

The Economics of Environmental Policy
EVPP 338
3 credits
Spring Semester, 2021



Source: *The Economist*.

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CLASSROOM: Innovation Hall 207.

CLASS MEETINGS: Tuesdays and Thursdays, 10:30 to 11:45 AM.

OFFICE HOURS: By appointment.

COURSE DESCRIPTION:

This course is designed to introduce non-economists to the economics of the environment and natural resource use. We will cover the topics of external costs and benefits, public goods, sustainability, natural resource management, non-market valuation, incentive-based regulation and behavioral economics and the environment. Topics will be presented in the context of specific applications and policies.

TEXTBOOK:

Economics and the Environment, Ninth Edition. 2020. Eban Goodstein (Bard College) and Stephen Polasky (University of Minnesota). Wiley, Hoboken, NJ.

RECOMMENDED PREREQUISITES:

ECON 100 or ECON 103 or ECON 105 or ECON 110, although basic algebra skills will suffice.

COURSE GRADING:

Grades in this course will be determined by the results of three lecture exams, impromptu performance quizzes and class attendance as measured by participation quizzes. Weighting of these activities will be as follows:

Exam 1	25%
Exam 2	25%
Final Exam	25%
Average score of performance quizzes*	15%
Average score of participation quizzes**	<u>10%</u>
TOTAL	100%

* Highest 6 out of 8; two lowest scores dropped.

** Random questions asked during lectures.

Final scores in the course will be calculated based on the percentage grade earned on each of the course activities listed above, multiplied by the weighting listed for each activity. Letter grades will be assigned based on the final course scores as follows:

- A+ = 97-100%
- A = 93 - 96%
- A- = 90 - 92%
- B+ = 87 - 89%
- B = 83 - 86%
- B- = 80 - 82%
- C+ = 77 - 79%
- C = 73 - 76%
- C- = 70 - 72%
- D = 60 - 69%
- F = 0 - 59%

PLEASE NOTE THAT I DO NOT ROUND UP. FOR EXAMPLE, AN 89.99 IS A B+ AND IT WILL NOT BE ROUNDED UP TO AN A-.

Proposed dates for the in-class exams are indicated in the class schedule section of this syllabus. Any changes to these proposed dates will be announced in class at least one week in advance.

ACADEMIC INTEGRITY: GMU students, faculty and staff are bound by the GMU Honor Code. Adherence to the GMU Honor Code is expected of all students, specifically:

Members of the George Mason University community pledge not to cheat, plagiarize, steal, or lie in matters related to academic work.

In all assignments and communications, plagiarism will not be tolerated. This applies equally to oral and written communications in the context of any evaluated (graded) course assignments. As stated in the Honor Code, infractions may result in invalidated credit for dishonorable work and lowered grade, including failure from the class, suspension or dismissal. Inquiries for clarification from the professor are welcome. For more information see the complete Honor Code in the university catalog.

DISABILITY ACCOMMODATIONS: Disability Services at George Mason University is committed to upholding the letter and spirit of the laws that ensure equal treatment of people with disabilities. Under the administration of University Life, Disability Services implements and coordinates reasonable accommodations and disability-related services that afford equal access to university programs and activities. Students can begin the registration process with Disability Services at any time during their enrollment at George Mason University. If you are seeking accommodations, please visit <http://ds.gmu.edu/> for detailed information about the Disability Services registration process. Disability Services is located in Student Union Building I (SUB I), Suite 2500. Email: ods@gmu.edu | Phone: (703) 993-2474.

DIGITAL COMMUNICATION: Students must use their MasonLive email account to receive important University information, including communications related to this class. I will not respond to messages sent from or send messages to a non-Mason email address.

DIVERSITY STATEMENT: George Mason University promotes a living and learning environment for outstanding growth and productivity among its students, faculty and staff. Through its curriculum, programs, policies, procedures, services and resources, Mason strives to maintain a quality environment for work, study and personal growth. An emphasis upon diversity and inclusion throughout the campus community is essential to achieve these goals. Diversity is broadly defined to include such characteristics as, but not limited to, race, ethnicity, gender, religion, age, disability, and sexual orientation. Diversity also entails different viewpoints, philosophies, and perspectives. Attention to these aspects of diversity will help promote a culture of inclusion and belonging, and an environment where diverse opinions, backgrounds and practices have the opportunity to be voiced, heard and respected.

TENTATIVE CLASS SCHEDULE: Subject to changes.

Week	Date	Topic	<i>Economics and the Environment</i> Textbook
1	1/26	Course overview, Four Economic Questions about Climate Change	Ch 1
	1/28	Ethics and Economics	Ch 2
2	2/2	Pollution and Resource Degradation as Externalities	Ch 3
	2/4	The Efficiency Standard	Ch 4
3	2/9, 2/11	Measuring the Benefits of Environmental Protection	Ch 5
4	2/16, 2/18	Measuring the Costs of Environmental Protection	Ch 6
5	2/23	The Safety Standard	Ch 7
	2/25	The Sustainability Standard	Ch 8
6	3/2	Measuring Sustainability	Ch 9
	3/4	EXAM 1	
7	3/9, 3/11	Natural Resources and Ecosystem Services	Ch 10
8	3/16	Is More Really Better? Consumption, Welfare, and Behavior	Ch 11
	3/18	The Political Economy of Environmental Regulation	Ch 12
9	3/23	An Overview of Environmental Legislation	Ch 13
	3/25	The Regulatory Record: Achievements and Obstacles	Ch 14
10	3/30	EXAM 2	
	4/1	Incentive-Based Regulation: Theory	Ch 15
11	4/6	Incentive-Based Regulation: Theory (Continued)	Ch 15
	4/8	Incentive-Based Regulation: Practice	Ch 16
12	4/13	Incentive-Based Regulation: Practice (Continued)	Ch 16
	4/15	Promoting Clean Technology: Theory	Ch 17
13	4/20	Energy Policy and the Future	Ch 18
	4/22	Poverty, Population and the Environment	Ch 19
14	4/27	Environmental Policy in Low-Income Countries	Ch 20
	4/29	The Economics of Global Agreements	Ch 21
15	5/4	FINAL EXAM, 10:30 AM – 1:15 PM!	