

NOISE POLLUTION CAUSED BY ELECTRIC GENERATORS AND FIRING OUTSIDE MARRIAGE HALLS IN LAHORE: A SENSITIVITY ANALYSIS USING CONTINGENT VALUATION

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ABSTRACT

This study is based on evaluating the average willingness to pay and average willingness to be compensated for the negative externality; noise pollution caused by electric generators and firing outside marriage halls. The electricity shortfall in Pakistan has led the country to move towards energy alternatives and use of electric generators has become a massive phenomenon in recent times. Extensive use of generators has caused noise pollution in many parts of the country. Moreover, firing outside marriage halls is also found to be a negative externality for residents near marriage halls. This study is primarily related to two residential locations of Lahore (Iqbal Town and Model Town) and two commercial locations (liberty market and hall road) within the city. The methodology that has been adopted is the contingent valuation survey. Questionnaires were filled from residents in residential locations and shopkeepers from commercial locations. The results revealed that the average willingness to be compensated for noise pollution caused by generators was greater than the average willingness to pay. On the other hand, similar findings were achieved in case of firing outside marriage halls where average willingness to be compensated exceeded average willingness to pay if externality was internalized.

KEYWORDS: Average Willingness to Pay, Average Willingness to be Compensated, Contingent Valuation and Noise Pollution