

USSEE Summer 2004 Newsletter

President's Column On Networking

My president's column for this issue focuses on networking. As ecological economists, we are a highly interdisciplinary group of people, although not necessarily in the same ways. For example, some of us have more training than others in economics or ecology, while others may have backgrounds and interests in conservation biology, geography, anthropology, political science, regional planning, physics, chemistry, engineering, law, philosophy or other fields. While backgrounds in these related fields is very important to our success in both academic and applied settings, it is also important to keep the "community" interests of ecological economics in mind. For example, I strongly encourage you to take initiative and organize 1 or more sessions on ecological economics topics when you attend meetings and conferences in these allied fields; some of you have already done so. This helps to recruit new members to the USSEE & ISEE, and at a minimum helps to disseminate crucial information about what ecological economics is all about. Similarly, whether in academic or applied settings, there may be conferences or workshops that the USSEE should consider co-sponsoring, other organizations that would be pleased to help us advertise our biennial conferences (see the article on the 2005 USSEE Conference later in this issue), calls for papers, other activities, and establish mutual links on our web-sites, and policy controversies that based on our unique qualifications we should consider taking a stand on. While the USSEE Board considers these issues as a matter of course, we may miss some great opportunities and thus feedback from the membership is always valuable. Ideas? Contact Barry Solomon at bdsolomo@mtu.edu or Sue Mageau at info@ussee.org

Barry D. Solomon, Ph.D.
Professor of Geography & Environmental Policy
President, U.S. Society for Ecological Economics

What's new with the Members John Sorrentino, Associate Professor of Economics and an Associated Faculty of the Center for Sustainable Communities (CSC) at Temple University Ambler, is working on an inter-disciplinary study with the CSC funded by the EPA through the PA Dept. of Environmental Protection. The three-year study is aimed at evaluating the usefulness of EPA's Regional Vulnerability Assessment Methodology (ReVA) to local watersheds. The local watershed chosen is the Pennypack Watershed located about 7 miles from the suburban Philadelphia campus. The personnel involved are from the fields of ecology, economics, environmental engineering, geography/GIS, community & regional planning, and political science.

John Sorrentino
Associate Professor of Economics, Temple University Ambler

RESEARCH ON PROPERTY TAX REFORM More than a century ago, Henry George argued that a tax on land values would be a progressive source of public revenue and that a land value tax would discourage speculative behavior in the real estate market. Several contemporary economists have argued that raising the tax rate on land values and cutting the tax rate on real estate improvements will encourage housing construction and local economic development and could encourage denser patterns of land development.

My own research presently focuses on the legal and political feasibility of implementing land value taxation. It seems that this form of property tax reform would not be progressive in all jurisdictions unless the reform included a tax credit benefitting small propertyholders. For more information, please contact Richard England, Visiting Fellow, Lincoln Institute of Land Policy - Email: rengland@lincolninst.edu

Yale School of Forestry and Environment Graduate Course Syllabus: Fall Semester, 2004

ECONOMICS OF SUSTAINABLE DEVELOPMENT AND POLICY CONSIDERATIONS Instructor:
Professor Mohan Munasinghe

This course will explore sustainable development with attention to indicators and measures of progress. Special attention will be given to the linkages between climate change, energy and sustainable development, largely in developing countries. A key objective will be to set out the Sustainable Economics transdisciplinary framework, analytical methods, and decision criteria for making development more sustainable -- economically, environmentally and socially. Policy-oriented case studies will illustrate practical applications of the core theory, while classroom exercises will help build problem solving skills and provide experience in analyzing and presenting policy-relevant results to decision makers. The course also includes examination of the role of international institutions in this context. Participants will have had prior preparation in environmental or energy economics.

Upon successful completion of the course, students will be able to understand the critical issues underlying sustainable development in terms of its economic, social and environmental dimensions; grasp the basic concepts and indicators of sustainable development so as to be able to define, frame and resolve issues; assess and present alternative approaches to sustainable development from a decision making perspective, in terms of the economic, social and environmental impacts; and identify and undertake graduate level research in the field.

The course will consist of 13 lectures (3 hours each), and include the following modules:

- 1: Overview of Sustainable Development
- 2: Economic Analysis and Decision Tools
- 3: Climate Change
- 4: Energy
- 5: Practical Skills in Policy Analysis, Research and Communication

Mohan Munasinghe

Munasinghe@eureka.lk

Globalization and Sustainable Development Program, Global Development and Environment Institute (GDAE), Tufts University Since 1999, GDAE's Globalization and Sustainable Development Program has been developing an empirically-based understanding of the economic integration process in order to draw out lessons for the Free Trade Area of the Americas (FTAA) and other pending trade agreements, most notably the new round of World Trade Organization negotiations. The program's research has documented many of the social and environmental consequences of economic integration in Mexico, giving voice to Mexican research and advocacy, helping to enhance public understanding of how the United States relates to the world regarding the governance of global economic integration, and helping to provide new information and analysis in the search for a sustainable alternative.

The program has two new books of interest to members of USSEE:

Free Trade and the Environment: Mexico, NAFTA, and Beyond
By Kevin P. Gallagher, Stanford University Press, 2004. The volume examines the so called environmental Kuznets Curve and pollution haven hypotheses for Mexico before and after NAFTA.

Confronting Globalization: Economic Integration and Popular Resistance in Mexico
By Timothy A. Wise, Hilda Salazar, and Laura Carlsen (editors) Kumarian Press, 2003. With a focus on labor, agricultural, and environmental issues, Confronting Globalization tells globalization's untold stories: its social and environmental costs and the grassroots search for alternative paths.

In addition to these books, the Globalization and Sustainable Development Program's web page offers a number of working papers, opinion articles, and other books on globalization, development, and the environment in the Americas and beyond:

http://www.ase.tufts.edu/gdae/policy_research/globalization.html

Kevin Gallagher kevin.gallagher@tufts.edu

New Book and Television show 1. My new book, PLANETARY CITIZENSHIP, a dialogue between myself and Japanese Buddhist leader, Daisaku Ikeda is available through www.Amazon.com or www.Barnsandnoble.com

[Barnsandnoble.com](http://www.Barnsandnoble.com)

Visit my website hazelhenderson.com

(click Book Ordering, then click on the book cover) to get some comments from the book's jacket.

2. The first TV show in the new series ETHICAL MARKETPLACE," co-produced with Globalvision, with additional support from the Ford Foundation, is now ready for airing -- initial distribution on PBS affiliated stations. This new financial series is designed as a platform to raise the global visibility of the growing sustainability sectors: renewable energy, eco-efficiency, socially-responsible investing, corporate social responsibility, new indicators of wealth, progress and quality of life.

The ETHICAL MARKETPLACE series is steered by a global Editorial Board of experts and will benchmark the highest standards, highlight the most ethical companies, executives, the cleanest, greenest technologies and the entrepreneurs, investors, employees, consumers and citizens fueling this drive toward more ethical 21st century markets. As I wrote in my editorial in 2001, the Information Age has morphed into the Age of Truth.

We learn again the values that drive well-functioning markets are: trust honesty, transparency, fidelity in contracts, human rights, service, stewardship of all resources and the environment. All companies featured on ETHICAL MARKETPLACE or seeking to advertise or underwrite programs will be screened by rigorous social, ethical and environmental auditing standards. Our licensing plans include Europe, Latin America and Asia. Visit our website for more at www.ethicalmarketplace.com . Please email me or Ethical Marketplace's CEO, Gary Tomchuk at

info@ethicalmarketplace.com . Please join me and my two dear friends: Susan Davis -- CEO, Capital Missions Company, Elkhorn, WI and Leslie Danziger -- Chairman, Solaria, Inc., Berkeley, CA -- for an interactive weekend, July 9-11 at California's famed ESALEN INSTITUTE on the spectacular Pacific Coast at Big Sur between San Francisco and Los Angeles. Details? Send me an email or visit my website www.hazelhenderson.com.

We will share stories with other investors and entrepreneurs who have succeeded in overcoming the obstacles of patriarchal economics and markets to create more ethical, caring, environmentally and socially responsible companies. Registration is limited -- online at www.esalen.org .

Hazel Henderson

www.hazelhenderson.com

www.calvert-henderson.com

TEACHING ECOLOGICAL ECONOMICS in the PRINCIPLES OF ECONOMICS COURSE

At the Global Development and Environment Institute at Tufts University, we have developed an approach for including ecological concerns in economics teaching at the introductory level. While our "contextual" approach includes enough neoclassical material to meet most mainstream curriculum needs, it also brings in ecological concerns at a fundamental level through changes in the definition of economic goals, the definition of the economics discipline, and the definition of basic economic activities. We have incorporated these innovations into our own "Principles" textbooks: Microeconomics in Context (Neva Goodwin, Julie A. Nelson, Frank Ackerman and Thomas Weisskopf, First Edition, Houghton Mifflin, copyright 2005, available summer 2004) and Macroeconomics in Context (in process). See our website www.gdae.org or the publisher's website www.hmco.com for information on ordering.

OTHER PUBLICATIONS FROM GDAE:

Priceless: On Knowing the Price of Everything and the Value of Nothing - The New Press has published a profound critique of the misuses of economic tools in public policy. Co-authored by Frank Ackerman and Lisa Heinzerling, Priceless promises to spark needed debate over the direction of the U.S. policy under the Bush Administration. Confronting Globalization: Economic Integration and Popular Resistance in Mexico - This collection of case studies on the social and environmental impacts of globalization in Mexico, co-authored by Timothy Wise, Hilda Salazar and Laura Carlsen, was the product of a three-year collaborative project with Mexican researchers. The book was published in Spanish by Editorial Miquel Angel Porrúa.

Teaching Ecological Economics in the Principles of Economics Course At the Global Development and Environment Institute at Tufts University, we have developed an approach for including ecological concerns in economics teaching at the introductory level. While our "contextual" approach includes enough neoclassical material to meet most mainstream curriculum needs, it also brings in ecological concerns at a fundamental level through changes in the definition of economic goals, the definition of the economics discipline, and the definition of basic economic activities. We have incorporated these innovations into our "Principles" textbooks: Microeconomics in Context (Neva Goodwin, Julie A. Nelson, Frank Ackerman and Thomas Weisskopf, First Edition, Houghton Mifflin, copyright 2005, available summer 2004) and Macroeconomics in Context (in process).

These textbooks begin by asking: What is the purpose of the economy, and from whose point of view is the purpose to be defined? The standard theory, while claiming value neutrality, is in fact strongly oriented to several values which may be summarized thus: "Growth in consumption is the goal of the economy; efficiency in production is the prime means to this end." "Contextual economics," on the other hand, takes as the goal of the economy the well-being of all people, present and future, in all of their economic and social roles.

This definition of goals is complemented by defining the discipline of economics as "the study of the way people organize themselves to sustain life and enhance its quality." Economic systems are understood to be embedded in the physical contexts of technology and the natural world, as well as in the social/psychological contexts of history, politics, ethics, culture, institutions, and human motivations. An especially useful departure from the standard paradigm has been the addition, to the usual three basic economic activities of "production, distribution, and consumption" of a fourth that we call "resource maintenance." We define this as "tending to, preserving, or improving the natural, manufactured, human, and social resources that form the basis for the preservation and quality of life." See our website www.gdae.org or the publisher's website www.hmco.com for information on ordering.

CONTACT INFORMATION:

Neva Goodwin, Co-director
Global Development and Environment Institute
neva.goodwin@tufts.edu

Ecological Economics in the K-12 Classroom A new university course focuses on teacher education

A growing number of K-12 students in southeast Michigan are getting exposed to ecological economics thanks to a new teacher education course offered at Eastern Michigan University. "Ecological Economic, Democracy, and Education" is a three-credit graduate-level course that combines ecological economics content and strategies for integrating it into the classroom. Topics addressed include industrial ecology; the value of ecosystem services; externalities, markets, and the commons; conventional vs. ecological economic paradigms; the GDP vs. the GPI; and interdisciplinary curriculum development.

As a final project, teachers develop a classroom unit that incorporates the course content and provides opportunities for students to become involved in their communities. Sample units include "The Impacts of Globalization: The Case of Ladakh (4th grade)," "Apple production, Land Use, and Biodiversity (2nd grade)," and "Atmospheric Science, Transportation, and Economic Policy (8th grade)."

The course is taught by USSEE member Susan Santone, who directs a nonprofit organization focused on sustainability education. Additional information about the course, example of students work, and high school units on ecological economics are available from Creative Change Educational Solutions, <http://www.creativechange.net>
Susan Santone can be reached at santone@creativechange.net or by phone at 734-482-0924.

Other News Ecological Economics: Principles and Applications
A review by Mike Mageau

I was introduced to Ecological Economics by Herman Daly's earliest books, and have studied just about everything he's written since. I think his latest work along with Joshua Farley "Ecological Economics: Principles and Applications" is the most comprehensive and clear presentation of the fundamentals of Ecological Economics on the market today. It will serve as a wonderful text for both introductory and graduate courses aimed at Ecological Economics and Sustainable Development.

An excerpt from an editorial review sums it up nicely. "Conventional economics is increasingly criticized for failing to reflect the value of clean air and water, species diversity, and social and generational equity. By excluding biophysical and social reality from its analyses and equations, conventional economics seems ill-suited to address problems in a world characterized by increasing human impacts, social deterioration, inequality and decreasing natural resources. 'Ecological Economics' is a text describing an emerging paradigm that addresses this fundamental flaw in conventional economics. The book defines a revolutionary "transdiscipline" that incorporates insights from the biological, physical, and social sciences, and it offers a pedagogically complete examination of this exciting new field. The book provides students with a foundation in traditional neoclassical economic thought, but places that foundation within a new interdisciplinary framework that embraces the linkages among economic growth, environmental degradation, and social inequity."

Introducing the three core issues that are the focus of ecological economics -- scale, distribution, and efficiency -- the book is guided by the fundamental question, often assumed but rarely spoken in traditional texts: What is really important to us? After explaining the key roles played by the earth's biotic and abiotic resources in sustaining life, the text is then organized around the main fields in traditional economics: microeconomics, macroeconomics, and international economics. The book also takes an additional step of considering the policy implications of this line of thinking.

The last portion of the book revisits the three key issues: the allocation of resources, the distribution of income and the scale of the economy relative to the ecosystem. In particular, the latter is emphasized. Here I was hoping for more coverage of the distribution issue which I believe, given the destabilizing consequences economic globalization, has become even more critical than scale at least in the short-run. The authors conclude that three policy actions are required. 1. Determine a quantitative limit for the size of the economy to reflect sustainable scale; 2. Determine an equitable ownership/distribution of scarce resources; 3. Allow the market do its thing within the scale and distribution constraints -- trading and efficient market allocation.

Finally, the book is extremely user friendly. It contains excellent tables and excerpts that summarize important concepts and complex issues. It also includes numerous "Think about it!" questions, that force the students to apply the recently reviewed concept to an alternative situation, and helps them to develop a deeper understanding of the implications. At the end of each chapter, there is a "Big Ideas to Remember" section, which outlines key phrases and concepts that students need to know. Each section of the book, furthermore, contains a brief summary. This is not so much a review of the section as a reminder of what is really being said and what the author's viewpoints are. Some of the chapters that contain more complex ideas also have brief summaries, and graduate students in the field will benefit from the inclusion of references to prominent ecological economic books and papers.

2005 USSEE Conference Forging Solutions: 2005 USSEE Conference

USSEE's third biennial conference will be held on June 15-18, 2005 at the foot of scenic Mount Rainier in Tacoma, Washington. The conference is being hosted by the Asia Pacific Environmental Exchange (APEX), a non-profit social change organization focused on the application of ecological economics. The conference will consist of world-class keynote and plenary addresses, and breakout sessions for collegial exchange. Conference attendees can also participate in workshops designed to assist local NGOs in applying ecological economics to address issues concerning watersheds, marine ecosystems, toxics, and trade and finance. The conference will be held in the new Tacoma Convention Center, located 21 miles from the SeaTac airport. The conference will also feature opportunities to enjoy the stunning beauty of the Puget Sound area, including field trips. For inquiries, please contact APEX at 253-539-4801 or isatorre@seanet.com The conference team looks forward to your presence at this stimulating, action-oriented academic conference.