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## Climate change costs

### New study underlines positive economic effects of tackling climate change

Researchers at the Global Development and Environment Institute at Tufts University (United States) say that **trillions of dollars of damage could be avoided by the end of the century if resolute action is taken now to reduce global warming.**

The Tufts study, "Climate change - the costs of inaction", says possible benefits of global warming such as increased agricultural yields will quickly be offset by the costs of extreme weather events - droughts, floods, powerful storms, heat waves.

Based on the assumption that average global temperatures would rise by 4°C above pre-industrial levels by 2100, the researchers predict that annual **economic damages could reach US \$ 20 trillion by 2100, or "6 to 8% of global economic output at that time".**

In comparison, they say limiting the temperature increase to 2°C would eliminate more than half of these predicted damages. Citing an estimate by the German Institute for Economic Research (DIW), they say that, by 2100, this would **result in \$12 trillion worth of avoided annual damages - something that would be achieved by spending "only" \$3 trillion per year on climate protection.**

**For the researchers, the economic implication is that the cost of reducing the damage is worth more than the cost of reducing emissions of global warming gases.**

For the full study:

"Climate change - the costs of inaction"

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