The Open Economy and the Environment
Development, Trade and Resources in Asia

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‘This book offers a comprehensive look at the role of environment and development in small open economies. The authors develop both a stylized general equilibrium framework for analyzing such economies, with the unique feature of recognizing explicitly the problem of insecure property rights in remote regions at the land frontier. The book provides both interesting illustrative case studies from South East Asia, and also draws out important policy implications.’

– Edward B. Barbier, University of Wyoming, US

Deforestation and agricultural land degradation are major problems in developing countries. While they have attracted much attention, most analyses and policy recommendations examine them in isolation from their broader economic and policy setting. This path breaking and timely book takes an economy-wide approach to the analysis of developing-country resource degradation problems.

The Open Economy and the Environment asks what globalization means for environmental quality and the use of natural resources in developing economies. The authors develop theoretical models that trace the effects of trade and trade liberalization on sectoral resource allocation, factor returns, income and welfare, as well as incentives to clear forest and degrade agricultural land. The models reflect important developing economy features including spatial distinctions between uplands and lowlands, open-access forest resources and the special features of domestic food markets. The authors also analyze representative economy submodels, explore empirical cases based on applied general equilibrium models of Asian economies, and examine welfare and environmental implications of migration, trade liberalization and development policy.

Researchers and graduate educators in agricultural, development, environmental and international economics, will find the core subject matter of this book of great interest, as will economists specializing in Asian economies.


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