

PREFACE

Society today is confronted with environmental problems caused by continually increasing economic activities. Various side effects of production and consumption have turned out to be very harmful to the environment. The emission of toxic substances into the atmosphere, soil and water do not only cause serious forms of *local* toxification but also damage the environment at a *global* scale. Similarly, environmental damages are often both acute and long-lasting. The external effects of economic activities have turned out to be of such importance that free market forces in the absence of environmental public policy will lead to large scale and irreversible environmental damage. In their attempts to control environmental problems public authorities are forced with the need to consider, inter alia, the valuation of the environment, risk and life; to develop instruments and frameworks of policy and to obtain insight into the costs and benefits of specific environmental projects or environmental policies.

In the present volume some valuation methods and some aspects of cost benefit analysis and policy making in environmental economics are considered in depth. The volume is made up of a set of coherent papers presented by experts at the international conference "Environmental Policy in a Market Economy" held at the Wageningen Agricultural University, the Netherlands, 8-11 September 1987. Related publications are: F.J. Dietz and W.J. Heijman (eds.), *Environmental Policy in a Market Economy*, Pudoc, Wageningen, 1988 and J.J. Krabbe (ed.) Principles of Environmental Policy, Special issue, *International Journal of Social Economics*, Vol. 15, Nrs. 3/4, 1988.

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The book should not only appeal to students and researchers in university departments of economics and "environmental sciences" but also to those working in public organizations and associated advisory institutes which are concerned with environmental problems. We wish that this volume may contribute to better valuation techniques for non-market assets and an improvement of environmental cost benefit analysis and policy making techniques. We also wish that it may stimulate an active policy to protect the environment.

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