This course will develop an economic perspective on environmental problems. It begins by using basic microeconomic theory to conceptualize “pollution” as an economic problem. This view has direct policy implications, both for the determination of the appropriate level of environmental quality and for the choice of policy instruments for the attainment of environmental standards. In particular, the course will explore the use of economic incentives for protection of the environment including some recently introduced policy measures. The course has a strong policy orientation: it will examine several forms of pollution -- air, water, toxic wastes, global warming, ozone depletion -- and the polices that have been employed to control them.

COURSE LEARNING OBJECTIVES:

- Gain factual knowledge about the application of economic reasoning to environmental problems
- Obtain a better understanding of the strengths and weaknesses of current U.S. environmental policies
- To learn how to design effective policies to bring about environmental improvement
- To understand the uses of cost/benefit analysis
- To examine international environmental issues from an economic perspective
- To address the issue of sustainable development
TEXT:


the additional readings will be distributed in class

EVALUATION/GRADING:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>12%</td>
</tr>
<tr>
<td>First Hourly Examination</td>
<td>22%</td>
</tr>
<tr>
<td>Second Hourly Examination</td>
<td>22%</td>
</tr>
<tr>
<td>Final Examination</td>
<td>44%</td>
</tr>
</tbody>
</table>

Grading Ranges:

- 4.0 = 90.0 - 100%
- 3.5 = 85.0 - 89.9%
- 3.0 = 80.0 - 84.9%
- 2.5 = 75.0 - 79.9%
- 2.0 = 70.0 - 74.9%
- 1.5 = 65.0 - 69.9%
- 1.0 = 60.0 - 64.9%
- 0.0 = below 60%

PROVISIONS FOR POSSIBLE SYLLABUS ADDENDA OR REVISIONS:

There may be changes in the assignments and dates. Students are responsible for learning of any changes in the syllabus that are announced in class.

COURSE POLICIES:

Students are expected to take full responsibility for their academic work and academic progress. Students are expected to attend class regularly, for consistent attendance offers the most effective opportunity open to all students to gain developing command of the concepts and materials of the course. A study (Romer, JEP, Summer 1993) found that the difference in performance for a student who attends regularly and one who attends sporadically is about a full letter grade. However, attendance in class, in and of itself, is not a criterion for evaluation of the
student's degree of success or failure. Furthermore, absences do not alter what is expected of the student qualitatively and quantitatively. Absences will not be used in the computation of grades.

Make-up exams will be given only when the absence of the student results from one of the following causes: illness (where the student is too ill to attend class), religious observance (where the nature of the observance prevents the student from being present during the class period), participation in university activities at the request of university authorities, and compelling circumstances beyond the student's control. Students requesting a make-up exam must furnish documentary support for their assertion that absence resulted from one of these causes.

Course incompletes are not normally offered. The course material is designed to be completed within the semester time frame.

Students may withdraw from the class through the eighth week of the semester. It is the student's responsibility to ensure that the withdrawal form is returned to the registrar's office. Thereafter, a student may withdraw only for medical reasons, supported by a written excuse from a physician. The expectation of a poor grade is not grounds for withdrawal after the eighth week.

Class participation is highly encouraged. Students will be graded on both the quantity and quality of their participation in class discussions. Students are expected to contribute significantly to discussion voluntarily or when called upon.

Finally, please feel free to come see me to ask questions or to discuss difficult material. If my office hours are not convenient, you may set up an appointment for an alternative time.
Reading Assignments

1. Pollution as an Economic Problem

1A. Introduction to Environmental Economics
   1. Field, ch. 1-2

1B. Externalities and Market Failure
   1. Field, ch. 3-4

2. The Economics of Environmental Management

2A. General Principles
   1. Field, ch. 5-8


2B. The Choice of Policy Instruments
   1. Field, ch. 9-13

3. Environmental Policy in the United States

3A. The Regulation of Air and Water Quality and of Toxic Wastes
1. Field, ch. 14-16


3B. Environmental Federalism

1. Field, ch. 17


4. International Environmental Issues

4A. International Trade, Economic Development, and the Environment

1. Field, ch. 18-19


4B. The Global Environment

1. Field, ch. 20-21


5. Conservation, Economic Growth, Sustainability, and the Environment

