

Chaminade University
Honolulu, Hawaii 96816

FD '00
Pre

Bu
ENV301/343 Fall 2000

INSTRUCTOR: Barbara P. Street, Ph..D.
Office Hours: MWF 2-3 pm. Tr 211:30 - 12:30 pm or by appointment
Kieffer Hall Room 14 Cubicle CC
Phone: 739-4609 (office) 377-5865 (home)

COURSE TITLE: Economics of the Environment /Contemporary Economic Issues

TEXT: Tom Tietenberg, Environmental Economics and Policy , 2ed.

COURSE DESCRIPTION: This course deals with economic **analysis** of the **pressing** environmental issues facing societies today. The economic causes of environmental problems, such as externalities and imperfectly assigned property rights will be examined, alternative policies will be analyzed from an economic standpoint, and the economic merits of various solutions to the problems will be studied. This course will include study of property rights, externalities, cost-benefit analysis, valuation techniques, and an exploration of market solutions to environmental problems

COURSE OBJECTIVES Given the universal scarcity of resources, it is imperative that as societies address the environmental issues facing them, they do so in an efficient manner. This course will develop analytical skills allowing the student/future policy maker to

1. Identify the economic forces behind many of the environmental issues
2. Analyze the impact of different remedies for an environmental problem
3. Recommend a solution that is cost-effective and uses society's scarce resources wisely. suggestions reflects their views.
4. Communicate recommendations regarding environmental issues clearly and convincingly.

III. MAJOR ASSIGNMENTS:

1. Prompt and regular attendance is expected of all students. For each absence above 3, 5 points will be deducted from those 50 points allotted to attendance / participation.
2. Students are expected to keep up with the reading assignments as listed on the syllabus.
3. Students are expected to turn in written homework assignments when due. Late work may NOT be accepted, and will be assessed a penalty of 1 point per day late when it is accepted.
4. Over the course of the semester, students are expected to find five newspaper/ magazine /internet articles dealing with an environmental issue. (Note-each issue must deal with a different issue. Each article will be submitted also with the student's work, which will: a. summarize the article b. identify the economic cause of the environmental problem; and c. analyze the solution presented in the article for its economic merit ; or present a proposed solution and explain its economic merit over the course of the semester. Please note that ALL written assignments must meet the standards presented in EN 101 and 102 courses. **Grammar, spelling and punctuation DO count!** Be sure to include the title, author, source, and date of the article in your report.

5. Students are expected to take quizzes and exams as scheduled. NO make-ups will be given for the mid-term unless the student has notified the instructor BEFORE the test is administered that he/she will be unable to take the exam with the class. There will be no make ups for quizzes. The lowest quiz grade will be dropped.

GRADING POLICY:

Course grades will be based on the following:

Midterm	100 points	A: 540-600 points
First project	50 points	B: 480-539 points
Second Project	100 points	C: 420-479 points
Homework	100 points	D: 360-419 points
Article analyses	100 points	F: below 360 points
Attendance/participation	50 points	
FINAL EXAM	100 points	

TOTAL 600 points

COURSE OUTLINE

- Aug 29 Introduction to course.
- Aug 31 Choices in Using Scarce Resources: Opportunity Cost
- Sept 5 Market Mechanisms
- Sept 7 Supply and Demand; Marginal Costs and Benefits ch 2 to p 24
Case Analysis to prepare for Sept 12: Water Shortage in New Jersey
http://www.econedlink.org/minute/archive/minute_991004.html
- Sept 12 Allocating Resources over Time: Text, chap. 2 to p. 30
Case Analysis to prepare for Sept 14: Resources in Botswana
http://www.econedlink.org/minute/archive/minute_980406.html
- Sept 14 Equilibrium and Efficiency: Static and Dynamic Chapter 2 to end
- Sept 19 Case Analysis: Moonflowers
http://www.econedlink.org/minute/archive/minute_000205.html
Complete activity 1, 2, 3 and 4
- Sept 21 Case Analysis: Moonflowers continued
- Sept 26 Presentation and Discussion of Case

Each group will give a presentation discussing the role of tourism in environmental protection, and this case in specific. Can you think of other circumstances in which this might be a useful approach? What are its drawbacks? Use visual aids.

Sept 28 When markets lead to a less than efficient outcome: **Market Failure**
For Oct. 3, **research** and prepare to discuss Hawaii's **Long-Line Fishing Controversy**
<http://starbulletin.com/2000/08/02/special/index.html> (note this site is just for starters!)

Oct 3 Causes of Market Failure: Externalities

Oct 10 Causes of Market Failure: Communal Use and Lack of Property Rights
Read: " " A **Street Problem** with a Coasean Solution" by John Bethune
" , The Margin, spring '93

Oct 12 Market Failure: Monopoly and Imperfect **Information**

Oct 17 MID-TERM EXAM (2 articles due)

Oct 19 Corrections for Market Failure: Prohibition, Regulation, Taxation, Pricing
Adjustments, Marketable Rights

Oct 24 Market Failure Corrections continued

Oct 26 Cost-Benefit Analysis: The Basics

Oct 31 Valuing the Environment text, Ch. 4 to p. 76

Nov 2 Valuing the Environment Ch 4 to end

Review for next class, (especially section 3)

http://pacific.fws.gov/crithab/t_gobyeconmin.pdf or http://pacific.fws.gov/crithab/aw/snake_6-12-00.pdf

Nov 7 Impact Analysis Ch 4 to end

Due Nov 9; a short paper explaining your approach to the Longline fishing problem

Nov 9 **Longline** fishing : a discussion of proposed solutions

Nov 14 Group work on Issue Presentation

Nov 16 **Group** Work on Issue **Presentation**

Nov 21 Iss. Presentation

Nov 28 Topic to be determined

Nov 30 Topic to be determined

Dec 5 Topic to be determined

Dec 7 REVIEW

FINAL EXAM Tuesday, Dec 12 8:15 - 2:45