

AREc/Econ 352: Environmental Economics and Policy
Spring 2007, M/W/F 10 – 10:50 am in STAG 111

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1. Brief Course Description

This course provides a survey of environmental economics. Through lectures, discussion, readings, films, and campus activities, you will learn how economists think about the natural environment and the various tools they use to analyze and address problems related to the management of environmental quality.

2. Reading Material

There is one required book for the course: Tietenberg, Tom. *Environmental and Natural Resource Economics*, 6th or 7th edition. New York: Harper Collins.

In addition, there are some assigned readings posted to Blackboard from newspapers, magazines, and academic journals. You should come to class having read the required readings for the day.

3. Lecture Notes

I will post my Power Point slides to Blackboard on a continuous basis. You might consider printing these out as handouts, 3 or more to a page and double-sided (to save trees). Obviously this is not a requirement. Note that not everything I say in class is on the slides. You will still want to pay attention, take notes, and ask questions to ensure you are learning the material.

4. Grading and Course Requirements

I will use the following scale in assigning final grades: A = 93-100%, A- = 90-92%, B+ = 87-89%, B = 83-86%, B- = 80-82%, C+ = 77-79%, C = 73-76%, C- = 70-72%, D+ = 67-69%, D = 63-66%, D- = 60-62%, F = below 60%.

Grading is based on the following elements: In-Class Activities (10%), Homework Sets (20%), Midterm Exam (35%), and Final Exam (35%).

In-Class Activities include: games, films, written responses to questions posed in class, and campus activities (contingent valuation survey and fundraising). To obtain full credit for a given activity, you must be an active participant and complete all parts of the activity satisfactorily. If you miss class on a day we have an In-Class Activity, and you have appropriate documentation (e.g., a note from your doctor stating that, as a result of illness, you are unable to attend class), I will allow you to make up the activity with an alternate assignment. I will allow you to make up one In-Class Activity during the quarter.

There will be five **Homework Sets** during the term. Homework Sets are designed to give you practice applying concepts learned in class, fix ideas, and help you prepare for exams. Homework will be due on the announced date at the start of class. Late Homework will be penalized 25% for each day (24 hours) it is late starting at 10:15 am on the due date. You are expected to complete all parts of a given Homework Set. However, not all questions will be graded. Instead, a sample of questions will be graded, with the sample chosen at random by rolling a die in class.

The **Midterm Exam** and **Final Exam** will involve a mixture of definitions, concepts, graphical analysis, and mathematical problems. Questions will draw from lectures, homework, assigned readings, and films. The Final Exam will focus primarily on material covered since the Midterm Exam. It is not possible to make up the Midterm Exam. If you miss the Midterm Exam, and you have documentation to verify a valid excuse, your Final Exam grade will count for both the Midterm and the Final. If you miss the Final Exam, and you have documentation to verify a valid excuse, you will need to take an oral exam. The **Midterm Exam** will be held on **Monday, May 7** from 10-10:50 am in STAG 111. The **Final Exam** will be held on **Monday, June 11** from 2-4 pm in STAG 111. To help you prepare for the exams, I will hold in-class review sessions before each exam.

5. Blackboard

All course-related materials will be posted to the course's Blackboard site. I will use Blackboard as a mode of communication, so I suggest you visit the Blackboard site regularly. I will use Blackboard's Announcements page to keep you informed of current readings and other course announcements. Homework, lecture slides, and some assigned readings will be posted to Blackboard. I will occasionally use Blackboard's email feature to broadcast

announcements. You should thus make sure to update your default email address in Blackboard to an account you use regularly.

6. Class Conduct

I encourage active participation in class. I will ask questions frequently during lectures and encourage you to ask questions and share your ideas. I want this class to be a friendly, comfortable environment for expressing a diversity of viewpoints. Disagreement with perspectives presented in class or with views reflected in course readings is allowed and even encouraged. However, you should use theory or evidence to substantiate your opinions. Please turn cell phones, pagers, and other devices off when you enter the classroom. Sleeping in class and chatting among friends are strongly discouraged and may be penalized.

7. Students with Disabilities

If you have a documented disability and require accommodations, you should contact Services for Students with Disabilities (SSD) at 737-4098. Once you have obtained approval from SSD, you are responsible for contacting me prior to the second week of the term to discuss accommodations.

8. Academic Honesty Statement

OSU policies regarding academic dishonesty will be followed strictly. OSU's definition of academic dishonesty is: "An intentional act of deception in which a student seeks to claim credit for the work or effort of another person or uses unauthorized materials or fabricated information in any academic work." Academic dishonesty includes the following: cheating, fabrication, assisting, tampering, and plagiarism. More information can be found at <http://oregonstate.edu/admin/stucon/achon.htm>.

9. Class Schedule

Material Covered	Reading *	In-Class Activity
Concepts and Definitions	T6, Ch. 2 <u>or</u> T7, Ch. 2 “The Invisible Green Hand” <i>Economist</i> , July 4 2002.	
Market Efficiency and Market Failure	T6, pp. 61-70 <u>or</u> T7, pp. 62-70	Paper River game
Common Pool Resources	T6, pp. 70-84 <u>or</u> T7, pp. 70-84 “Save the Elephants, Start Shooting Them.” <i>US News and World Report</i> 1996.	
Public Goods	T6, pp. 72-75 <u>or</u> T7, pp. 74-76	
Cost-Benefit Analysis	T6, Ch. 2 <u>or</u> T7, Ch. 2	
Statistics Primer	Levitt & Dubner. 2005. <i>Freakonomics</i> , pp. 161-163.	
Travel Cost Method	T6, pp. 34-47 <u>or</u> T7, pp. 33-49	
Hedonic Prices Method	T6, pp. 34-47 <u>or</u> T7, pp. 33-49 “Life: The Cost-Benefit Analysis.” <i>New York Times</i> , May 18, 2003.	
Contingent Valuation Method	T6, pp. 34-47 <u>or</u> T7, pp. 33-49 “Are You Being Served?” <i>Economist</i> , April 21, 2005.	On-campus contingent valuation survey (plan/implement)
Dynamic Efficiency	T6, pp. 88-93 and p. 33 <u>or</u> T7, pp. 88-94 and p. 32	
Environmental sustainability	T6, pp. 93-99 <u>or</u> T7, pp. 94-100 “The Rise of the Green Building.” <i>Economist</i> , Dec. 2, 2004. “Nations Ranked as Protectors of the Environment.” <i>New York Times</i> Jan. 24, 2005.	Film: “The Next Industrial Revolution” (respond to questions)
Introduction to Economics of Air Pollution	T6, pp. 336-351 <u>or</u> T7, pp. 338-353	
Regional Air Pollution (Case study: SO ₂ , acid deposition, and US EPA Acid Rain Program)	T6, pp. 390-400 <u>or</u> T7, pp. 395-404	On-campus fundraising to purchase SO ₂ , CO ₂ , or NO _x allowances from the Clean Air Conservancy (plan/implement)
Global Air Pollution (Case study: greenhouse gases, global climate change, Kyoto Protocol)	T6, pp. 404-412 <u>or</u> T7, pp. 407-419 “The Cost of an Overheated Planet.” <i>New York Times</i> , Dec. 12, 2006.	Film: “Is Global Warming a Crisis?” (respond to questions)
Mobile-Source Air Pollution (Policies: CAFÉ standards, pay-as-you-drive auto insurance)	T6, Ch. 18 <u>or</u> T7, Ch. 18 “Bush’s Cold CAFÉ” <i>Business Week</i> , Jan. 25, 2007.	

* T6 is Tietenberg 6th edition; T7 is Tietenberg 7th edition.