

Economics of Environmental Issues - EC332U-005

Syllabus

Tuesday/Thursday 4:40-6:30pm

Instructor: Mike Paruszkiewicz

Office: T/R after class, and by appointment

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Course Description:

This course establishes a basic framework through which local, regional, and global environmental issues can be examined and addressed. We'll first briefly explore the toolset of economics – statistics, concepts, and models that describe the interactions within human systems and between those systems and the environment. We'll then apply those tools to a rigorous analysis of general environmental issues and specific case studies. Key course outcomes will be students' ability to understand, assess, and construct economic arguments through use of theory and quantitative tools, with emphasis on the intuition and application of modern economics to complex and often politically and/or culturally muddled issues.

Please note that the information below is subject to changes and updates

Class Expectations and Policies:

Generally speaking, campus-appropriate levels of courtesy, tact, and decorum are expected in class. I'll hold us to zero-tolerance policies on threatening, racist, sexist, homophobic, or otherwise intolerant behavior or discussion. Academic integrity will likewise be absolutely enforced.

Economics courses are often far outside students' area of expertise. It is best to prepare yourself to study more than usual – several hours per week – for this class.

To encourage attendance and ensure progress, I will be assigning in-class activities at random times throughout the term. Staying current on class reading, in-class notes, and discussions is absolutely critical for your success.

In the interest of fairness, **I do not accept late work**; if you cannot turn an assignment in on the day it is due, please get it to me **before** its due date.

Please tell me about any disabilities that will affect your participation in this course. I will respect any accommodations authorized by the University (and any other reasonable needs you may have). Please refer to the official university policy.

I typically post news, announcements, and homework on the class D2L site weekly. Please check it regularly.

Materials:

Required Text: *Markets and the Environment, Second Edition* by Keohane and Olmstead (ISBN-13: 978-1597260473 | ISBN-10: 1597260479)

Optional text: Any principles-level microeconomics textbook would be very helpful and highly recommended. I recommend an older (cheaper) edition of Mankiw's *Principles of Microeconomics* or Krugman and Wells' *Microeconomics*. If you find you need an extra refresher on economics fundamentals, see me for additional resources.

Other required readings and materials will be posted on the class website, which can be accessed from campus or library computers if necessary.

Winter 2021 Term: Please see online instruction description and information on the class D2L site.

Course Requirements:

Homework and Assignments (40%): 3 larger homework assignments (due roughly every 2-3 weeks during the term), and 3-5 smaller assignments that may be written article summaries, quantitative exercises, or other practice.

Exams (50%): 2 exams – one midterm and one final. Each will draw from all material covered up to that point.

Attendance (10%): Attendance will be essential for success in the course. I will encourage as much with short quizzes, assigned randomly throughout the term, and checking attendance regularly.

Grading:

Grade	Weighted Average Needed
A	94-100
A-	90-93
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
C-	70-72
D+	67-69
D	63-66
D-	60-62

Tentative Schedule by Week.

Note that each week additional (non-textbook) readings will be assigned:

1. **1/5 and 1/7:** Microeconomics foundations. Read: textbook chapters 1-2. **Assigned:** Fundamentals, markets, and efficiency exercises
2. **1/12 and 1/14:** Intro to externalities. Read: textbook Ch. 4. **Assigned:** Big Homework #1.
3. **1/19 and 1/21:** Externalities and the economics of pollution. Read: textbook chapters 3 and 5. **Due:** Fundamentals, markets, and efficiency exercises. **Due:** Big Homework #1
4. **1/26 and 1/28:** Externalities and market-based solutions. Read: textbook chapters 8-10. **Assigned and due:** discussion TBD.
5. **2/2 and 2/4: Midterm Exam** in class on 2/4; Intro to public goods and common pool resources
6. **2/9 and 2/11;** Public Goods and Common Pool Resources. Read: textbook chapters 5-6. **Assigned:** Big Homework #2
7. **2/16 and 2/18:** Public Goods and Common Pool Resources. Read: textbook chapter 11. **Due:** Big Homework #2
8. **2/23 and 2/25:** "Sustainability". Read: textbook chapter 11 **Assigned:** Big Homework #3
9. **3/2 and 3/4:** Sustainability; Natural monopolies, renewable energy, and climate policy.
10. **3/9 and 3/11:** Natural monopolies, renewable energy, and climate policy. **Due:** Big Homework #3
11. **Finals Week:** Consult PSU Final Exams Schedule!