

- **Stabilization Wedges Game**

[http://cmi.princeton.edu/wedges/pdfs/teachers\\_guide.pdf](http://cmi.princeton.edu/wedges/pdfs/teachers_guide.pdf)

- **Developed Nations**

- You enjoy a large share of the wealth of the world and you are primarily concerned with maintaining your position of power and the wealth of your nation. You have the resources to adapt to a variety of climate futures, but are concerned with the possible cost of adaptations. You rely on the satisfaction of consumers for legitimacy, and both industry and consumers for your tax base. You rely on trade with less developed nations to exchange resources, and consumer goods for the development of both parties; you have a greater share of the world's technology and intellectual capital.

- **Less Developed Nations**

- You have a lower standard of living than the developed nations, and are primarily concerned with achieving a level of development comparable to the developed nations. You lack the resources to make large scale adaptations in the case of dramatic climate change, and face serious challenges in adopting new technologies due to the costs of implementation. You rely on the satisfaction of consumers for legitimacy, and both industry and consumers for your tax base. You rely on trade with developed nations to exchange resources, and consumer goods for the development of both parties; you have a greater share of the world's resources, but lack the capital of the developed nations.

- **Industry**

- You are primarily concerned with your profits. You will respond to consumer interests, but up to a point - there must be enough incentive from consumers and governments to justify the cost of implementation. You rely on the technology and intellectual capital of the developed world for innovation and the less developed nations for labor and resources. You are bound by the regulations that governments impose on you, but you have the power to influence these regulations, and lobby governments.

- **Consumers**

- You are primarily concerned with your health and safety, and your ability to purchase goods to enjoy a high quality of life. You rely on industry to produce goods for consumption and governments to provide services for public good, where there aren't the incentives in industry to do so, or where it is more cost effective to do so publicly. You also rely on governments to

regulate industry and consumption to protect health and safety of consumers and the environment. You can agitate for change in governments and you have purchasing power to influence industry.

- Things to address:
  - Make and fill out the worksheet for your group's solution
  - What is the solution your group came to? What are the costs?
  - Why did you choose your solution? How did you choose each wedge?
  - How are wedges going to be implemented? Who will share the cost of implementation, and how?
  - How were the different stakeholders satisfied by the agreement? What did they have to compromise on?