

**University of Illinois at Urbana-Champaign**

---

**From the Selected Works of Don Fullerton**

---

2006

# The Economics of Pollution Havens

Don Fullerton, *University of Texas at Austin*



Available at: [https://works.bepress.com/don\\_fullerton/26/](https://works.bepress.com/don_fullerton/26/)

# The Economics of Pollution Havens

Edited by **Don Fullerton**, Addison Baker Duncan Centennial Professor of Economics, University of Texas, Austin and Research Associate, National Bureau of Economic Research



www.e-elgar.com

A pollution haven may arise if environmental stringency differs between countries, when capital is mobile, and when trade rules allow firms to relocate and still sell their products to the same customers. This cohesive volume analyzes how country characteristics determine environmental rules, how those rules affect production costs, trade, and investment flows, how those flows affect pollution, prices, and incomes, and finally how all of these last considerations feed back into environmental rules.

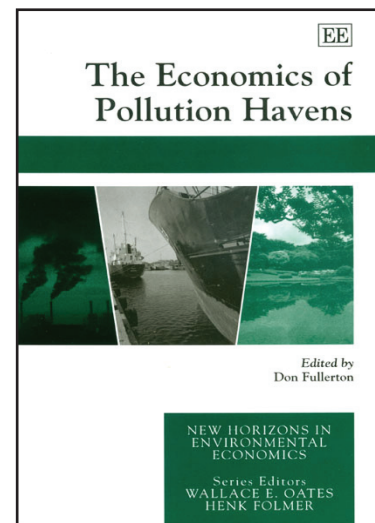
The sixteen papers collected here represent the most recent and significant advancements of knowledge on the subject. The contributors, all well-known scholars in the area, investigate how polluter location decisions respond to pollution policies, how local environmental rules respond to those location decisions, and how trade liberalization affects the incentives of governments to regulate dirty industries. The volume begins with a comprehensive overview by M. Scott Taylor and goes on to explore how the usual effects of pollution havens can be reversed. Also covered are the ways in which managed trade and trade liberalization, the regulation of multinationals, political stability and emissions controls impact pollution havens.

Written for a multidisciplinary audience, *The Economics of Pollution Havens* will be of interest to those working in the areas of economics, international trade, political science, public policy, and environmental studies.

**Contributors include:** E.B. Barbier, R.A. Becker, C. Di Maria, J. Ederington, C. Elbers, R.J.G.M. Florax, P.G. Fredriksson, A. Gallegos, R. Golombek, M. Hoel, P.T. Hultberg, B.S. Javorcik, M.E. Kahn, A. Levinson, J.A. List, M. Mani, C. McAusland, W. McHone, D.L. Millimet, J. Minier, A. Mulatu, P.M. Regibeau, H. Sigman, S.A. Smulders, M.S. Taylor, S.-J. Wei, C. Withagen, X. Wu, Y. Yoshino

**March 2006 424 pp Hardback 1 84542 535 9 / 978 1 84542 535 7 \$130.00**

New Horizons in Environmental Economics series



**For more information please contact:** The Marketing Department, Edward Elgar Publishing Inc., 136 West Street, Suite 202, Northampton, MA 01060-3711 USA Tel: (413) 584-5551 Fax: (413) 584-9933 Email: [elgarinfo@e-elgar.com](mailto:elgarinfo@e-elgar.com)

## TO ORDER RETURN THIS FORM TO, OR CONTACT:

Edward Elgar Publishing Inc.  
P.O. Box 574, Williston, VT 05495-0575 US  
Tel: (800) 390-3149 • Fax: (802) 864-7626  
Email: [eep.orders@AIDCVT.com](mailto:eep.orders@AIDCVT.com)

Please send me:

— copy/ies of: **The Economics of Pollution Havens**,  
1 84542 535 9 / 978 1 84542 535 7 \$130.00

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip/Postcode \_\_\_\_\_ Country \_\_\_\_\_

Email \_\_\_\_\_

## Shipping & Handling:

Within US: Add \$5.00 for the first book and \$1.00 for each additional book.

Outside US: AIRMAIL: Add \$15.00 for the first book and \$5.00 for each additional book (allow 4-6 weeks).

COURIER: Email [kwight@e-elgar.com](mailto:kwight@e-elgar.com) for a quote.  
Please include book titles and destination.

— I would like to pay by check in US\$  
(made payable to Edward Elgar Publishing Inc.)

Please charge US\$ \_\_\_\_\_ to my: Visa/MasterCard/AmEx

Card #:

Expiration Date     Tel \_\_\_\_\_

Signature \_\_\_\_\_

FULL06



## The Economics of Pollution Havens

Edited by **Don Fullerton**

### Preface

1. Unbundling the Pollution Haven Hypothesis  
**M. Scott Taylor**
2. Environmental Policy, Population Dynamics and Agglomeration  
**Chris Elbers and Cees Withagen**
3. Managed Trade, Trade Liberalisation and Local Pollution  
**Pierre M. Regibeau and Alberto Gallegos**
4. Pollution Havens and the Regulation of Multinationals with Asymmetric Information  
**Xiaodong Wu**
5. Trade Integration and Political Turbulence: Environmental Policy Consequences  
**Per G. Fredriksson and Muthukumara Mani**
6. Pollution Abatement Expenditure by US Manufacturing Plants: Do Community Characteristics Matter?  
**Randy A. Becker**
7. Environmental Regulation as Export Promotion: Product Standards for Dirty Intermediate Goods  
**Carol McAusland**
8. Unilateral Emission Reductions and Cross-Country Technology Spillovers  
**Rolf Golombek and Michael Hoel**
9. Trade Liberalization and Pollution Havens  
**Josh Ederington, Arik Levinson and Jenny Minier**
10. Testing for Pollution Havens Inside and Outside of Regional Trading Blocs  
**Matthew E. Kahn and Yutaka Yoshino**
11. Environmental Regulation and International Trade: Empirical Results for Germany, the Netherlands and the US, 1977–1992  
**Abay Mulatu, Raymond J.G.M. Florax and Cees Withagen**
12. Pollution Havens and Foreign Direct Investment: Dirty Secret or Popular Myth?  
**Beata Smarzynska Javorcik and Shang-Jin Wei**
13. The Unintended Disincentive in the Clean Air Act  
**John A. List, Daniel L. Millimet and Warren McHone**
14. Trade Pessimists vs Technology Optimists: Induced Technical Change and Pollution Havens  
**Corrado Di Maria and Sjak A. Smulders**
15. Does Trade Promote Environmental Coordination? Pollution in International Rivers  
**Hilary Sigman**
16. Cross-Country Policy Harmonization with Rent-Seeking  
**Patrik T. Hultberg and Edward B. Barbier**

### Index