



FONDAZIONE ENI
ENRICO MATTEI

FEEM LECTURE ON

THE MARGINAL PRODUCT OF CLIMATE

by **Solomon Hsiang**

Chancellor's Associate Professor of Public Policy at the University of California, Berkeley
and Research Associate at the National Bureau of Economic Research (NBER)

Milan, 17 October, 2017 – 4.00 p.m.

Fondazione Eni Enrico Mattei
Corso Magenta 63

FEEM is glad to host Prof. Solomon Hsiang, University of California, Berkeley and National Bureau of Economic Research (NBER). Prof. Hsiang and colleagues have revolutionized the way the economics of climate change impacts is carried out, using novel statistical techniques and large data set to uncover previously neglected impacts on many economic and social dimensions. Prof. Hsiang had a major role in the Bloomberg report (<https://riskybusiness.org/>) and is one of the founders of the Climate Impact Lab (<http://www.impactlab.org/>).

He will give a lecture on "The Marginal Product of Climate", an empirical approach to value changes to a climate in terms of total market output given optimal factor allocations in general equilibrium. In his preferred specification, he estimates that, for example, the climate of Northern Minnesota returns over \$2,000 per capita more annually than the climate of Southern Texas. Using a 3% discount rate, the net present value of "business as usual" warming (RCP8.5) until 2100 in the median scenario is a loss of \$6.7 trillion. Prof. Carlo Carraro, FEEM (ICCG Director), IPCC (Working Group III Vice Chair), will introduce the Lecture of Prof. Hsiang.

Agenda

- 15.45 *Registration*
- 16.00 ***Introduction and welcome address by***
Carlo Carraro - FEEM (ICCG Director), IPCC (Working Group III Vice Chair)
- 16.15 ***Lecture by***
Solomon Hsiang - University of California, Berkeley and NBER
"The Marginal Product of Climate"
- 17.15 ***Q&A session***

Solomon Hsiang

Solomon Hsiang combines data with mathematical models to understand how society and the environment influence one another. In particular, he focuses on how policy can encourage economic development while managing global climate change, how natural disasters impact societies and the effectiveness of policy responses, and how environmental conditions influence social instability and violence. Hsiang earned a BS in Earth, Atmospheric and Planetary Science and a BS in Urban Studies and Planning from the Massachusetts Institute of Technology, and he received a PhD in Sustainable Development from Columbia University. He was a Post-Doctoral Fellow in Applied Econometrics at the National Bureau of Economic Research (NBER) and a Post-Doctoral Fellow in Science, Technology and Environmental Policy at Princeton University. Hsiang is currently the Chancellor's Associate Professor of Public Policy at the University of California, Berkeley and a Research Associate at the NBER. Personal website: <https://www.solomonhsiang.com/>