

## **EC332 ECONOMICS OF ENVIRONMENTAL ISSUES – WINTER 2012**

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**Professor:** Jenny Liu, Ph.D.

**Office:** CH 287-L

**Email:** jenny.liu@pdx.edu

**OH:** TR 1:00pm – 1:50pm & by appt

**TA:** Grant Struck

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**Office Hours:** W 3-4pm @ EconLab

**TA:** Matthew Eddleman

**Email:** [meddle@pdx.edu](mailto:meddle@pdx.edu)

**Class Time:** TR 2:00pm – 3:50pm @ CH150

**Course Website:** <http://d2l.pdx.edu>

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### **Required Textbook**

Tietenberg & Lewis. **Environmental Economics & Policy** (6<sup>th</sup> Edition).  
Addison-Wesley, 2010. (ISBN: 0-321-59949-7)

Additional readings are required and may be posted on course website or distributed in class.

### **Course Objective**

This course is designed to introduce students to economic concepts and tools fundamental to evaluating and analyzing local, national and global environmental issues. The course explores environmental issues such as pollution control, resource allocation, climate change, energy efficiency and sustainability. In this course, you will learn to use economic concepts and terminology to further understand the social, economic and environmental impacts of environmental policies.

### **Grading & Exams**

	<b>Date</b>	<b>Time</b>	<b>Weight</b>
Midterm Exam #1	02/02 (Th)	in class	18%
Midterm Exam #2	02/28 (Tu)	in class	18%
Final Exam	03/19 (M)	10:15am – 12:05pm	24%
Problem Sets	Various		25%
Class Participation			15%

Your grade will be based on your performance on the exams, problem sets and class participation. Exam dates are indicated in the above table. The Final Exam is comprehensive. Makeup exams will **NOT** be given unless there are extenuating circumstances and arranged well in advance with the instructor.

## Problem Sets

Problem sets will be posted on the class website and may consist of quantitative, graphing, qualitative problems as well as essay questions. Each problem set will be counted equally. They need to be turned in at the *beginning* of class on the due dates (email submissions will **NOT** be accepted). **LATE** submissions will **NOT** be accepted, but you will get to **DROP YOUR LOWEST PROBLEM SET**

	Posted	Due
PS#1	01/11 (W)	01/17 (Tu)
PS#2	01/19 (Th)	01/26 (Th)
PS#3	02/07 (Tu)	02/14 (Tu)
PS#4	02/14 (Tu)	02/21 (Tu)
PS#5	03/06 (Tu)	03/13 (Tu)

**SCORE.** However, you are still expected to review the answers and solutions to the problem sets. These problems are provided to help with your studying and may be highly correlated with exam problems. Problem sets will be graded on effort, completeness, correctness and methodology chosen. You may work with your classmates, but you must write your own answers.

## Classroom Expectations

- Read assigned materials before class lecture
  - Actively participate in classroom discussion and activities
  - Attendance is an essential part of participation, come prepared
  - Do not hesitate to ask questions!!!
  - No laptops unless necessary for accommodations
  - Do not engage in activities that disrupt or disrespect other students (i.e. cell phone ringing, texting, browsing, chatting, etc)
  - Note any changes or additions to course schedule or materials
- It is **YOUR RESPONSIBILITY** to check the course website and to come to class.

## Contact & Questions

Please come to office hours for any questions and concerns. Emailing me directly at [jenny.liu@pdx.edu](mailto:jenny.liu@pdx.edu) is generally the best way to contact me and get a quick response.

**EC 332 CALENDAR – WINTER 2012**

<b>Week</b>	<b>Date</b>	<b>Day</b>	<b>#</b>	<b>Topics</b>	<b>Readings</b>
1	01/10	Tu	1	<input type="checkbox"/> Introduction & Syllabus Review <input type="checkbox"/> Principles of Economics	Chapter 1
	01/12	Th	2	<input type="checkbox"/> Valuing the Environment: Concepts	Chapter 2 Economist <sup>2</sup>
2	01/17	Tu	3	<input type="checkbox"/> Valuing the Environment: Methods <ul style="list-style-type: none"> <li>○ Methods of Evaluation</li> <li>○ Cost-Benefit Analysis</li> <li>○ Net Present Value (NPV)</li> </ul>	Chapter 3 Kelman et al. <sup>4</sup>
	01/19	Th			
3	01/24	Tu	4	<input type="checkbox"/> Market Failures: Externalities, Public Goods and Common Resources <input type="checkbox"/> Policy Instruments for Market Failures	Chapter 4
	01/26	Th			
4	01/31	Tu		<input type="checkbox"/> Review & Discussion	
	02/02	Th	<b>MIDTERM EXAM #1 (Lecture #1 to Lecture #4)</b>		
5	02/07	Tu	5	<input type="checkbox"/> Economics of Pollution Control <ul style="list-style-type: none"> <li>○ Efficient Allocation of Pollution</li> <li>○ Sources of Pollution</li> <li>○ Economics Solutions</li> </ul>	Chapter 14 Fullerton & Stavins <sup>3</sup> Sandel <sup>5</sup>
	02/09	Th			
6	02/14	Tu	6	<input type="checkbox"/> Sustainability	Chapter 5 Chapter 21 Solow <sup>6</sup>
	02/16	Th			
7	02/21	Tu		<input type="checkbox"/> Review & Discussion	
	02/23	Th			
8	02/28	Tu	<b>MIDTERM EXAM #2 (Lecture #5 to Lecture #6)</b>		
	03/01	Th	7	<input type="checkbox"/> Common-Pool Resources	Chapter 13
9	03/06	Tu	8	<input type="checkbox"/> Water <input type="checkbox"/> Energy	Chapter 9, Economist <sup>1</sup> Chapter 8
	03/08	Th	9	<input type="checkbox"/> Economics of Climate Change	Chapter 16 Stern <sup>7</sup> Yale E360 <sup>8</sup>
03/13	Tu				
10	03/15	Th		<input type="checkbox"/> Review & Discussion	
	03/19	M	<b>FINAL EXAM (Comprehensive) @ 10:15am – 12:05pm</b>		

## ADDITIONAL READINGS

- <sup>1</sup>**Economist:** "For want of a drink," *The Economist*, May 22<sup>nd</sup>. (2010)
- <sup>2</sup>**Economist:** "A price on the priceless," *The Economist*, August 17<sup>th</sup>.(1991)
- <sup>3</sup>**Fullerton and Stavins:** "How Economists See the Environment," *Nature* 395:6701. (1998)
- <sup>4</sup>**Kelman et al.:** "Cost-Benefit Analysis: An Ethical Critique," *AEI Journal on Government and Society Regulation*, pp. 33-40. (1981)
- <sup>5</sup>**Sandel:** "It's Immoral to Buy the Right to Pollute," *The New York Times*, December 15<sup>th</sup> (1997).
- <sup>6</sup>**Solow:** "Sustainability: An Economist's Perspective," paper presented as the Eighteenth J. Seward Johnson Lecture to the Marine Policy Center, Woods Hole Oceanographic Institution. (1991)
- <sup>7</sup>**Stern:** "Stern Review on the Economics of Climate Change," HM Treasury, Office of Climate Change, London ([http://www.hm-treasury.gov.uk/sternreview\\_index.htm](http://www.hm-treasury.gov.uk/sternreview_index.htm)). (2006)
- <sup>8</sup>**Yale E360:** "Putting a Price on Carbon: An Emissions Cap or a Tax?" *Yale Environment 360* (<http://e360.yale.edu/content/print.msp?id=2148>), May 7<sup>th</sup>. (2009)

## POLICIES

### Affirmative Action

Portland State University supports equal opportunity for all, regardless of age, color, disability, marital status, national origin, race, religion or creed, sex or gender, sexual or gender identity, sexual orientation, veteran status, or any other basis in law.

### Academic Misconduct Policy

You are expected to display academic integrity and honesty. Cheating, fraud or plagiarism will be dealt with according to the Portland State **Student Code of Conduct** (<http://www.pdx.edu/dos/codeofconduct>), which could lead to failing the course or expulsion from the University.

### ADA Accommodation

Students with accommodations approved through the Disability Resource Center are responsible for contacting the faculty member prior to, or during, the first week of term to discuss accommodations. Students who believe they are eligible for accommodations but who have not yet obtained approval should contact the DRC immediately.

### Calendar/Schedule

Course calendar is tentative and is subject to change as the instructor deems appropriate. Please check online for any updates.