

## **EAAERE Newsletter**

By Hong, Jong Ho

Vice President, EAAERE

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### **President's Letter**

Dear colleagues,

With the full support and help from all the BOD members and two general secretaries, we together have achieved the following in the first year (i.e., 2015-2016) of my presidency. First, the renovated website of the EAAERE now has a new appearance and many powerful functions, which allow our members to communicate and interact more deeply and quickly. We can use the EAAERE website to disseminate academic information, conduct research discussions, etc. For this convenience, I like to thank Dr. Akihisa Mori and Dr. Katsuya Tanaka for their great devotion. Second, since the responsibilities of our vice-presidents and the BOD members are made clearer, our association operates more efficiently now. Our vice presidents, Dr. Shiqiu Zhang and Dr. Jong Ho Hong, are leading the BOD of the EAAERE to discuss all affairs concerned by our members. Questions and problems can be dealt with promptly. You are encouraged to express your concerns and give valuable suggestions to the BOD members to make our EAAERE become better and better. Third, under the great efforts of Dr. Ayumi Onuma, we just held a wonderful and successful EAAERE annual congress at Fukuoka, Japan, in August. In addition, the official journal of the EAAERE edited by Dr. Ken-Ichi Akao, *the Environmental Economics and Policy Studies* (EEPS), has a citation rate of 20.1% and receives more than 100 submissions this year. The EEPS has been listed in the ESCI (the Emerging Sources Citation Index) by Thomson Reuters since the last June. We are very optimistic about its being included in the SSCI in the near future. Thus, we encourage you to cite papers published by the EEPS whenever you can.

In the annual congresses of 2015 in Taipei and of 2016 in Fukuoka, we tried to expand the participation by inviting more scholars, especially in the fields of energy and ecological economics. Through deep discussions in the conferences, many of our members benefit from such across-field academic interactions. Thus, we will continue promoting this kind of activities. The Paris Agreement looks successful until now. However, some unpredictable doing may come from the newly elected President of the United States. Even so, we as environmental economists must keep working out more doable, efficient, and sustainable solutions for climate change and global warming, which threaten our lives more than ever. Thus, the related topics should always be included in our future congresses.

Based on our past achievements, the outlook for the EAAERE is bright. With the help of the Dean of

the Social Science College at National Taipei University, I have raised NTD 300,000 (i.e., about USD 9,375) for the next EAAERE Congress. The Social Science College and the Alumni Association of Department of Economics at National Taipei University will co-host the 2017 EAAERE Congress with Nanyang Technological University. This Congress will be held at Singapore in August, 2017. Dr. Euston Quash will be the chair of the LOC and Dr. Nabangchang Orapan will be the chair of the Program Committee. I am sure that they will hold a very successful and high-quality congress for the EAAERE. Thus, I urge you to plan your participation now, and let us meet in the wonderful Lion City next August.

Best wishes,

Hsiao-Chi Chen  
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## **I. The Sixth Congress of the EAAERE Held in Fukuoka, Japan**

The Sixth Congress of the EAAERE was held during August 7 ~ August 10, 2016, at Kyushu Sangyo University, Japan. The Congress was hosted by East Asian Association of Environmental and Resource Economics (EAAERE), Faculty of Economics at the Kyushu Sangyo University, Graduate School of Global Environmental Studies at the Kyoto University, Society of Environmental Economics and Policy Studies (SEEPS) and Fukuoka City. Dr. Hsiao-Chi Chen, the President of the EAAERE, and Dr. Youichi Kato, the Dean of Faculty of Economics at the Kyushu Sangyo University, gave the opening remarks.

The main theme of the Congress was “Green Economy and Sustainable Development for All.” A total of 223 papers were submitted from 20 countries, and the program committee chose 144 papers among them to be presented in 46 parallel sessions, including 4 poster session papers. The topics of the parallel sessions included: agriculture; international environmental issues; designing the policies on carbon tax, carbon leakage and free trade toward sustainable future in East Asia; energy-climate policies in China; environmental valuation and cost benefit analysis; examination of roles of major stakeholders in watershed resource management; growth, trade and the environment; irreversibility, risk and uncertainty; natural capital after natural disaster; pollution control instruments; and resources and ecosystem studies. The presenters came from 16 countries: Australia, Canada, Chile, China, Finland, Germany, Indonesia, Japan, South Korea, Malaysia, Singapore, Taiwan, Thailand, UK, USA, and Vietnam. The number of presentation of this year’s congress was the largest among the recent events, reflecting the progress of the EAAERE. The 6th Congress also featured a special policy forum session to discuss “Promoting Finance Mechanism for Biodiversity Conservation in East and Southeast Asia.”

On August 8, the keynote speech of the Congress titled “Conservation in the Green Economy” was given by Dr. Charles Perrings, Professor of ecological economics at Arizona State University, and

followed by the floor discussion with Dr. Shiqiu Zhang, the Chair. In his speech, Dr. Perrings emphasized the Hotelling principle as the core economic theory of conservation, which provides an answer to the fundamental question of the conservation decision making: When should a natural stock be conserved, and when should it be utilized? According to the Hotelling principle, an owner of a natural resource will be indifferent between conserving and exploiting the resource when the rate of return on the exploited resource and the expected capital gain on the conserved resource are equal. Dr. Perrings argued that the Hotelling principle can be applied to any decision making on the change of the state of natural assets in the Green Economy. Dr. Perrings thus suggested that the estimation of the expected social opportunity cost of alternative uses of natural capital enable the assessment of the efficiency of current conservation decisions on the national level.

The Policy Forum was held on the next day with the theme of “Promoting Finance Mechanism for Biodiversity Conservation in East and Southeast Asia”, which brought together leading scholars in biodiversity economics and discussed technical, analytical, and practical issues related to effective design and implementation of biodiversity finance mechanisms (BFM) in the East and Southeast Asian regions. The Forum was moderated by Professor Katusya Tanaka of Shiga University, and four scholars participated as panelists: Professor Ayumi Onuma of Keio University; Professor Charles Perrings of Arizona State University; Professor Seoung-Hoon Cho of the University of Tennessee; and Dr. Daigee Shaw, Research Fellow of Academia Sinica, Taiwan. Dr. Shaw discussed economic theories and policy implications behind the finance mechanism and introduced the cases of the payment for environmental services in Taiwan and China. Dr. Onuma shared two examples of financial mechanisms for biodiversity conservation in Japan. First was Forest Environmental Tax, and second was a case of conservation of Oriental White Stork in Toyooka city, Hyogo Prefecture. Dr. Perrings addressed possible reasons of preventing the spread of finance mechanisms, especially focusing on the type of mechanism that stimulates the emergence of the markets where those markets do not naturally occur. He also referred the interactions between different kinds of mechanisms. Dr. Cho dealt with a couple of issues regarding BFM. The first was revealing asymmetric information in the mechanisms by linking economic motivation, land use change, and ecosystem biodiversity of forest carbon sequestration. The second issue was addressing the spatial uncertainty through applying the concept of the portfolio to the conservation locations. An active Q&A session of the Policy Forum was followed by the discussion.





## **II. Agendas Discussed at the BOD Meeting**

Board of Directors (BOD) meeting was held at Kyushu Sangyo University in Fukuoka, Japan, during the Sixth Congress of EAAERE. A total of 11 BOD members attended the meeting. It was decided that the 2017 Seventh Congress would be held at Nanyang Technological University in Singapore. There were discussions on how to make effectively the governance structure of EAAERE encompass more experts in the field of environmental and resource economics from different countries in (East) Asia. BOD decided to formulate a four-member taskforce to investigate into this matter more thoroughly.

## **III. The Seventh Congress of the EAAERE to be held in Singapore in 2017**

We are happy to announce that the Seventh Congress of the EAAERE will be held at Nanyang Technological University, Singapore, from August 5th to 7th, 2017. The Congress will be co-cost by Nanyang Technological University, the College of Social Sciences of National Taipei University and the Alumni Association of Department of Economics of National Taipei University. The President of EAAERE, Professor Hsiao-Chi Chen of National Taipei University, was able to raise NT 300,000 (around USD 9,375) to financially support the seventh Congress of EAAERE.

Professor Euston Quah, the Head of the Department of Economics at Nanyang Technological University, will serve as the Chair of the LOC for the next Congress, and Professor Orapan Nabangchang of Sukhothai Thammatirat Open University, Thailand, will serve as the Chair of program committee. Detailed schedule including deadline for paper submission and registration will be posted at the official EAAERE website (<http://www.eaaere.org>) later.

## **IV. Recent Publications by EAAERE Members**

### **Marine and Coastal Ecosystem Valuation, Institutions, and Policy in Southeast Asia.**

Editors: Nancy Olewiler/ Herminia A. Francisco/ Alice Joan G. Ferrer

Springer 370pp. 2016

ISBN 978-981-10-0139-0

Information: <http://www.springer.com/gp/book/9789811001390>

### **Cost-Benefit Studies of Natural Resource Management in Southeast Asia.**

Editors: David James/ Herminia A. Francisco

Springer 396pp. 2015

ISBN: 978-9812873927

Information: <http://www.springer.com/gp/book/9789812873927>

### **The Routledge Handbook of Environmental Economics in Asia.**

Editor: Shunsuke Managi

Routledge 668 pp. 2015

ISBN: 978-0-415-65645-0

Information: <https://www.routledge.com/products/9780415656450>

## **V. Upcoming Events**

The Association of Environmental and Resource Economists (AERE), the East Asian Association of Environmental and Resource Economics (EAAERE), and the European Association of Environmental and Resource Economists (EAERE), officially announced that the 6th World Congress of Environmental and Resource Economists will be held in Gothenburg, Sweden, from June 25<sup>th</sup> to June 29<sup>th</sup>, 2018.

The Congress will be organized by the University of Gothenburg, with Prof. Thomas Sterner chairing the Local Organizing Committee. The Programme Committee Co-Chairs will soon be announced. Please note that since the World Congress is to be held in 2018, there will be no separate EAAERE Congress in 2018.

## **VI. Call for News**

If members of EAAERE would like to share news with other colleagues such as upcoming conferences or recent publications, please do not hesitate to send the information to Dr. Akihisa Mori at [mori.akhisa.2a@kyoto-u.ac.jp](mailto:mori.akhisa.2a@kyoto-u.ac.jp), Dr. Katsuya Tanaka at [katsuyat@gmail.com](mailto:katsuyat@gmail.com) or Dr. Jong Ho Hong at [hongjongho@snu.ac.kr](mailto:hongjongho@snu.ac.kr).