

ECONOMICS 308

THE POLITICAL ECONOMY OF THE ENVIRONMENT

Fall 2016

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SYNOPSIS

This course examines the political economy of environmental degradation and environmental protection. Environmental degradation includes both pollution and natural resource depletion. In addition to the neoclassical economic question of how scarce resources are allocated among competing ends (for example, a cleaner environment versus more consumer goods), the course explores the political economy question of how resources are allocated among competing individuals, groups, and classes.

The course is divided into three parts. The first explores environmental policy objectives. The second focuses on U.S. environmental policies. The third focuses on international environmental issues and policies.

SCHEDULE

Readings should be done before each class. Schedule is subject to change; please adjust reading if necessary.

<u>Date</u>	<u>Topic</u>	<u>Readings</u>
Sept. 6	Introduction	---
Sept. 8	Political Economy of the Environment	EECW Chs. 1-2; Goodstein Chs. 2-3
Sept. 13	Efficiency & Safety	Goodstein Chs. 4&7 [4&5]
Sept. 15	Sustainability	Goodstein Chs. 8-9 [6-7]; Reuss Ch. 1.2
Sept. 20, 22	Benefit-Cost Analysis	Goodstein Chs. 5-6 [8-10]; Reuss Ch. 2.1
Sept. 27, 29	Environmental Justice	EECW Chs. 3-4; Reuss Ch. 4.1

Oct. 4	Midterm Exam #1 (in class)	---
Oct. 6	Regulation in Theory	Goodstein Chs. 12-13
Oct. 13, 18	Regulation in Practice	Goodstein Ch. 14 [14-15]; Rich 2016
Oct. 20	Case Study: Ground Transportation <i>Film: Taken for a Ride</i>	Sperling & Gordon 2008
Oct. 25, 27	Taxes & Tradable Permits	Goodstein Chs. 15-16 [16-17]
Nov. 1, 3	U.S. Climate Policy	McKibben 2012; EECW Ch. 6; Boyce 2014; Reuss Chs. 5.2, 6.1, 9.1, 9.4
Nov. 8	Midterm Exam #2 (in class)	
Nov. 10, 15	Globalization and the Environment	EECW Ch. 9; Rosling 2016; Summers 1992
Nov 17	Deforestation: Amazon Case Study	Hall 2007; Zaitchik 2014; Fonseca 2016
Nov. 29	Environmental Certification	Conroy 2007
Dec. 1	Building Natural Assets	Boyce et al. 2007; Mann 2008
Dec. 6	Agricultural Sustainability	EECW Ch. 8; Reuss Ch. 7.1; Burnett 2016; Roseboro 2016
Dec. 8, 13	Global Climate Change	Reuss Ch. 2.2; Porter 2013; Meyer 2015; Pollin 2015; Carbon Brief 2016

READINGS

These course books are available for purchase at Amherst Books (8 Main St., Amherst). Goodstein & Reuss are also on print reserve, and Boyce is available as an eBook, at the UMass W.E.B. DuBois Library:

- Eban S. Goodstein, *Economics and the Environment*. 7th edn. New York: John Wiley, 2014 [in brackets above are the corresponding chapter numbers for the 5th and 6th editions].
- James K. Boyce, *Economics, the Environment and Our Common Wealth*. Northampton, MA: Edward Elgar, 2013 [abbreviated above as EECW].
- Alejandro Reuss et al., eds., *The Economics of the Environment: A Reader from Dollars & Sense*. 3rd edn. Boston: Economic Affairs Bureau, 2015.

All other readings are posted on Moodle:

- Rich, Nathaniel (2016) 'The Lawyer Who Became DuPont's Worst Nightmare,' *New York Times Magazine*, January 6.
 - Sperling, Daniel and Deborah Gordon (2008) 'Two Billion Cars,' *TR News*, November-December.
 - McKibben, Bill (2012) 'Global Warming's Terrifying New Math,' *Rolling Stone*, July 19.
 - Boyce, James K. (2014) 'The Carbon Dividend,' *New York Times*, July 30.
 - Rosling, Hans (2016) 'Important Truths about Population Growth and the Developing World,' read story plus watch video at <https://www.farnamstreetblog.com/2016/04/hans-rosling-population-growth/>.
 - Summers, Lawrence (1992) 'Let Them Eat Pollution', *The Economist*, February 8, p. 66.
 - Boyce, James K., Sunita Narain and Elizabeth A. Stanton (2007) 'Introduction,' in James K. Boyce, Sunita Narain and Elizabeth A. Stanton, eds., *Reclaiming Nature: Environmental Justice and Ecological Restoration* (London: Anthem Press), pp. 1-20.
 - Mann, Charles (2008) 'Our Good Earth,' *National Geographic*, September.
 - Hall, Anthony (2007) 'Extractive Reserves: Building Natural Assets in the Brazilian Amazon,' in James K. Boyce, Sunita Narain and Elizabeth A. Stanton, eds., *Reclaiming Nature: Environmental Justice and Ecological Restoration* (London: Anthem Press), Ch. 6.
 - Zaitchik, Alexander (2014) 'Murder in the Rainforest,' *Rolling Stone*, Dec. 16.
 - Fonseca, Pablo (2016) 'Latin America is the World's Deadliest Region for Environmental Activists,' *Scientific American*, June 24.
 - Conroy, Michael (2007) 'Certification Systems as Tools for Natural Asset Building,' in James K. Boyce, Sunita Narain and Elizabeth A. Stanton, eds., *Reclaiming Nature: Environmental Justice and Ecological Restoration* (London: Anthem Press), Ch. 10.
 - Burnett, Victoria (2016) 'Oaxaca's Native Maize Embraced by Top Chefs in U.S. and Europe,' *New York Times*, February 11.
 - Roseboro, Ken (2016) 'Heirloom Non-GMO Corn is Helping Sustain Mexico's Heritage and Farmers,' *EcoWatch*, July 12.
 - Porter, Eduardo (2013) 'Rethinking How to Split the Costs of Carbon,' *New York Times*, Dec. 25.
 - Meyer, Robinson (2015) 'A Reader's Guide to the Paris Agreement,' *The Atlantic*, Dec. 16.
 - Pollin, Robert (2015) 'Think We Can't Stabilize the Climate While Fostering Growth? Think Again,' *The Nation*, October 27.
 - Carbon Brief (2016) '10 Ways "Negative Emissions" Could Slow Climate Change,' April 11. Available online at <https://www.carbonbrief.org/explainer-10-ways-negative-emissions-could-slow-climate-change>.
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REQUIREMENTS & GRADING

There are four requirements for this course:

- (1) **Active class participation** in discussion sections.
- (2) **Two midterm exams.**
- (3) **Final exam.**
- (4) **Term paper** (12-15 pages), for which a preliminary term paper proposal, consisting of a 1-2 page summary of the topic plus a list of sources to be consulted, is also required. See “Term Paper Assignment” for details below.

Final grades will be weighted as follows:

- Class participation in discussion sections: 10%.
- Midterm exams: 20% each.
- Final exam: 25%.
- Term paper: 25%.

DUE DATES

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| Friday, September 30: | Term paper proposal: Submit hard copy in discussion section. |
| Tuesday, October 4: | Midterm exam #1: Administered in class. |
| Tuesday, November 8: | Midterm exam #2: Administered in class. |
| Tuesday, December 13: | Term paper: Submit hard copy in last class. |
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ECON 308: TERM PAPER ASSIGNMENT

Your term paper should analyze the political economy of a local environmental issue in a place with which you are personally familiar, generally either your home town or here in the Pioneer Valley.

A preliminary term paper proposal, consisting of a 1-2 page summary of the topic plus a list of sources to be consulted, is due in class on September 25.

Interviews with individuals who are engaged with this issue – including local officials, environmental activists, concerned citizens, and private-sector businesses – should constitute the primary source of information for your paper. Quotations and data obtained from interviews should be properly referenced, citing the interviewee's name (unless anonymity has been requested), institutional affiliation, and the date and location of the interview.

Secondary sources may include newspaper and magazine articles, documents produced by governmental agencies and non-governmental entities, television and radio reports, etc. All such sources should be properly referenced, following the footnote and bibliography formats to be provided in class. All direct quotations (including any quotes obtained from web-based materials) should appear within quotation marks with the source fully cited, following the avoidance-of-plagiarism guidelines to be distributed in class.

Your paper should be roughly 12 pages in length, double-spaced (in 12-point font). It should be organized as follows:

- 1. Introduction:** Briefly describe the environmental issue that your paper will analyze, and how you became aware of it.
- 2. Benefits:** Describe the individuals, groups, or classes who benefit (or benefited in the past), as producers or consumers, from the economic activity that has created this environmental problem. What forms do these benefits take (e.g., higher profits, lower prices for consumers)? Attempt to assess the economic magnitude of the benefits received (i.e., in dollar terms).
- 3. Costs:** Describe the individuals, groups, or classes who bear the resulting environmental costs. What forms do these costs take (e.g., effects on health, property values, quality of life)? Attempt to assess the economic magnitude of these costs (again in dollar terms), based on the techniques discussed in class.
- 4. Political economy:** Why are the beneficiaries able to impose environmental costs on others? Has their ability to do so changed over time (for example, as a result of community pressures or government policies)? How and why?
- 5. What is to be done?** In light of your research, what (if anything) do you think can and should be done differently to address this environmental issue?