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Scandinavian Forest Economics
No. 43, 2010



Proceedings
of the Biennial Meeting of the
Scandinavian Society of Forest Economics
Gilleleje, Denmark, May 2010

Finn Helles and Petrine Steen Nielsen (eds.)
Copenhagen

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Foreword

During four warm and sunny days, 19th-22nd May 2010, close to 70 researchers gathered in Gilleleje, Denmark to present and discuss ongoing research at the Biennial Meeting of the Scandinavian Society of Forest Economics (SSFE).

SSFE was established in 1958 and has been active ever since. It is a sign of its quality that it remains vigorous and is able to attract also a large number of young researchers in the field. This will keep the SSFE alive for many decades to come.

On behalf of the SSFE, I thank our three keynote speakers who gave us some very interesting inputs for reflection and discussion: Professor Peter Berck, UC Berkeley, USA, Professor Marc Hanewinkel, Baden-Württemberg Forest Research Institute, Germany, and Professor Arild Angelsen, Norwegian University of Life Sciences.

In full compliance with tradition, the programme also included an excursion. The theme was the decision process and implementation of the new national park in Northern Zealand. The SSFE is grateful to its former member and now Forest District Chief Dr. Jens Bjerregaard Christensen, for setting up the programme and giving the participants an interesting insight into the political, economic and environmental aspects of the new national park.

This Biennial Meeting followed up on the tradition of appointing worthy Honourable Fellows, which was established in Lom, Norway in 2008. This year, Professor Lars Lönnstedt, Swedish University of Agricultural Sciences in Uppsala and Professor Colin Price, University of Bangor, UK were appointed Honourable Fellows of the SSFE. A Diploma and a small gift followed the appointment.

The organisers and the participants wish to express their gratitude to SamNordisk Skogforskning (SNS) under the Nordic Council of Ministers for its indispensable financial support to the Biennial Meeting. We also wish to thank Mrs Charlotte Bukdahl Jacobsen and Ms Petrine Steen Nielsen for their great effort in making all practical and organisational matters work so smoothly. And we appreciate that Ms Petrine Steen Nielsen and Professor Emeritus Finn Helles have edited this volume of the Proceedings series of the SSFE.

Frederiksberg, October 2010.

Bo Jellesmark Thorsen

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Colin Price

Colin Price was in 1970 awarded a B.A. degree (Forestry) from Oxford University, with Jubilee Prize for best forestry student. The degree was in 1975 converted to M.A. In 1975 he was awarded a D.Phil. degree also from Oxford University. Colin was in 1976 appointed as lecturer in environmental and forestry economics at University College of North Wales, now Bangor University, promoted to senior lecturer in 1990 and to professor in 1995.

Colin has always had a major teaching responsibility at Bangor University, mainly for teaching environmental and forestry economics. He also took an early initiative in designing an economic development option suitable for overseas students, and over the years he has introduced and taught courses in landscape design, recreation, environmental management, and computing. Other examples of his teaching are natural resource economics, practical forestry and estate economics, and economic, environmental and social appraisal.

Colin is an eminent lecturer and is therefore in great demand also outside Bangor University. He has given occasional seminars on topics of current interest at a number of universities in the UK, he has been a frequent speaker at conferences in many countries in and outside Europe, and over recent years he has often been guest lecturer in, for instance, the three Scandinavian countries. He has supervised numerous studies for M.Sc., M.Phil., and Ph.D. degrees.

Colin's research has lain very broadly in the field of land economics, ranging from urban economics to economics of biodiversity. Most comes under the heading of environmental and forestry economics. His most enduring and absorbing preoccupation has been with the economics of time, as represented by the process of discounting. His first published paper on this topic appeared in 1973, and the work culminated in the publication of *Time*,

Discounting and Value in 1993. These and also more recent works should have led to a major revolution of economic appraisal in the world's economies – but most economists are apparently not as open minded as they believe. Equally fundamental has been his work on economic ripples – the indirect welfare effects via price changes consequent on project implementation.

Colin's work on evaluation of non-market benefits and costs originated long before popular interest arose in the subject. It has covered a wide range of effects, including physical ones but mostly he has concentrated on "aesthetic" aspects, with a number of papers on recreational congestion and site substitution, and on statistical problems in fitting recreation demand curves. *Landscape Economics* 1978 was the world's first book on aesthetic valuation. His contributions to forestry economics have been at both macro and microeconomic level, much of the material being assembled in the textbook *The Theory and Application of Forest Economics* 1989 which is in widespread use. More recent developments have been in economic evaluation of transformation to continuous cover forestry and engagement in the debate about whether forest certification really provides a route for evaluating the environmental and social consequences of different modes of production. Colin is also heavily involved in research on climate change and biodiversity economics.

In 2000 Colin's contributions to environmental and forestry economics were recognised by the award of the International Union of Forest Research Organizations' Gold Medal for Scientific Achievement.

His list of publications is impressive: books, chapters in books and series, papers in academic and professional journals and series, book reviews.

Colin has participated in all biennial meetings of Scandinavian Society of Forest Economics since 1991. This is really an accomplishment. And he has become an indispensable participant: he always presents – several – papers and he is very active in the discussions. It has become a tradition that he writes a Conference Poem. These poems are funny, but they are not just for fun – he may have an unequalled sense of humour but don't fail to recognise that there is very often an edge to it.

Colin is also a great poet in the time between the SSFE biennial meetings. In the poems he demonstrates a great ability to convey to the reader "moods" experienced over many years and they are multi-layered, they are "tessellations" (see list), they are very English, and very much Colin Price. It pays to lose oneself in reading them – with a dictionary at hand.

In one word: Colin is gorgeous.

Selected publications

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- Time, Discounting and Value, Blackwell, 1993, pp.393. Now available electronically from c.price@bangor.ac.uk
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FH



Lars Lönnstedt

Lars Lönnstedt received his B.A. in 1968 and his M.Sc. 1969 at Stockholm University. His main subjects were business administration, economics, and statistics. Lars earned his Ph.D. degree in 1971, also at Stockholm University. His thesis developed knowledge on the introduction of operations research in organization. Lars was in 1971 assigned as an assistant professor at the Department of Forest Economics at the College of Forestry, which at that time was in Stockholm. In 1975 he was appointed as associate professor at the College, which in the following year became the Faculty of Forestry Sciences, The Swedish University of Agricultural Sciences, SLU. In 1999 Lars was promoted as a professor at the Department of Forest-Market-Industry Studies, SLU and he is now professor of business administration at the Department of Forest Products, SLU, Uppsala. Over his career Lars has also held positions at, and developed important research contacts with, research institutions outside Sweden, e.g. the Norwegian University of Forest Economics, IIASA Vienna, ENGREF France, and universities in North America.

Lars' research spans a broad spectrum of topics, from forest owners' decision making to research on the global forest sector. One distinguishing feature of Lars' research is its manifestation in publications that combine high scientific quality with societal relevance. The simultaneous transformation of farming enterprises and the growth of the forest industries created a need for a better knowledge about the economic planning among private forest owners. Lars was a pioneer in this research field and the main contributor to the enhanced understanding of the topic from the 1970s, highlighting the forest owners' multiple goals and long time perspective in their decision making. His publications on Non-Industrial Forest Owners ranged from their motivations, goals, decision making, and timber supply - to the benefit of policymakers and forest owners.

Alongside this research Lars produced prominent articles based on forest sector analyses. The research later expanded to applications on forest industries in different regions of the world and also investigations of paper recycling. And naturally, having a genuine knowledge of both the forest owners' situation and insights about the economic challenges to the Swedish forest sector, Lars has contributed constructively to the Swedish forest policy dialogue through articles and presentations. Over time he frequently provided recommendations for an improved operation of the forest sector. In 1992 he was appointed by the Government of Sweden as the Secretary in the Forest Commission preparing the new Swedish Forest Policy and other engagements have followed.

Lars has published in the most respected and prestigious journals in the field. He has also published chapters, books, and articles in professional journals.

The scientific achievements have not hindered Lars to engage actively in research related committees at the University and in international scientific organizations.

Lars is truly a hard working scientist! Thanks to his endurance and energy he made the Forest industrial economy education at SLU a real success. The education is now popular among students and also in the forest industry sector. He also contributes to the education by lecturing and participating in seminars. Over the years he has also supervised thesis studies, including several at Ph.D. level.

Lars has for a long time been a dedicated member of the SSFE, often presenting paper at the bi-annual conferences, and he was for several years its Swedish board member. In 2006 he successfully organized the SSFE-meeting in Uppsala.

In brief, Lars is a sharp and curious scientist and a friendly and supportive colleague – combined with devotion and perseverance this is an optimal combination!

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**BUSINESS ECONOMICS OF FORESTRY
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