

References

- Alfsen, K., A. Brendemoen and S. Glomsrød, 1992, Benefits of climate policies: some tentative calculations, Discussion paper no.69, Statistics Norway.
- Atkinson, A.B. and N.H. Stern, 1974, Pigou, taxation and public goods, *Review of Economic Studies* 41, 119-128.
- Atkinson, A.B. and J.E. Stiglitz, 1976, The design of tax structure: direct versus indirect taxation, *Journal of Public Economics* 10, 55-75.
- Auerbach, A.J., 1985, The theory of excess burden and optimal taxation, in: A.J. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Vol. I, North Holland, Amsterdam.
- Ballard, C.L. and S.G. Medema, 1993, The marginal efficiency effects of taxes and subsidies in the presence of externalities: a computational general equilibrium approach, *Journal of Public Economics* 52, 199-216.
- Barnett, A.H., 1980, The pigovian tax rule under monopoly, *American Economic Review* 70, 1037-1041.
- Barns, D.W., J.A. Edmonds and J.M. Reilly, 1992, Use of the Edmonds-Reilly model to model energy-related greenhouse gas emissions for inclusion in an OECD survey volume, Working paper no. 113, Economics Department, OECD, Paris.
- Barrett, S., 1994, Strategic environmental policy and international trade, *Journal of Public Economics* 54, 325-338.
- Barro, R.J., 1990, Government spending in a simple model of endogenous growth, *Journal of Political Economy* 98, 103-125.
- Barro, R.J. and X. Sala-i-Martin, 1992, Public finance in models of economic growth, *Review of Economic Studies* 59, 645-661.
- Baumol, W.J. and W.E. Oates, 1988, *The theory of environmental policy*, Cambridge University Press, Cambridge.

- Bayindir-Upmann, T., and M.G. Raith, 1997, Environmental taxation and the double dividend: a drawback for a revenue-neutral tax reform, Working paper No. 274, Institute of Mathematical Economics, University of Bielefeld.
- Beaumais O. and L. Ragot, 1998, Tax reform and environmental policy: second-best analysis using a French applied dynamic general equilibrium model, mimeo, University of Metz.
- Berndt, E.R. and D.O. Wood, 1979, Engineering and econometric interpretations of energy-capital complementarity, *American Economic Review* 69, 342-354.
- Berndt, E.R. and D.M. Hesse, 1986, Measuring and assessing capacity utilization in the manufacturing sectors of nine OECD countries, *European Economic Review* 30, 961-989.
- Boadway, R., S. Maital, and M. Prachowny, 1973, Optimal tariffs, optimal taxes and public goods, *Journal of Public Economics* 2, 391-403.
- Bovenberg, A.L., 1995, Environmental taxation and employment, *De Economist* 143, 111 - 140.
- Bovenberg, A.L., 1997, Environmental policy, distortionary labour taxation and employment: pollution taxes and the double dividend, in C. Cararro and D. Siniscalco (eds.), *New Directions in the Economic Theory of the Environment*, Cambridge University Press, Cambridge.
- Bovenberg, A.L., 1998, Green tax reforms: implications for welfare and distribution, paper presented at the 54th Congress of the IIPF, August 24-28, Cordoba, Argentina.
- Bovenberg, A.L. and S. Cnossen, 1991, Fiscal fata morgana (in Dutch), *Economisch Statistische Berichten* 76, 1200-1203.
- Bovenberg, A.L. and L.H. Goulder, 1996, Optimal environmental taxation in the presence of other taxes: General equilibrium analyses, *American Economic Review* 86, 985-1000.
- Bovenberg, A.L. and G.H.A. van Hagen, 1997, Environmental levies, preexisting tax distortions and distributional concerns, paper presented at the annual conference of the American Economic Association (AEA), New Orleans.

- Bovenberg, A.L. and R.A. de Mooij, 1992, Environmental taxation and labor-market distortions, Working paper 9252, CentER for Economic Research, Tilburg University.
- Bovenberg, A.L. and R.A. de Mooij, 1994a, Environmental levies and distortionary taxation, *American Economic Review* 94, 1085-89.
- Bovenberg, A.L. and R.A. de Mooij, 1994b, Environmental taxes and labor-market distortions, *European Journal of Political Economy* 10, 655-683.
- Bovenberg, A.L. and R.A. de Mooij, 1994c, Environmental policy in a small open economy with distortionary labor taxes: a general equilibrium analysis, in: E.C. van Ierland (ed.), *International Environmental Economics*, Elsevier, Amsterdam.
- Bovenberg, A.L. and R.A. de Mooij, 1996, Environmental taxation and the double dividend: the role of factor substitution and capital mobility, in: C. Carraro and D. Siniscalco (eds.), *Environmental Fiscal Reform and Unemployment*, Kluwer Academic Publishers, Dordrecht.
- Bovenberg, A.L. and R.A. de Mooij, 1997a, Environmental levies and distortionary taxation: Reply, *American Economic Review* 87, 252-253.
- Bovenberg, A.L. and F. van der Ploeg, 1994a, Environmental policy, public finance and the labour market in a second-best world, *Journal of Public Economics* 55, 349-390.
- Bovenberg, A.L. and F. van der Ploeg, 1994b, Green policies and public finance in a small open economy, *Scandinavian Journal of Economics* 96, 343-363.
- Bovenberg, A.L. and F. van der Ploeg, 1994c, Effects of the tax and benefit system on wage formation and unemployment, mimeo, Tilburg University.
- Bovenberg, A.L. and F. van der Ploeg, 1996, Optimal taxation, public goods and environmental policy with involuntary unemployment, *Journal of Public Economics* 62, 59-83.
- Bovenberg, A.L. and F. van der Ploeg, 1998a, Tax reform, structural unemployment and the environment, *Scandinavian Journal of Economics* 100, 593-610.

- Bovenberg, A.L. and F. van der Ploeg, 1998b, Consequences of environmental tax reform for involuntary unemployment and welfare, *Environmental and Resource Economics* (forthcoming).
- Bovenberg, A.L. and S. Smulders, 1995, Environmental quality and pollution-saving technological change in a two-sector endogenous growth model, *Journal of Public Economics* 57, 369-391.
- Bovenberg, A.L. and S. Smulders, 1996, Transitional impacts of environmental policy in an endogenous growth model, *International Economic Review* 37, 861-893.
- Braden, J.B. and C.D. Kolstad, 1991, *Measuring the demand for environmental quality*, Contributions to Economic Analysis no. 198, North Holland, Amsterdam.
- Brunello, G., 1996, Labour market institutions and the double dividend hypothesis: An application of the WARM model, in: C. Carraro and D. Siniscalco (eds.), *Environmental Fiscal Reform and Unemployment*, Kluwer Academic Publishers, Dordrecht.
- Buchanan, J.M., 1969, External diseconomies, corrective taxes, and market structure, *American Economic Review* 59, 174-177.
- Burniaux, J-M., J.P. Martin, G. Nicoletti and J. Oliveira Martins, 1992a, The costs of reducing CO₂ emissions: Evidence from GREEN, Working paper no. 115, Economics Department, OECD, Paris.
- Burniaux, J-M., J.P. Martin, G. Nicoletti and J. Oliveira Martins, 1992b, Green -- A multi-sector, multiregion dynamic general equilibrium model for quantifying the costs of curbing CO₂ emissions: A technical manual, Working paper no. 116, Economics Department, OECD, Paris.
- Butter, F.A. den, and M.W. Hofkes, 1993, 'Sustainable development with extractive and non-extractive use of the environment in production,' Discussion paper 93-194, Tinbergen Institute, Amsterdam.
- Carraro, C., M. Galeotti, and M. Gallo, 1996, Environmental taxation and unemployment: Some evidence on the 'double dividend hypothesis' in Europe, *Journal of Public Economics* 62, 141-181.
- Coase, R.H., 1960, The problem of social cost, *Journal of Law and Economics* 3, 1-44.

- Conrad, K., and T.F.N. Schmidt, 1997, Double dividend of climate protection and the role of international policy coordination in the EU: an AGE analysis with the GEM-E3 model, Discussion paper no. 97-26, ZEW, University of Mannheim.
- Corlett W.J. and D.C. Hague, 1953, Complementarity and the excess burden of taxation, *Review of Economic Studies* 21, 21-30.
- CPB, 1992, Long-term economic consequences of energy taxes (in Dutch), Working paper no. 43, The Hague.
- CPB, 1993, Effects of an energy tax on small-scale use at low and high energy prices (in Dutch), Working paper no. 64, The Hague.
- Cremer, H. F. Gavhari, and N. Ladoux, 1997, On environmental levies and distortionary taxation, mimeo, University of Toulouse.
- Cropper M.L. and W.E. Oates, 1992, Environmental economics: a survey, *Journal of Economic Literature* 30, 675 - 740.
- Diamond, P.A. and J.A. Mirrlees, 1971, Optimal taxation and public production: I. Production efficiency, *American Economic Review* 61, 8-27.
- Draper, D.A.G, 1995, The export market (in Dutch), CPB Research Memorandum 130, The Hague.
- European Commission, 1994, Taxation, employment and environment: fiscal reform for reducing unemployment, European Economy no. 56, Part C, Analytical study no. 3, March, Brussels.
- European Commission, 1997, Presentation of the new Community system for the taxation of energy products, Commission staff working paper, SEC (97) 1026, Brussels.
- Ekins, P. and S. Speck, 1997, Competitiveness and exemptions from environmental taxes in Europe, *Environmental and Resource Economics* (forthcoming).
- European Economy, 1992, The climate challenge - economic aspects of limiting CO₂ emissions, Commission of the European Communities, no. 51, September, Brussels.
- Ewijk, C. van, and S. van Wijnbergen, 1995, Can abatement overcome the conflict between the environment and economic growth?, *De Economist* 143, 197-216.

- Frankhauser, S., 1995, *Valuing climate change: the economics of the greenhouse*, Earthscan, London.
- Fuest, C. and B. Huber, 1999, Second-best pollution taxes: an analytical framework and some new results, *Bulletin of Economic Research* 51, 31-38.
- Fullerton, D., 1995, Why have separate environmental taxes?, NBER Working Paper 5380, Cambridge, MA.
- Fullerton, D., 1997, Environmental levies and distortionary taxation: Comment, *American Economic Review* 87, 245-251.
- Fullerton, D. and G.E. Metcalf, 1996, Environmental regulation in a second-best world, mimeo, University of Texas.
- Fullerton, D. and G.E. Metcalf, 1997, Environmental taxes and the double-dividend hypothesis: did you really expect something for nothing?, NBER Working Paper 6199, Cambridge, MA.
- Goulder, L.H., 1995a, Environmental taxation and the double dividend: A reader's guide, *International Tax and Public Finance* 2, 155-182.
- Goulder, L.H., 1995b, Effects of carbon taxes in an economy with prior tax distortions: an intertemporal general equilibrium analysis, *Journal of Environmental Economics and Management* 29, 271-297.
- Goulder, L.H., I.W.H. Parry, and D. Burtraw, 1997, Revenue-raising vs. other approaches to environmental protection: the critical significance of preexisting tax distortions, *Rand Journal of Economics* 28, 708-731.
- Graafland, J.J. and F. Huizinga, 1997, Estimating a non-linear wage equation for the Netherlands, *CPB Report* 1997/1, 21-25.
- Gradus, R., and S. Smulders, 1993, The trade-off between environmental care and long-term growth -- pollution in three prototype growth models, *Journal of Economics* 58, 25-51.
- Griffin, J.M., 1981, Engineering and econometric interpretations of energy-capital complementarity: Comment, *American Economic Review* 71, 1100-1104.
- Hagen, G.H.A. van, 1995, Tax policy in an open economy with a resource externality and rationing of low-skilled labor, paper presented at the AIO presentation day, Nijmegen, October 27.

- Håkonsen, L., 1996, Fiscal and environmental efficiency: a trade-off rather than a double dividend, mimeo, University of Bergen.
- Håkonsen, L., 1998, Essays on taxation, efficiency and the environment, Ph.D. Thesis, Norwegian School of Economics and Business Administration.
- Hausman, J.A., 1985, Taxes and labor supply, in: A.J. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Vol. I, North Holland, Amsterdam.
- Hesse, D.M. and H. Tarkka, 1986, The demand for capital, labor and energy in European manufacturing industry before and after the oil price shocks, *Scandinavian Journal of Economics* 88, 529-46.
- Holmlund, B. and A-S. Kolm, 1997, Environmental tax reform in a small open economy with structural unemployment, in: *Economic Studies* 32 (Ph.D. thesis, chapter 3), Uppsala University.
- Hoeller, P., A. Dean and J. Nicolaisen, 1991, Macroeconomic implications of reducing greenhouse gas emissions: a survey of empirical studies, *OECD Economic Studies*, No. 16.
- Hoeller, P., A. Dean and M. Hayafuji, 1992, New issues, new results: The OECD's second survey of the macroeconomic costs of reducing CO₂ emissions, Working paper no. 123, Economics department, OECD, Paris.
- Ilmakunnas, P. and H. Törmä, 1989, Structural change in factor substitution in Finnish manufacturing, *Scandinavian Journal of Economics* 91, 705-721.
- Jaffe, A.B., S.R. Peterson, P.R. Portney and R. Stavins, 1995, Environmental regulation and the competitiveness of U.S. manufacturing, *Journal of Economic Literature* 33, 132-164.
- Johansson, O., 1995, On externality correcting taxes with distributional considerations in a second-best world, mimeo, Göteborg University.
- Keller, W.J., 1980, *Tax incidence: a general equilibrium approach*, North Holland, Amsterdam.
- Killinger, S., 1995, Indirect internalization of international environmental externalities, Discussion paper nr. 264, University of Konstanz.
- Knoester, A. and N. van der Windt, 1987, Real wages and taxation in ten OECD countries, *Oxford Economic Papers* 49, 151-169.

- Koskela, E., and R. Schöb, 1996, Alleviating unemployment: the case for green tax reforms, *European Economic Review* (forthcoming).
- Koskela, E., R. Schöb and H-W. Sinn, 1998, Pollution, factor taxation and unemployment, *International Tax and Public Finance* 5, 379-396.
- Layard, R., S. Nickell and R. Jackman, 1991, *Unemployment*, Oxford University Press, Oxford.
- Lee, D.R. and W.S. Misiolek, 1986, Substituting pollution taxation for general taxation: some implications for efficiency in pollution taxation, *Journal of Environmental Economics and Management* 13, 338-347.
- Ligthart, J.E. and F. van der Ploeg, 1995, Environmental quality, public finance and sustainable growth, in Carraro, C. and J. Filer (eds.), *Control and game theoretic models of the environment*, Birkhauser.
- Ligthart, J. and F. van der Ploeg, 1997, Environmental policy, tax incidence and the cost of public funds, *Environmental and Resource Economics*, forthcoming.
- Lundin, D., 1998, Accounting for geographical residence in a search for welfare-improving carbon dioxide tax reforms, Paper presented at the 54th IIPF congress, Cordoba, Argentina, August 24-27.
- Mayeres, I. and S. Proost, 1997, Optimal tax and public investment rules for congestion type of externalities, *Scandinavian Journal of Economics* 99, 261-280.
- Mayshar, Y. and S. Yitzhaki, 1995, Dalton-improving indirect tax reform, *American Economic Review* 85, 793-807.
- McDonald, I.M. and R.M. Solow, 1981, Wage bargaining and unemployment, *American Economic Review* 71, 896-908.
- McGuire, M.C., 1982, Regulation, factor rewards, and international trade, *Journal of Public Economics* 17, 335-354.
- Ministry of Economic Affairs, 1989, *Energy in figures*, The Hague.
- Mooij, R.A. de, J. van Sinderen and M.W. Gout, 1998, Welfare effects of different public expenditures and taxes in the Netherlands, *Empirica* 25, 263-284.
- Mooij, R.A. de, and H.R.J. Vollebergh, 1995, Prospects for European environmental tax reform, in: F.J. Dietz, H.R.J. Vollebergh and J.L. de

- Vries (eds.) *Environment, Incentives and the Common Market*, Kluwer Academic Publishers, Dordrecht.
- Ng, Y.-K., 1980, Optimal corrective taxes or subsidies when revenue raising imposes an excess burden, *American Economic Review* 70, 744-751.
- Nielsen, S.B., L.H. Pedersen and P.B. Sørensen, 1995, Environmental policy, unemployment and endogenous growth, *International Tax and Public Finance* 2, 185-206.
- Nordhaus, W.D., 1993, Optimal greenhouse-gas reductions and tax policy in the DICE model, *American Economic Review* 83, 313-317.
- Oates, W.E., 1993, Pollution charges as a source of public revenues, in H. Giersch (ed.), *Economic progress and environmental concerns*, Springer Verlag, Berlin.
- Oates, W.E., 1995, Green taxes: Can we protect the environment and improve the tax system at the same time?, *Southern Economic Journal* 61, 915-922.
- OECD, 1997, *Evaluating Economic Instruments for Environmental Policy*, Paris.
- Orosel G.O. and R. Schöb, 1996, Internalizing externalities in second-best tax systems, mimeo, University of Vienna and University of Munich.
- Ostro, B., 1994, Estimating the health effects of air pollutants: a method with an application to Jakarta, Rep. No. WPS1301, World Bank, Washington, DC.
- Parry, I.H., 1995, Pollution taxes and revenue recycling, *Journal of Environmental Economics and Management* 29, 64-77.
- Parry, I.H., 1997, Environmental taxes and quotas in the presence of distortionary taxes in factor markets, *Resource and Energy Economics* 19, 203-220.
- Pearce, D.W., 1991, The role of carbon taxes in adjusting to global warming, *Economic Journal* 101, 938-948.
- Pezzey, J.C.V, 1992, Sustainability: an interdisciplinary guide, *Environmental Values* 1, 321-362.
- Pezzey, J.C.V. and A. Park, 1998, Reflections on the double-dividend debate, *Environmental and Resource Economics*, 3-4, 539-555.
- Pigou, A.C., 1932, *The Economics of Welfare*, Fourth Edition, MacMillen & Co, London.

- Pindyck, R.S., 1979, Interfuel substitution and the industrial demand for energy: an international comparison, *Review of Economics and Statistics* 61, 169-179.
- Pirttilä J. and R. Schöb, 1996, Redistribution and internalization: the many-person Ramsey tax rule revisited, mimeo, University of Helsinki and University of Munich.
- Pirttilä J. and M. Tuomala, 1996, Income tax, commodity tax, and environmental policy, mimeo, University of Helsinki and University of Tampere.
- Ploeg, F. van der, and A.L. Bovenberg, 1994, Environmental policy, public goods and the marginal cost of public funds, *Economic Journal* 104, 444-454.
- Ploeg, F. van der and C. Withagen, 1991, Pollution control and the Ramsey problem, *Environmental and Resource Economics* 1, 215-36.
- Poterba, J.M., 1993, Global warming policy: a public finance perspective, *Journal of Economic Perspectives* 7, 47-63.
- Proost, S. and D. van Regemorter, 1995, The double dividend and the role of inequality aversion and macroeconomic regimes, *International Tax and Public Finance* 2, 207-219.
- Rebelo, S., 1991, Long-run policy analysis and long-run growth, *Journal of Political Economy* 99, 500-521.
- Repetto, R. and D. Austin, 1997, *The costs of climate protection: a guide for the perplexed*, World Resource Institute, Washington, D.C.
- Repetto, R., R.C. Dower, R. Jenkins and J. Geoghegan, 1992, *Green fees. How a tax shift can work for the environment and the economy*, World Resources Institute, Washington, D.C.
- Sandmo, A., 1975, Optimal taxation in the presence of externalities, *Swedish Journal of Economics* 77, 86-98.
- Schneider, K., 1997, Involuntary unemployment and environmental policy: the double dividend hypothesis, *Scandinavian Journal of Economics* 99, 45-60.
- Schöb, R., 1996, Evaluating tax reforms in the presence of externalities, *Oxford Economic Papers* 48, 537-555.

- Schöb, R., 1997, Environmental taxes and pre-existing distortions: the normalization trap, *International Tax and Public Finance* 4, 167-176.
- Schwartz, J. and R. Repetto, 1997, Nonseparable utility and the double dividend debate: reconsidering the tax-interaction effect, mimeo University of Maryland and World Resource Institute, Washington, D.C..
- Siebert, H., J. Eichenberger, R. Gronych and R. Pethig, 1980, *Trade and environment: A theoretical inquiry*, Elsevier, Dordrecht.
- Smith, S, 1992, Taxation and the environment: a survey, *Fiscal Studies* 13, 21-57.
- Smulders, S., and R. Gradus, 1996, Pollution abatement and long-term growth, *European Journal of Political Economy* 12, 505-532.
- Smulders, S., and P. Sen, 1998, The double dividend hypothesis and trade liberalization, paper presented at the NAKÉ Research Day, Amsterdam, October 23.
- Standaert, S., 1992, The macro-sectoral effects of an EC-wide energy tax: simulation experiments for 1993-2005, *European Economy*, special edition no. 1: The economics of limiting CO₂ emissions, Brussels.
- Tahvonen, O. and J. Kuuluvainen, 1993, Economic growth, pollution and renewable resources, *Journal of Environmental Economics and Management* 24, 101-118.
- Tang, P.J.G., R.A. de Mooij and R. Nahuis, 1998, An economic evaluation of alternative approaches for limiting the costs of unilateral action to slow down global climate change: simulations with WorldScan, *European Economy* 1998 no. 1, pp. 11-35, DG II European Commission, Brussels.
- Terkla, D., 1984, The efficiency value of effluent tax revenues, *Journal of Environmental Economics and Management* 11, 107-123.
- Tol, R.S.J., 1995, The damage costs of climate change: towards more comprehensive calculations, *Environmental and Resource Economics* 5, 353-374.
- Topham, N., 1984, A reappraisal and recalculation of the marginal cost of public funds, *Public Finance* 3, 394-405.
- Tullock, G., 1967, Excess benefit, *Water Resources Research* 3, 643-644.

- Whalley, J. and R. Wigle, 1991, The international incidence of carbon taxes, in R. Dornbusch and J.M. Poterba (eds.), *Global Warming: Economic Policy Responses*, MIT Press, Cambridge, MA.
- Wildasin, D.E., 1984, On public good provision with distortionary taxation, *Economic Enquiry* 22, 227-243.
- Williams, R.C., 1998a, Revisiting the cost of protectionism: the role of tax distortions in the labor market, *Journal of International Economics*, forthcoming.
- Williams, R.C., 1998b, The impact of pre-existing taxes on the benefits of regulations affecting health or productivity, mimeo Stanford University.
- WRR, 1992, Environmental policy: Strategy, instruments and enforcement (in Dutch), Government Report no. 41, SDU, The Hague.
- Zuidema, T. and A. Nentjes, 1997, Health damage of air pollution: An estimate of dose-response relationship for the Netherlands, *Environmental and Resource Economics* 9, 291-308.