

AREC/ECON 541: Environmental Economics
Spring 2010
Monday, Wednesday and Friday
9:00–9:50 AM (CRN13220)

Instructor: Dr. Stephan Kroll
Office: B313 Clark Bldg.
Phone: (970) 491-0887
Fax: (970) 491-2067
E-mail: Stephan.Kroll@colostate.edu
Office Hours: Monday and Thursday 1:00-3:00 or by appointment.
Class Website: On RamCT
Classroom: Eddy 104
Prerequisites: ECON 306. Credit not allowed for both ECON 541 and AREC 541.
Required Text:

Environmental Economics, Charles D. Kolstad, Oxford University Press.
Additional readings will be posted on RamCT and/or put on reserve in the William Morgan Library.

Course Description (from the Catalog):

Economics of environmental policy; partial equilibrium and general equilibrium models; pollution; natural environments; population and economic growth. We will cover some of these in more detail than others. See the last page for a general outline.
Note that this is a Master/Ph.D. level class, and its material will help you prepare for the Field Exam in Environmental and Resource Economics for DARE Ph.D. students.

Grading: Your course grade will be determined as follows:

a) Midterm exam, March 10	10 points
b) Final Exam, May 10	20 points
c) Class Participation	10 points
d) Response Papers, HW	20 points
e) Writing assignment I	20 points
f) Writing assignment II	<u>20 points</u>
Total Amount:	100 points

The cutoff points for the different grades are:

A/A+	93	C+	76
A-	90	C	70
B+	86		
B	83	D	60
B-	80	F	Below 60 points

Accommodations for Students with Disabilities:

Please contact me within the first two weeks of the semester if you need special accommodations. If you believe that you need special accommodations but you have not talked to anybody from Resources for Disabled Students (RDS), please do so before you meet with me. Their contact information can be found on <http://rds.colostate.edu/>. Their office is in General Services, room 100, phone 491-6385.

Cheating and Academic Dishonesty:

Don't do it!

All students are expected to adhere to the Student's Responsibilities as outlined in the Policies and Guiding Principles section of the CSU General Catalog (http://www.catalog.colostate.edu/FrontPDF/G3_POLICIES0910f.pdf).

Cell Phones, Internet and Similar Electronic Devices:

Please turn your cell phones and similar devices off before class! **No texting, e-mailing or internet surfing during class!**

Response Papers

Starting in week 3, half of you will be asked to hand in a "response paper" on a reading assignment, in which you summarize the main points of the paper, how it fits to the textbook chapter we cover, what you do and do not like about the paper, what you do not understand about it and other things you might find noteworthy. There is no upper or lower page limit on these response papers.

Class Participation

This is a graduate level class, so I expect you will keep up with the readings, even in weeks in which you do not have to write a Response Paper. That makes the class more enjoyable for you and me.

Homework Assignments

Occasionally, four to six times during the semester, there will be a homework assignment for which you will have at least one week time. You can work together on these assignments, but you have to hand in the answers individually; you cannot just copy-and-paste.

Writing Assignment I (tweak of a journal article)

Choose an academic article from an environmental economics journal (for example, *Journal of Environmental Economics and Management*, *Environmental and Resource Economics*, *Land Economics*, *Ecological Economics*) and "tweak it"—change an assumption in a theoretical model, use a different dataset, a different econometric approach, etc., and see what that does to the main results of the original article. The original article cannot be a survey article and should fit more into environmental than into resource economics (sometimes the dividing lines are not clear-cut). Please run "your" original article by me before Spring Break. Your actual paper is due on the Friday before Finals Week, May 7.

Writing Assignment II (article based on a recent news event)

Find a newspaper article about a recent environmental news event, and use it as motivation for an academic paper, with Introduction, Literature Review, Methodology, Results and Conclusion. Please run “your” newspaper article and your interesting question you like to analyze by me before Spring Break. Your actual paper is due on the Friday before Finals Week, May 7.

Three Notes about the Writing Assignments

- Basically you are asked to write two articles that potentially could be submitted to academic journals and/or become part of your Master thesis or Ph.D. dissertation. As such there is not page limit; obviously a paper can be “too short” or “too long,” but it depends on the paper where those cut-offs are.
- Both papers are due on the last day before Finals Week so you have the flexibility to choose which paper you would like to work on first. Obviously it is not a good idea to work on both papers at the end of the semester; you might want to set yourself a (much) earlier deadline for the first paper.
- Before Spring Break I would like you to show me your newspaper article and academic article and have a brief conversation about them. Failing to do so will result in a point deduction from the writing assignment grades.

Readings:

	Kolstad	Classic Article	Recent Article	Important Events
Week 1: (1/20 + 1/22)	Chapters 1, 2 (Introduction)			
Week 2: (1/25 – 1/29)	Chapters 3, 4 (Social Choice, Efficiency, Markets)			
Week 3: (2/1 – 2/5)	Chapter 5 (Market Failure)			Response Paper 1-1
Week 4: (2/8 – 2/12)	Chapter 6 (Property Rights)			Response Paper 1-2
Week 5 (2/15 – 2/19)	Chapter 7 (Pigouvian Taxation)			Response Paper 2-1
Week 6 (2/22 – 2/26)	Chapter 8, 9 (Command- and-Control, Tradable Permits)			Response Paper 2-2
Week 7 (3/1 – 3/5)	Chapter 10 (Uncertainty about Control Costs)			Res. Paper 3-1. Ideas for papers
Week 8 (3/8 – 3/12)	Chapter 11 (Enforcement and Moral Hazard)			Wednesday: Midterm Exam
Spring Break (3/15 – 3/19)				
Week 9 (3/22 – 3/26)	Chapter 12 (Risk and Uncertainty)			Response Paper 3-2
Week 10 (3/29 – 4/2)	Chapter 15 (Environmental Demand)			Response Paper 4-1
Week 11 (4/5 – 4/9)	Chapter 16 (Hedonics)			Response Paper 4-2
Week 12 (4/12 – 4/16)	Chapter 17 (Household Production)			Response Paper 5-1
Week 13 (4/17 – 4/23)	Chapter 18 (Constructed Markets: Stated Preferences)			Response Paper 5-2
Week 14 (4/26 – 4/30)	Chapter 13 (International/Interregional Issues)			Response Paper 6-1
Week 15 (5/3 – 5/7)	Chapter 14 (Macro issues, incl. Double Dividend)			Res. Paper 6-2; Friday: both term papers are due
Finals Week	Final Exam, Monday, May 10, 9:10-11:10			