

When to cut a tree

by Fritz Helmedag*

For about two centuries, the optimal rotation period in forestry has been debated intensively. According to the meanwhile prevalent opinion, the so-called Faustmann condition solves the problem because it maximizes the present value of woodland. The result, however, contradicts the ‘principle of maximum yield’, i.e. it is productively inefficient. The article develops Faustmann’s approach further and provides an objective function suited to reconcile available cutting rules.

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**Prof. Dr. Fritz Helmedag, Chemnitz University of Technology, Department of Economics, Thüringer Weg 7, D-09107 Chemnitz, phone: +49(0)371 531 341 85, e-mail: f.helmedag@wirtschaft.tu-chemnitz.de*