

Syllabus

(Wed Aug 23, 2017 08:00 AM)

Environmental Economics - Econ 4430 - Fall 2017

Class location: Monroe 130

Instructor: Bill Shobe

Teaching assistant: Taheya Tarannum (tt3cz@virginia.edu)

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Office: TBA

Office hours: M-W, 2 pm - 3 pm; let me know you are stopping by to make sure I don't go AWOL.

Other times: By appointment; often I am at my office at 2400 Old Ivy Rd. (A map is [here](#).)

Course objectives

The core theme of this class is to view environmental problems as a failure of ownership and control. The class will explore how environmental problems arise in an exchange economy when standard assumptions about the ownership and control of endowments are violated. We will explore when contracting over rights can be expected to correct these problems and when it may not be expected to do so. We examine mechanisms for correcting misallocations of resources due to the failure of ownership and control to match the assumptions in the classic micro model. This will include examination of regulations, taxes, subsidies, and trading regimes. In the second half of the class, we study the allocation of renewable and non-renewable natural resources over time. We give special attention to how capital markets allocate resources across time and when we may or may not expect this intertemporal allocation to be satisfactory. Finally, we will bring all of the elements together in a discussion of global warming and of global sustainability more generally.

Readings

Required texts:

Environmental Economics: An Introduction (7th Ed.); Barry Field and Martha Field; McGraw Hill, 2016.

Pollution & Property: Comparing Ownership Institutions for Environmental Protection, Daniel Cole; Cambridge, 2002.

Readings: there will be additional readings for each class posted on the class activities page.

Prerequisites

This is an upper-level economics class. It is assumed that you know or can learn as needed the core ideas from intermediate microeconomics texts. While I do not enforce the prerequisites, I will expect you to be able to use many key ideas from intermediate microeconomics in this class. This class does not explicitly use calculus, but important ideas from calculus are used throughout the term. In the past, non-economics majors have been able to hold their own in this class as long as they are willing

to learn some microeconomic principles as we move through the material.

Honor Policy

Our honor contract: You have the responsibility of submitting only your own work as your own, and I have the responsibility of trusting you when you pledge your work. All written work handed in to me under your name is considered to be pledged, but please pledge it explicitly anyway. And please pledge any documentation that you provide for special arrangements on graded work.

Special Accommodations

If you need special accommodations for any class requirements, you must contact me as soon as you reasonably can. Serious illness or death within the student's close community, religious holidays, and participation in field trips and athletic contests are all permissible reasons for rescheduling an in-class test. You have the obligation ahead of time to make the necessary arrangements for make-ups. Your reasons must be in writing (which includes email) and should be pledged. Otherwise, no make-ups will be allowed.

A special word about the final exam. The final exam will be held on Monday, December 11, 2016 from 5 PM to 8 PM. I will **not** allow students to reschedule the final for the purposes of arranging convenient holiday travel. Period. If you need to arrange your holiday travel in a way that conflicts with the final, then you need choose a class that does not disrupt your holiday plans.

Course Format

There will be two classes per week: Mondays and Wednesdays at 3:30 PM in Monroe 130. Class attendance is not required. Fair warning: in the past, those who did not attend class regularly tended to do poorly in the course.

Please sign up for a discussion section. These will meet on a somewhat regular basis throughout the term. **Three of the discussion sections will be dedicated to tests, so you must make sure that these dates are clear so that you can attend discussions on those days.**

Electronics

I request that you refrain from using cell phone, laptops, or tablet computers during class. It is just too much of a distraction for all concerned.

Office Hours

Please let me know if you are planning to come by so that we can reschedule, if I have a conflict. I will generally be available by appointment at almost any reasonable time. On Thursdays and Fridays (and assorted other times), I will be in my office at the Weldon Cooper Center, which is at 2400 Old Ivy Rd., a 15 minute walk from Central Grounds. (A map is [here](#).)

Grading

The average and median grades for this class in the last few years has been around 87. Letter grades for the course will be assigned as follows:

A+	98+
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A	94+
A-	90+
B+	88+
B	84+
B-	80+
C+	78+
C	74+
C-	70+
D	60+
F	Otherwise

There will be a short paper (3-4 pages due 9/28) for 12%, three tests (during the discussion section), and a final exam. Each of the in-class tests (dates: 9/19, 10/17, 11/14) will count for 18% of your grade, and the final (Dec. 9) will count for 34%. **The final will be fully comprehensive.**