

Economics 677 (L01) Environmental Economics

Instructor:	Campa Pamela	Lecture Location:	SS 403
Phone:	+1 (403) 220-4628	Lecture Days/Time:	MW 14:00-15:15
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Office Hours:	By appointment	Fall 2015	

Textbook(s):

The course is mainly based on research papers in Environmental Economics, mostly empirical, although we will cover some theoretical models as well. A detailed list of readings will be distributed during the first week of class. Books that you might find useful are the following

- Laffont, Jean-Jacques. *Fundamentals of Public Economics*. Cambridge, MA: MIT Press, 1994
- Angrist, J., and S. Pischke. *Mostly Harmless Econometrics*. Princeton University Press, 2008

Book(s) on Reserve: None

Desire2Learn: This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Course Outline:

This course studies modern environmental problems as a result of market failures, analysing theoretically and empirically the evidence on government responses to those. A substantial part of the course will be focused on empirical studies of the functioning of environmental policies. This means that, by surveying the environmental economics literature, we will learn and apply standard techniques for designed-based empirical analysis. For most of the course, we will spend an entire lecture analysing one paper, so as to gather a thorough understanding of both the empirical tools used in it, and the environmental problem and solution there discussed and proposed. This is a list of topics that will be covered (notice that this lists borrows heavily from: Michael Greenstone *14.475 Environmental Economics and Government Responses to Market Failure, Spring 2005*. (Massachusetts Institute of Technology: MIT OpenCourseWare), <http://ocw.mit.edu> (Accessed 30 Jun, 2015). License: [Creative Commons BY-NC-SA](#)):

- Externalities, Pigovian Taxes, and the Coasian Solution
- Defining Welfare Changes and Cost-Benefit Analysis
- Valuation of Nonmarket Goods with a Focus on Environmental Goods: Hedonic Method, Theory and Applications

- Valuation of Nonmarket Goods with a Focus on Environmental Goods: The Health Effects Approach, Applications
- Environmental Policy Instruments: Permits and Trading
- Environmental Policy Instruments: Inspections and Fines
- Environmental Policy Instruments: Voluntary Regulation
- The Political Economy of Environmental Policy

Grade Determination and Final Examination Details

There are three course requirements. First, there will be homework, which can take the form of either referee reports (i.e. short writing exercises based on papers on the syllabus, to be handed in on the day the paper is discussed in class), or problem sets, or replications of papers discussed in class. Second, there will be a class presentation. Finally, there is a 5 page paper proposal. There will not be a final exam.

- You can choose one of two grading schemes:
 - i) Participation, 15%; Homework (5 assignments), 70%. Class Presentation 15%.
 - ii) Participation, 15%; Homework (3 assignments) 40%. Class Presentation 15%. Paper proposal 30%.
- Students may work on homework assignments and class presentation in pairs. The presentation will be about a paper that you choose from a list that I will make available the first week of class, but you are also welcome to propose a paper that you will present subject to my approval; the approval will be based on the paper's relevance with respect to the material discussed in class.
- The second scheme is intended for PhD students (particularly those wishing to write one chapter of their dissertation on issues related to the Environmental Economics), the first for MA's or other PhD students. The object is to have everyone read papers closely and, by the end of the term to have read enough of them to start to formulate an original research project.

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. The following letter grade equivalences will apply:

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 66	F	0 – 49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Notes:

- All students must comply with the regulations published in the University Calendar concerning "Intellectual Honesty," "Examinations," etc.
- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.

- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 403-220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.
- Students who are unable to write one assignment or the research proposal because of an illness, family emergency or religious observance will be allowed an extension of the deadline up to a maximum of five days. In any event, the assignment must be submitted before we discuss the solutions in class. Failure to do so will result in a zero grade for the assignment. Documentation MUST be provided.

Safewalk/Campus Security: 403 220 5333
Emergency Assembly Point: Professional Faculties Food Court

PC/mi
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