

ECOSOC

**United Nations Economic and
Social Council**

Committee: United Nations Economic and Social Council (ECOSOC)

Topic: The impact of climate change on the global economy

Written by: Maria Ortiz, Elena Barclay, Lara Fernandez and Enrique Espino

I. Committee Background

The United Nations Economic and Social Council (ECOSOC) is one of the six main organs of the United Nations (UN). It is comprised of 54 member states that are elected each year for overlapping three-year terms by the General Assembly. Its main purpose is to coordinate the economic and social fields of the UN and help the organization advance in areas related to sustainable development. ECOSOC oversees 15 specialized agencies, eight functional commissions and five regional commissions. These include the Food and Agriculture Organization (FAO), the International Labour Organization (ILO) and the World Health Organization (WHO). Every July, the committee's members gather in New York City for a four-week session with finance ministers, heading key organizations such as the World Bank and the International Monetary Fund (About Us, ECOSOC, 2020).

II. Topic Information

A) History of the Topic

According to the National Aeronautics and Space Administration (NASA), "climate change describes a change in the average conditions — such as temperature and rainfall — in a region over a long period of time" (NASA, 2020). Climate change has primarily been created by carbon dioxide emissions through the burning of fossil

fuels such as coal, oil and gas and peat. Over the past 200 years, the burning of fossil fuels, as well as mass deforestation, have “caused the concentrations of heat-trapping greenhouse gases to increase significantly in our atmosphere. These gases prevent heat from escaping to space, somewhat like the glass panels of a greenhouse.” Now, greenhouse gases exceed their natural levels. As a result, the global temperature has increased by 0.8 degrees centigrade (°C). Failure to lower greenhouse gas emissions will cause further warming and changes in the earth’s climate (EPA, 2020).

According to The Economist, failure to lower greenhouse gas emissions and adapt to climate change will have a significant impact on the global economy. In 2019, climate change and extreme weather events related to it cost at least US\$100 billion in damages. By 2050, the cost may reach as high as US\$8 trillion. It could shrink the global economy by 3% and could impoverish least resilient regions such as Africa, Latin America and Eastern Europe (The Economist, 2019). Many countries are already feeling the economic effects of climate change through an increase in extreme weather events such as tsunamis, earthquakes, forest fires and floods. United Nations data shows that between 1998 and 2017, countries affected by extreme weather events reported direct losses of US\$2.908 trillion. In fact, extreme weather events currently account for 77 percent of total economic losses, which is around US\$2.245 trillion. This represents a sharp increase of 151 percent compared with losses reported between 1978 and 1997, which totalled US\$895 billion (UN News, 2018).

The State of the Planet wrote that “warmer temperatures, sea-level rise and extreme weather will damage property and critical infrastructure, impact human health and productivity, and negatively affect sectors such as agriculture, forestry, fisheries and tourism.” The Columbia Business School has stated that the agriculture

sector is the most vulnerable to climate change in every country around the world. Just in 2019, the agriculture industry was impacted by long-term droughts, extreme rainfall and flooding due to above normal amounts of rain and snowmelt. Failure to grow crops though has far-reaching consequences that can be felt far beyond their economic impacts. These include famine, food insecurity, extreme poverty and armed conflict (Cho, State of the Planet, 2019).

B) Current Issues

India: India's economy is starting to feel the effects of climate change. A recent Stanford University study estimated that the country's economy is 31% smaller than it would have been in the absence of global warming. The agriculture sector, which accounts for about 16% of India's gross domestic product (GDP), has significantly declined due to unseasonal rainfall and frequent droughts. The loss in income has forced many rural Indians to move to cities to search for employment. This has placed stress on water availability and led to further deforestation through the expansion of towns and cities (Beniwal, Bloomberg, 2019).

Mexico: Climate change is predicted to impact Mexico's economy in a variety of ways. Millions of people are at risk from a lack of adequate water, especially in the country's capital, Mexico City. Water insecurity is connected to food insecurity. In 2011, Mexico had one of its worst recorded droughts. More than 1.7 million cattle died of starvation or thirst – and at least 2.2 million acres of crops were unusable across at least five states. The government was forced to haul water to 1,500 villages and send food to farmers who lost all of their crops. In connection, increasing temperatures and less rainfall due to climate change are making Mexico's land less suitable for growing food and crops. Scientists believe that there will be a 40 to 70

percent decline in Mexico's current cropland suitability by 2030. This could mean the country would lose over half its workable farms in less than 12 years (The Climate Reality Project, 2018).

United Kingdom: The United Kingdom (UK) government has released a report in which it describes how climate change and extreme weather events related to it could damage infrastructure that helps people work and commute, such as bridges and railways. Long heatwaves and raising temperatures can damage major roads, which "may lead to more congestion and affect how easily and quickly people can travel to work day by day." The report said that this could reduce efficiency and "negatively impact productivity in the workplace and affect the job landscape." Since it would be more difficult to get to work, "companies will have to put more money and effort into offering incentives to make travelling easier in order to attract the best workers, which may impact on profits — especially detrimental to small and mid-size companies" (Open Access Government, 2019).

C) UN Action

The United Nations has taken steps to address climate change and mitigate its impact on countries around the world. In 2015, 196 state parties negotiated and agreed to the Paris Agreement, a special convention within the United Nations Framework Convention on Climate Change (UNFCCC), dealing with greenhouse-gas-emissions mitigation, adaptation and finance. The document's long-term temperature goal is to keep the increase in the "global average temperature to below 2 °C above pre-industrial levels; and to pursue efforts to limit the increase to 1.5 °C, recognizing that this would substantially reduce the risks and impacts of climate change." Moreover, member states are required to plan and regularly report on its actions

taken to mitigate global warming. By working on the root causes of climate change, the UN hopes that it will help countries protect and improve their economies (UN Treaty Collection, 2015).

III. Essential Questions

1. What is climate change?
2. What is the global economy?
3. How has climate change impacted your country's economy?
4. What has your delegation done to combat climate change?
5. How has your nation adapted vulnerable sectors to the effects of climate change? Have the adaptations been successful? Why or why not?
6. What is the Paris Agreement? Is your country a signatory to it? If so, what has your delegation done to mitigate global warming?

IV. Quorum

- Afghanistan
- Brazil
- Canada
- China
- France
- India
- Indonesia
- Iran

- Mexico
- Pakistan
- Russia
- Saudi Arabia
- South Africa
- Syria
- Turkey
- United Kingdom
- United States

V. Resources

"7. d Paris Agreement." United Nations Treaty Collection. United Nations, 2015. Web. 16 May 2020. <https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-7-d&chapter=27&clang=_en>.

"About Us." United Nations Economic and Social Council (ECOSOC). United Nations, 2020. Web. 16 May 2020. <<https://www.un.org/ecosoc/en/about-us>>.

Beniwal, Vrishti. "It's Man Vs Wild in India's Economy, and Wild Has the Upper Hand." Bloomberg. Bloomberg, 2019. Web. 16 May 2020. <<https://www.bloomberg.com/graphics/2019-new-economy-drivers-and-disrupters/india.html>>.

Cho, Renee. "How Climate Change Impacts the Economy." State of the Planet. Columbia University, 2019. Web. 16 May 2020. <<https://blogs.ei.columbia.edu/2019/06/20/climate-change-economy-impacts/>>.

"Disasters: UN report shows climate change causing 'dramatic rise' in economic losses." UN News. United Nations, 2018. Web. 16 May 2020. <<https://news.un.org/en/story/2018/10/1022722>>.

"Global economy will be 3 percent smaller by 2050 due to lack of climate resilience." The Economist. The Economist, 2019. Web. 16 May 2020. <<https://www.eiu.com/n/global-economy-will-be-3-percent-smaller-by-2050-due-to-lack-of-climate-resilience/>>.

"HOW IS CLIMATE CHANGE AFFECTING MEXICO?" The Climate Reality Project. The Climate Reality Project, 2018. Web. 16 May 2020. <<https://www.climaterealityproject.org/blog/how-climate-change-affecting-mexico>>.

"How will climate change affect UK business and economy?" Open Access Government. Open Access Government, 2019. Web. 16 May 2020. <<https://www.openaccessgovernment.org/uk-business-and-economy/76531/>>.

"What Is Climate Change?" National Aeronautics and Space Administration (NASA). National Aeronautics and Space Administration, 2020. Web. 16 May 2020. <<https://climatekids.nasa.gov/climate-change-meaning/>>.

"What is climate change?" United States Environmental Protection Agency (EPA). United States Environmental Protection Agency, 2020. Web. 16 May 2020. <<https://www.epa.ie/climate/communicatingclimatescience/whatisclimatechange/>>.