

The effect of foreign trade on environment in Iran: CO2 emission case study

Topic: International trade 1

Author: Abbas Azizi

Co-Authors: Nooraddin Sharify

Foreign trade has an environment balance sheet along with finance one. Since the environmental effects of commodities return to their country of origin, they affect the environment of the producing country. There are some factors such as, the level and structure of imports and exports of countries and the technology of the countries that affect the environment balance of countries. This paper attempts to specify the effect of foreign trade on CO2 emission from related energy that is required for their production in Iran. To do so, an input-output (I-O) model is developed to measure the CO2 emission concerns with the foreign trade of the country. The latest survey-based I-O table of Iran for the year 2001-2002 and the related information about CO2 emission of energy components are employed as database of the research. Thus, the CO2 emission concerns with the exports and imports of the country during the year 2009-2010 are calculated. It is expected, the result of the paper demonstrates the effect of the foreign trade on the CO2 emission in Iran.

Keywords: Input-output analysis, Environment, CO2 Emission, Iran.