

The authors contend the true costs of climate change are incalculable, but argue that relatively small amounts of money are needed to keep temperatures in check.

Action to limit temperature increases to two degrees centigrade could avoid \$12 trillion in annual damages at a quarter of the cost, the report said.

“The world, as a whole, can just barely cope with the impacts of the first 2 degrees of warming, but only if there are immediate, large-scale, and creative approaches to international equity and cooperation,” the report said.

Global temperatures have already risen by 0.6 degrees centigrade above pre-industrial levels. If emissions continue to rise unchecked global temperatures could increase by more than 4 degrees centigrade by 2100.

The world is very likely to hit a 2-degree increase without rapid action, the report said, with an array of costly environmental impacts—including decreased crop yields in the developing world, as well as from widespread drought and water shortages.

Other impacts include a near total loss of coral reefs, the expanded northward spread of tropical diseases such as malaria, and the potential extinction of arctic species including the polar bear.

The report, “Climate Change the Costs of Inaction,” was compiled by economists at Tufts University’s Global Development and Environment Institute. The study brings together the very latest scientific and economic thinking on climate change.

“This report demonstrates that climate change will not only be an environmental and social disaster: it will also be an economic catastrophe, especially if global temperatures are allowed to increase by more than two degrees centigrade,” said Elizabeth Blast of Friends of the Earth, which commissioned the report.

The study warns that a 3-degree temperature increase will have further impacts on world food supplies, spread diseases and potentially cause the wholesale collapse of the Amazon River ecosystem as well as the complete loss of all boreal and alpine ecosystems.

If temperatures rise 4 degrees by century’s end, sea levels will rise five to six meters, the report said, putting vast tracks of land underwater and producing millions of environmental refugees. Elsewhere entire

regions will have no agricultural production whatsoever as a result of the changing climate.

A temperature increase of more than 4 degrees, the report said, will bring a 50 percent chance that the ocean's circulation system will shut down, removing the crucial currents that warm and stabilize the climate of Northern Europe.

For more information, and to access the report "Climate Change: The Cost of Inaction," please visit <http://www.foe.org/new/releases/october2006/climatechange10132006.html>