

I The Context of the Workshop (to my knowledge)

A. Economic Tools for decision making in climate change mitigation.

1. What are the tools?

- a. BASIS-An economic logic– theoretical construct
 - i. Reasoning about how people will behave as economic animals- 400-500 years of “social science”. For example, supply and demand
 - ii. Use of the reasoning to assess how natural or policy changes will influence people.
- b. Methods of analysis-
 - i. Reporting of facts with economic reasoning
 - ii. Statistical analysis (sound statistical logic/ data)
 - iii. Social Accounting (Benefit/Cost Analysis)
- c. Economic Instruments-
 - i. the set or suite of mechanisms that are available to influence the economic agents.
 - ii. the prediction of people’s reaction to the instrument’s change is based on theory and analysis.

B. The economic theory, methods and instruments are to be discussed within the context of climate change in the Caribbean.

1. What is the likely change that will take place?
2. What are the most important resources that are at risk?
3. What is the role of the government with respect to protecting/using the resources?
4. What is the type of economic analysis of problems and proper economic instruments can assist in mitigating (reducing human suffering) possible changes?

II. The challenge of the meeting

- A. Great uncertainty about the consequences of climate change. We'll all have our opinions.
- B. Varying political structures and different problems within the islands. Not everything is relevant to all countries.
- C. Variety of backgrounds of participants.
- D. The hope is that we can develop an understanding and appreciation for the logic of economic valuation and use of economic instruments.