

ECONOMICS 358
ENVIRONMENTAL ECONOMICS: POLLUTION, PROPERTY & PRICES

Spring 2003
MW 12:30-1:45
Miller Hall 101

James E.T. Moncur
Saunders 530 or Holmes 283
Office Hours: 11:30-12:20 MW
or by appointment
Tel: 956-7143 or 956-7847
email: jmoncur@hawaii.edu

Text: Tietenberg, Tom *Environmental Economics and Policy* (4th ed.) Reading, MA: Addison-Wesley, 2004. Available at the U.H. Bookstore or elsewhere for some outrageous price.

Anyone can go into Safeway and buy as much rice as they like, in a wide array of different varieties and qualities and packaging combinations. The markets in which Safeway operates accommodate vast diversity in income levels, family situations, social and cultural backgrounds and tastes. Same goes for the great majority of goods and services people consume. For these items, markets serve as the institutional mechanism to coordinate what buyers want, what producers will provide, what resources will be used in production and at what price the two parties will agree to an exchange.

Unfortunately, one cannot go to, say, The Nature Store and buy a liter of "environment," heavy on the air quality, medium in water turbidity, pristine in aesthetic satisfaction. The lack of markets in environmental attributes presents society with a very difficult and controversial task coordinating the demand for and supply of these "goods." Still, "environment" is often a limited resource, and choices are unavoidable in using it. We will find that even in the absence of markets, economics has a great deal to say about how environmental resources are to be used, in what situations regulation is necessary and if so what sort of regulations are best, and what trade offs of other goods and services will be necessary to achieve environmental goals.

Course Requirements

Class meetings will be organized on the lecture/discussion principle, which means that there will be a premium on **doing the reading before showing up in class**. I expect participation in class. We will occasionally break into groups to work on certain questions.

Your grade will depend on:

mid terms	100 points each
Final	100 points
Project	100 points
assignments	50 points

Prepare to hand in each and every assignment, although I will collect or grade only a few of them. **I will not announce beforehand whether a particular assignment will be collected, nor will I accept late papers without compelling evidence of medical or personal emergency.**

Privacy rules prohibit posting grades publically. However, students are encouraged to check on their progress during the instructor's office hours.

One course requirement is that you become familiar with current environmental policy problems. This is not difficult to do, requiring only the regular perusal of a general-circulation newspaper or magazine. The *Honolulu Star-Bulletin*, *Honolulu Advertiser*, *Wall Street Journal* or *New York Times* are all decent newspapers for this purpose; likewise, *Time*, *Newsweek*, or *U.S. News & World Report* or the like usually have reports

bearing on environmental affairs. Reliance on internet sources alone is not acceptable. Quizzes and exams may include questions on current issues in environmental policy.

Another course requirement is a project, evaluating some environmental program or regulation. More details to come.

Tentative Reading List

Schedule will be adjusted according to our progress.

In the "Reading" column, Tx refers to chapter x in Tietenberg;

Date	Reading	Topic
09-Jan-06	T1	Introduction
11-Jan-06	T2	Valuing the Environment: Concepts
16-Jan-06	Holiday –	Martin Luther King Day
18-Jan-06	T2	concepts, continued...
23-Jan-06	T3	Valuing the Environment: Methods
25-Jan-06	T3	Valuing, continued...
30-Jan-06	T4	Property Rights, Externalities and Environmental Problems
01-Feb-06	T4	Property Rights, continued...
06-Feb-06	T5	Sustainable Development: Defining the Concept
08-Feb-06	T6	The Population Problem
13-Feb-06	T7	Natural Resource Economics: An Overview
15-Feb-06	T7	Natural Resources....
20-Feb-06	Holiday –	Presidents' Day
22-Feb-06	T8	Energy
27-Feb-06	Midterm 1	
01-Mar-06	T8	more energy
06-Mar-06	T9	Water
08-Mar-06	T9	more water
13-Mar-06	T10	Agriculture
15-Mar-06	T11	Biodiversity I: Forest Habitat
20-Mar-06	T12	Biodiversity II: Commercially Valuable Species
22-Mar-06	T13	Environmental Economics: An Overview
27-Mar-06	Holiday –	Spring Break
29-Mar-06	Holiday –	Spring Break
03-Apr-06	Midterm 2	
05-Apr-06	T14	Stationary-Source Local Air Pollution
10-Apr-06	T15	Acid Rain and Atmosphere Modification
12-Apr-06	T16	Transportation
17-Apr-06	T17	Water Pollution
19-Apr-06	T18	Solid Waste and Recycling
24-Apr-06	T19	Toxic Substances & hazardous waste
26-Apr-06	T20	Development, Poverty and the Environment
01-May-06	T21	The Quest for Sustainable Development
03-May-06	T22	Visions of the Future Revisited

8-May-06 Final Exam* 2:15-4:15pm

*Note that our class time spans two "regular" class periods (12:30-1:20 and 1:30-2:20pm). I have scheduled our final exam in the period set aside for the 1:30-2:20pm classes.