

SYLLABUS

Economics 120:

Economics and Environmental Degradation

Sacramento State University, Department of Economics

Fall 2014

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!Please read this information carefully. It describes important course policies and deadlines, and I will assume that you are familiar with them!

Lectures: Tu/Th 1:30 – 2:45pm, Amador Hall 217

Office hours: Tu 3.00-4.00pm, Th 8:30-9:30am, Tahoe Hall 3011

Please feel free to schedule appointments with me at other times as well. The best way to meet me outside of office hours is to email me and schedule a time. If you have any problems with this course, or with any other matters that may affect your work in this course, please contact me as soon as possible and we can try to work out a solution.

Textbook: The Economics of the Environment, Peter Berck and Gloria Helfand

Additional readings will be posted on the SacCT. (<http://www.csus.edu/sacct>) class website

Course overview:

Environmental economics is the application of principles in economics to the study the provision and use of environmental resources. It looks at environmental issues as economic issues and considers economics as a cause and cure for environmental destruction. We will primarily focus on microeconomics, and how and why people make decisions that have consequences for environmental quality. We will also look at how institutions, organizations, industry, and individuals can shape improvements in environmental quality and support efficient allocations of resources.

3 units.

Learning objectives:

By the end of this semester, you will be able to:

- Understand core economic concepts such as efficiency, costs and benefits, enforcement and trade-offs, and apply them to environmental issues
- Comprehend the virtues and limitations of markets and allocations through prices
- Have a basic understanding of measuring environmental benefits
- Understand the role of cost-benefit analysis in environmental decision making processes of individuals and societies
- Be able to approach, analyze and discuss a variety of environmental issues, policy and politics by adapting learned principles to its nuances and details

Grades:

Your final numerical score will be calculated based on your performance on **two exams, a final paper, participation in class, and homework assignments**. Numerical scores will not be converted to letter grades until the very end of the semester and specific letter grades will not be assigned to individual homework assignments or exams. I will provide feedback on your performance over the course of the semester, however. The final score breakdown and approximate grade distribution are as follows:

| Exams | 20% each | (200 points) | Percent | Points | Grade |
|----------------------|-----------------|---------------------|----------------|---------------|--------------|
| | | | 93 – 100% | 500 – 465 | A |
| Final Paper | 20% | (100 points) | 90 – 92% | 464 – 450 | A- |
| | | | 85 – 89% | 449 – 425 | B+ |
| Participation | 10% | (50 points) | 80 – 84% | 400 – 424 | B |
| | | | 75 – 79% | 375 – 399 | B- |
| Homework | <u>30%</u> | <u>(150 points)</u> | 70 – 74% | 350 – 374 | C+ |
| | | | 65 – 69% | 325 – 349 | C |
| | 100% | (500 points) | | | |

If you decide to withdraw from this class, make sure you do so with the registrar. If you withdraw without permission, you will be assigned a failing grade. Once a student submits work for a grade, he/she will not be assigned a grade of “WU” under any circumstances.

Exams:

There will be **two exams during class on Thursday, October 9th, and on Thursday, November 20th. There will be no make-up exams, and no early or late sittings for exams.** If, due to a serious illness or family tragedy, you are unable to take one of the exams, your final grade will be based solely on the remaining assignments and exams. You must contact me immediately with appropriate documentation, though, in order to receive this accommodation.

Final paper:

You will also be required to write a final paper (co-authored) on a specific environmental issue of your choice. Further information regarding the final paper is available in an additional handout and will be discussed in class. The final paper is due on **December 19th and 5pm** and a general grading rubric is provided in a separate handout as well.

Participation:

This portion of the grade will be determined by a combination of attendance and participation. Participation will be weighted heavily on the ability to answer questions related to the assigned reading material. Students will be randomly selected or can volunteer to answer questions. In order to keep track of individual performance, students are responsible for sitting in a self-selected seat for the entire semester. Students who wish to earn all 50 points must miss no more than one class or have no more than one negative participation mark, and regularly voluntarily contribute to class discussions. Negative participation means that the student failed to answer a question (a wrong answer will NOT result in a negative mark if the student is prepared and makes a good faith effort to answer the question). Students who are apprehensive about speaking in public should make arrangements to discuss this matter privately during the first week of class.

Homework assignments:

Homework assignments will be posted and are due in SacCT. They will be assigned approximately every two to three weeks. Introduced in class, they often require additional readings. No late assignments will be accepted. Each assignment is worth 50 points and I will drop your lowest homework score in calculating your final grade. I encourage you to work in groups, but the final submission should be your own work.

Academic Honesty:

Academic honesty is expected as this class will be conducted in strict observance of the **Academic Honesty Policy and Procedures available in the University Policy Manual** (<http://www.csus.edu/umannual/AcademicHonestyPolicyandProcedures.htm>). It assigns specific responsibilities to both faculty and students. Please review your responsibilities carefully and adhere to these rules. I encourage you to work together and study in groups as I strongly believe it supports the learning process. However, work submitted for a grade must be your own.

Courtesy:

As a courtesy to your fellow students and me, please be respectful. Be on time for class. If you arrive late or leave early, please do so quietly. Please do not use your cell phones, tablets or laptops during lecture other than for class purposes. Please provide me with feedback if I go too fast, slow, speak too softly or loudly. If you take issue with something I say or have a question, either speak up in class or come and see me afterwards.

Disabilities:

If you have a learning disability or a physical disability that requires accommodation, please let me know as soon as possible. All needs that have been verified through the Services to Students with Disabilities (Lassen Hall) will be accommodated.

Tentative Schedule:

| Week | Subject | Readings (Berck & Helfand) |
|--|--|---|
| Week1 (Tu 9/2, Th 9/4) | Introduction: Economics and the Environment, Market Forces and the Environment | Chapter 1,2 |
| Week2 (Tu 9/9, Th 9/11) | Market Failure and Externalities | Chapter 3, 10 |
| Week3 (Tu 9/16, Th 9/18) | Consumer Behavior, Measuring Benefits to the Consumer | Chapter 4, 5 |
| Week4 (Tu 9/23, Th 9/25) | Revealed Preferences versus Stated Preferences Methods | Chapter 6,7 |
| Week5 (Tu 9/30, Th 10/2) | Production Theory | Chapter 8,9 |
| Week6 (Tu 10/7, Th 10/9) Exam 1: Th 10/9 | Review Exam 1 | |
| Week7 (Tu 10/14, Th 10/16) | Net Benefits in Presence of Externalities, Coase Theorem | Chapter 10,11 |
| Week8 (Tu 10/21 Th 10/23) Food Day: October 24th | Government Policies Guest Lecture: The Western Climate Initiative and cap and trade programs (William Dean, CAL/EPA) | Chapter 12 |
| Week9(Tu 10/28, Th 10/30) | Enforcement and Political Economy Guest Lecture: Environmental services, land conservation and the Consumnes River Preserve (Mike Connor and Pablo Garza, The Nature Conservancy) | Chapter 13 |
| Week10(Tu 11/4, Th 11/6) | Discounting, Benefit-Cost Analysis Guest lecture: California water policies and water conservation by the end consumer (Gregory Bundesen, Sacramento Suburban Water District) | Chapter 14,15 |
| Week11 (Tu 11/11, Th 11/13) Veteran's day: 11/11, no class | Benefit-Cost Analysis (cont.) | Chapter 15 |
| Week12 (Tu 11/18, Th 11/20) Exam 2: Th 11/20 | Review Exam 2 | |
| Week13 (Tu 11/25, Th 11/27) Thanksgiving, no class this week | | |
| Week14 (Tu 12/2, Th 12/4) | Economic growth and the environment, Sustainability Guest lecture/tour: Aquaponics on campus (Dudley Burton, Environmental Studies, Sac State) Note: Meet at STORC facility across campus drive from parking lot IV | Chapter 18, 19 |
| Week15 (Tu 12/9, Th 12/11) | Final paper workshop (student paper presentation and discussion) | |
| Final paper due: December 19th, 5pm | Final paper due at 5pm in my office (hard copy) | |

I hope you will enjoy this class and I wish you a great, successful semester.