

**ECON 240 Environmental Economics**  
**Spring 2015**

**Location:** Comenius 218  
**Time:** MW 2:35 PM-3:45 PM  
**Instructor:** Dr. Sonia Aziz  
**Office:** Comenius 204  
**Office Hours:** 3:45 – 4:45 p.m. M,W; 1:00-3:00 p.m. T, or by appointment  
**Phone:** 610-625-7702  
**Email:** aziz@moravian.edu<sup>1</sup>

**Course Content:**

The theory of externalities and market failure will provide the basis for applying microeconomic concepts to the study of environmental issues. Analytical tools will be explained and applied to problems with environmental dimensions. Criteria and strategies used in the development and implementation of environmental policies will be defined and summarized. Theoretical and policy formulations will be pursued with respect to environmental issues such as air and water quality.

**Course Objectives**

- i) To apply microeconomic theory to the study of environmental issues.
- ii) To identify and critically evaluate economic policy issues.
- iii) To develop written and verbal skills in communicating an environmental economic perspective.

**Prerequisites:**

Please be aware that math and graphical analysis will be used throughout the course (lectures, exams and assignments).

**Course Materials:**

**Required Text:** Environmental Economics by Field and Field, 5e, McGraw-Hill, Irwin, Publishers, 2009.

**Supplemental Readings:**

The Theory of Environmental Policy by Baumol and Oates, Cambridge University Press.  
Economics of the Environment: Selected Readings by Dorfman and Dorfman. Norton Publishers.  
Environment and Resource Policies for the World Economy by Cooper. Brookings Institution.  
Economics of the Environment by Stavins. Norton Publishers.  
Selected readings/films (Placed on Blackboard/library reserve)

**Evaluation:**

There will be two semester exams and a final. The final is cumulative. You must notify me BEFOREHAND if you need to reschedule an exam. If you do not take an exam on the date it is given without first making alternative arrangements, you will receive a score of zero for that exam. The class grade will be computed from grades on quizzes, participation in class discussions/debates, take

---

<sup>1</sup> Please note that emails should follow protocol, which means it should include a salutation at the beginning (eg. Dear Dr. A. Leon) followed by a standard sign-off at the end (eg, Thanks, G. Arcturus).

home assignments, in class assignments and presentations. Moravian college policies regarding academic honesty will be enforced. Please read the **Academic Honesty Policy** that is included in the student handbook.

**Assignments, Classroom Participation and Expectations:**

Students are required to read scheduled chapters before coming to class. Additional readings may be distributed in class, posted on blackboard or placed on reserve in the library. Homework must be turned in on time for full credit. Regular attendance is expected. Because contribution to the classroom community is counted as part of the class grade (see below for full breakdown), regular attendance is necessary (but not sufficient) to receive full credit in this category. The use of cell phones in the classroom is not permitted. The use of laptops in the classroom (subject to need for individual accommodations - see below) is also not permitted.

<b>Weights:</b>	<b>Test 1</b>	<b>15 %</b>
	<b>Test 2</b>	<b>20 %</b>
	<b>Test 3</b>	<b>20 %</b>
	<b>Final</b>	<b>30%</b>
	<b>Class Grade*</b>	<b>15 %</b>

\*Based on attendance, participation (offering thoughtful answers on a regular basis), assignments, quizzes. Class participation and quizzes count as 5% of the class grade; assignments count for 10% of the class grade

**Test Grading Policy:**

Test questions are short answer (analytical, definitional), multiple choice and essay questions (analytical and/or writing intensive). Sometimes a student will disagree with a grade assigned to particular question. This is a legitimate concern and will be addressed in the following procedure. To have an answer reevaluated, the student must submit a *written* request for a reevaluation. This request should identify the question in dispute, provide a written explanation why the student feels the question was incorrectly evaluated, and propose a suggested remedy. It is within the instructor's purview to apply qualitative judgment in determining grades for an assignment or for a course.

**Grading Scale:**

<b>A (92-100)</b>	<b>C (72-77.9)</b>
<b>A- (90-91.9)</b>	<b>C- (70-71.9)</b>
<b>B+ (88-89.9)</b>	<b>D+ (68-69.9)</b>
<b>B (82-87.9)</b>	<b>D (62-67.9)</b>
<b>B- (80-81.9)</b>	<b>D- (60-61.9)</b>
<b>C+ (78 – 79.9)</b>	<b>F (0-59.9)</b>

**Accommodation:**

Should you have any individual concerns regarding disability please discuss this with me during the first week of class in person or via email. In addition, individuals from the Academic & Disability Support Office will work with you to verify your need for accommodation and will help determine the environment in which you will have the opportunity to succeed in this course. To this end, students who wish to request accommodations in this class for a disability should contact Ms. Elaine Mara, Assistant Director of Academic & Disability Support, located on the first floor of Monocacy Hall (extension 1401). Accommodations cannot be provided until authorization is received from the Academic & Disability Support office.

## **COURSE SCHEDULE**

Here is a tentative schedule and list of topics to be covered in class this semester. Schedule may be revised as we go forward. Also, depending on the background, interests and progress of the class we may cover more or less material or cover it in a different order:

### **I. Conceptual Foundations**

#### **Week of Jan 19**

- 1/19 Introduction to Environmental Economics – Chapter 1
- 1/21 Economy and Environment, Review of Economic Concepts and Analytical Tools - Ch 2: Ch 3

#### **Week of Jan 26**

- 1/26 Economy and Environment, Review of Economic Concepts and Analytical Tools - Ch 2: Ch 3
- 1/28 Illustrations of Economic Perspectives (eg biodiversity), Readings/Clip Viewing TBA

#### **Week of Feb 2**

- 2/2 General models in Pollution Control and Analytical Frameworks, – Ch 5, Notes from Chapter 19
- 2/4 General models in Pollution Control and Analytical Frameworks - Ch 5, Ch 6

### **II. Economics of Environmental Quality and Analytical Methods**

#### **Week of Feb 9**

- 2/9 General models in Pollution Control and Analytical Frameworks - Ch 5, Ch 6
- 2/11 General models in Pollution Control and Analytical Frameworks - Ch 5, Ch 6

#### **Week of Feb 16**

- 2/16 **Test 1**

### **II. 1.Environmental Policy Analysis**

- 2/18 Benefits and Costs: Benefit-Cost Analysis - Ch 7, Ch 8

#### **Week of Feb 23**

- 2/23 Benefits and Costs: Benefit-Cost Analysis - Ch 7, Ch 8
- 2/25 Benefits and Costs: Benefit-Cost Analysis - Ch 7, Ch 8

#### **Week of March 2**

- 3/2 Tools to Measure Benefits – Posted Readings

3/4 Tools to Measure Benefits – Posted Readings

***Spring Recess***

**Week of March 16**

3/16 Tools to Measure Benefits – Posted Readings

3/18 **Test 2**

**Week of March 23**

3/23 Averting Behavior - Water Pollution – Arsenic in Drinking Water

3/25 Exercise on benefits measurement/welfare

**Week of March 30**

3/30 Film viewing

4/1 Film Quiz/Review

**Week of April 6**

4/6 Criteria for Evaluating Environmental Policies – Ch. 9, Decentralized Policies, Command-and-Control Strategies– Ch 10, Ch 11

4/8 Criteria for Evaluating Environmental Policies – Ch. 9, Decentralized Policies, Command-and-Control Strategies – Ch 10, Ch 11, Command and Control versus Incentive Based–Ch 12

**III. International Environmental Issues, Class Presentations**

**Week of April 13**

4/13 **Test 3**

4/15 Special Topics; The Global Environment, Ozone Depletion, Global Warming – Ch 23, Handouts, Readings TBA, International Environmental Issues – Ch 21

**Week of April 20**

4/20 Review/Classroom Activity/Readings/Presentations

4/22 Classroom Activity/Readings/Presentations

**Week of April 27**

4/27 Classroom Activity/Readings/Presentations

4/29 Classroom Activity/Readings/Presentations

**End Classes, Finals**