



## **Keynote lecture by Richard Tol (University of Sussex, UK): Targets for global climate policy: An overview**

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A survey of the economic impact of climate change and the marginal damage costs shows that carbon dioxide emissions are a negative externality. The estimated Pigou tax and its growth rate are too low to justify the climate policy targets set by political leaders.

A lower discount rate or greater concern for the global distribution of income would justify more stringent climate policy, but would imply an overhaul of other public policies. Catastrophic risk justifies more stringent climate policy, but only to a limited extent.

Richard S.J. Tol, Targets for global climate policy: An overview, *Journal of Economic Dynamics and Control*, Volume 37, Issue 5, May 2013, Pages 911-928, <http://dx.doi.org/10.1016/j.jedc.2013.01.001>