## The Theory and Practice of Environmental and Resource Economics

Essays in Honour of Karl-Gustaf Lofgren

Edited by

Thomas Aronsson Professor of Economics

Roger Axelsson Associate Professor of Economics

Runar Brannlund Professor of Economics, Department of Economics, Umea. University, Sweden

NEW HORIZONS IN ENVIRONMENTAL ECONOMICS

Edward Elgar Cheltenham, UK • Northampton, MA, USA

## Contents

Con	tributors	vii
Introduction		х
1.	Sustainability: What Does It Tell Us? Geoffrey Heal	1
2.	Environment and Decision-Making under Risk and Uncertainty Karl-Goran Mdler	21
3.	Fisher, Lindahl, and Hicks on Income: A Modern Analysis Chuan-Zhong Li	45
4.	Consumer Demand with Several Linear Constraints: A Global Analysis W. Michael Hanemann	61
5.	Local Public Goods and Income Heterogeneity Thomas Aronsson, Magnus Wikstrom, Kenneth Backlund and Tomas Sjogren	85
6.	Public Goods, Optimal Distortionary Taxation and Union Wage Setting Thomas Aronsson, Kenneth Backlund, Tomas Sjogren and Magnus Wikstrom	102
7.	Self-Selection and the Value of Lives Saved Jason F. Shogren and Tommy Stamland	128
8.	International Fisheries Agreements: The Feasibility and Impacts of Partial Cooperation <i>Kim Hang Pham Do and Henk Folmer</i>	146

9.	Salmon and Hydropower: Dynamic Cost-Benefit Analysis Cecilia Hdkansson, Per-Olov Johansson and Bengt Kristrom	172
10.	Trees vs. Fish, or Discrete vs. Continuous Harvesting <i>Martin L. Weitzman</i>	191
11.	Differentiating at the Speed of Light in a Universe of Trees and Moose Olvar Bergland, Richard Ready and Eirik Romstad	202
12.	Empirical Behaviour Models on Timber Supply Jari Kuuluvainen, Ibrahim Moulifla Favada and Jussi Uusivuori	225
13.	Travelling Waves in a Modified Hotelling Population Model <i>Tonu Puu</i>	246
14.	The Optimal Control of a Stock Pollutant with Sunk Capital and Endogenous Risk of Catastrophic Damages Urvashi Narain and Anthony Fisher	260
15.	Environmental Performance in Swedish Manufacturing, 1913-1990 Bert M. Balk, Runar Brannlund, Rolf Fare, Shawna Grosskopf and Magnus Lindmark	287
16.	Assessing the Economic Impacts of Large-Scale Environmental Regulations in California Peter Berck and H. Peter Hess	307
17.	Voluntary Road Pricing Lars Hultkrantz	323
Inde	ex	338