

Contents in Brief

SECTION ONE

Introduction 1

- 1** What Is Environmental Economics? 2
- 2** The Economy and the Environment 19

SECTION TWO

Analytical Tools 38

- 3** Benefits and Costs, Supply and Demand 39
- 4** Markets, Externalities, and Public Goods 59
- 5** The Economics of Environmental Quality 76

SECTION THREE

Environmental Analysis 99

- 6** Frameworks of Analysis 100
- 7** Benefit–Cost Analysis: Benefits 121
- 8** Benefit–Cost Analysis: Costs 141

SECTION FOUR

Environmental Policy Analysis 157

- 9** Criteria for Evaluating Environmental Policies 158
- 10** Decentralized Policies: Liability Laws, Property Rights, Voluntary Action 169
- 11** Command-and-Control Strategies: The Case of Standards 186
- 12** Incentive-Based Strategies: Environmental Charges and Subsidies 204

- 13** Incentive-Based Strategies: Market Trading Systems 226

SECTION FIVE

Environmental Policy in the United States 243

- 14** Federal Water Pollution Control Policy 244
- 15** Federal Air Pollution Control Policy 264
- 16** Federal Policy on Toxic and Hazardous Substances 284
- 17** State and Local Environmental Issues 307

SECTION SIX

Global Environmental Issues 323

- 18** Global Climate Change 324
- 19** International Environmental Agreements 343
- 20** Globalization 362
- 21** Economic Development and the Environment 376

APPENDIX A

Abbreviations and Acronyms
Used in the Book 394

APPENDIX B

Additional Websites 399

NAME INDEX 405

SUBJECT INDEX 407