

China's Industry Potential across region for Carbon Emission Reduction based on optimal 2007 MRIO model

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This paper address the China's industry potential across region for carbon emission reduction in China's MRIO system. This paper addresses the issue of how China can reconfigure its industry adjustment for the national target of carbon emission reduction without hindering its future economic development. We construct a linear programming model of the Chinese economy and use it to simulate five alternative strategies to stabilize CO₂ emissions at 45% of projected year 2005 baseline levels. Our results, under more optimistic assumptions, indicate this goal can be achieved with no growth pertain. However, if major technological changes relating to energy conservation and coal displacement, as well as vastly increasing availabilities of clean fuels, are not forthcoming, China could suffer a significant decline in its rate of economic growth.