Course Content
We study the use of natural resources and the management of environmental quality from the perspective of economics. The course covers conceptual and methodological topics, including sustainability, as well as applications to contemporary environmental issues such as depletion of fish stocks and climate change. The first part of the course is an introduction to the principles of environmental and resource economics. The second part deals with the current issues we have about the use of various environmental resources. In the final part we discuss policies to improve on the way we use environmental resources. Through a group project, students will apply an economic analysis on local environmental issues.

This course has a Contemporary Ethical Issues (E) Focus designation. Contemporary ethical issues are fully integrated into the main course material (lectures, discussions and assignments) and will constitute at least 30% of the course content. At least 8 hours of class time will be spent discussing ethical issues (See Learning Objectives).

Learning Objectives
• Gain familiarity with the economic approach to issues of allocation and management of natural resources and environmental goods;
• In particular, learn about (1) the concepts and methods of cost-benefit analysis and (2) policies/institutions for various environmental-conservation and pollution-control objectives.
• Develop basic competency in recognizing and analyzing ethical issues relevant to environmental and resource management; how to responsibly deliberate on ethical issues; and making ethically determined judgments.
• Develop an awareness of current economic issues concerning environmental and resource policy in the US and around the world.

Prerequisites:
Econ 120, 130, 131 or the instructor’s consent.

Course Requirements Contribution to the course grade
Problem sets, occasional quizzes 20%
Midterms (two expected) 30%
Group Project/Participation* 20%
Final (Dec 17 Friday, 9:45-11:45) 30%
(The instructor reserves the right to determine the cutoff points for the grading scale.)
There are NO MAKEUP EXAMS except under extraordinary circumstances. Problem sets are intended to prepare you for the examinations. Although they constitute only 25% of your final grade collectively, it is highly recommended you take them seriously! Everyone will participate in a group project (details to be given later). If we have time, the groups will present their work during the last 2 weeks of the semester. Optional bonus-point assignments may be available (details to be announced).

**Required Textbook**

**Resources at Laulima**
Additional readings, as well as lecture slides, will be available online at Laulima: https://laulima.hawaii.edu/portal. Please check Laulima and email regularly for announcements and assignments.

**Course Outline**
We will closely follow the textbook. While the book contains more material than can be covered adequately in a semester, supplementary materials will be necessary for some topics (e.g. climate change). Hence, we will need to skip some of the topics listed below and supplement some of them with additional readings.

I. Introduction and foundation of environmental economics
   Introduction: Why study economics to deal with environmental and resource issues?
   Chapter 2  Valuing the Environment: Concepts
   Chapter 3  Valuing the Environment: Methods
   Chapter 4  Property Rights, Externalities and Environmental Problems
   Chapter 5  Sustainable Development: Defining the Concept
   Chapter 6  The Population Problem

II. Natural resource economics
   Chapter 7  The Allocation of Depletable and Renewable Resources: An Overview
   Chapter 8  Energy: Transition from Depletable (Oil, Gas, Coal, Uranium, etc.) to Renewable Resources (Solar, Wind, etc.)
   Chapter 10 Replenishable but Depletable Resources: Water
   Chapter 14 Common-Pool Resources: Fisheries and Other Species

III. Economics of pollution control
   Chapter 15 Economics of Pollution Control: An Overview
   Chapter 16 Stationary-Source Local Air Pollution
   Additional lectures on corporate social responsibility and corporate environmentalism
   Chapter 17 Regional and Global Air Pollutants: Acid Rain and Atmospheric Modification
   Additional lectures on climate change

IV. Sustainable development revisited (Chapters 22 and 23 if we have time)

V. Summary
Disability Access
If you feel you need reasonable accommodations because of the impact of a disability, please: (1) contact the KOKUA Program (V/T) at 956-7511 or 956-7612 in room 013 of the QLCSS (Queen Lili’uokalani Center for Student Services); (2) speak with me privately to discuss your specific needs. I will be happy to work with you and the KOKUA Program to meet access needs related to a documented disability.