Environmental Economics
Spring 2009

Course Description: This course will provide the student with the necessary tools to be an avid consumer of an area of the environmental economics literature and eventually a producer of the literature. Thus, it will provide a summary of recent findings and discuss future research agendas. There is no official text, but weekly readings will be discussed in class. We will focus on empirical work, but at times will discuss theoretical studies.

Office Hours (Rosenwald 205c): W 2pm-4pm
E-Mail: jlist@uchicago.edu

TAs Office Hours (both located in HPC 370 Becker Center):
David Herberich: R 4:50pm-6:30pm
Nick Simmons: M, 1pm-3pm

Class Participation: The course will be conducted as both a teaching and research opportunity for all involved. The major emphasis will be an introduction to the tools of the trade as well as an emphasis on new questions and new research that could be conducted to address these questions.

Course Outline: One caveat is that this is merely a sampling of work that has been done in the area of regulatory federalism, defined broadly. The field is growing fast and I desire to give you a glimpse of some of the manuscripts that have been published.

Grading: You are required to fulfill the following assignments, with grading weights in parentheses. There is no mid-term or final exam, but take-home questions will be given occasionally.

(50) Quizzes and take-home questions: Roughly 6 or so quizzes will be given during the lab hour. I reserve the right to give “surprise” quizzes during regular class time. We will throw out your worst performance of the quizzes and average the remaining quizzes.

Every now and then I will give take home questions. Each of you will be responsible for answering these questions and turning them in at the required time. Handing these in late will be punished severely with point deductions of 5 points per hour late.

(30) Research Presentation: Each of you is expected to assemble a research proposal by the end of the quarter. This proposal begins by providing a literature survey of your area of choice. To begin the presentation you need to convince the class that you are an expert in your chosen area of research.

The proposal then describes a new research question(s) and why it is important, and also includes relevant theory and empirical design. To facilitate feedback, each student is required to present his/her research proposal in a 20-minute time slot near the end of the term. The written proposal is due the day of the final—you should take account of the comments given during your seminar.

(10) Referee Report: At some point during the semester I will give you an unpublished environmental study; you are expected to turn in a referee report within 3 weeks. The
referee report shall include the paper's contribution to the literature, key weaknesses, and recommendations for future improvement. The report should be no longer than 5 pages, with all of your points clearly presented. This is not simply a replication of what the author has written.

(10) Class participation: Asking questions, reading the assigned papers, etc., all lead to good scholarship. I am demanding that you are prepared and participate in class.

The following schedule represents a rough guess of the topics that we will cover. But, this is endogenous and I wish to cover any area more thoroughly that you find of interest. Readings will likely be added as we go along. I will also add lab readings to be discussed in during lab time.

Readings

0. Overview of Environmental Federalism


1. Benefit-Cost Analysis

A. Stated preference versus revealed preference

Background of the methods can be found in several different places. For an applied view, see OECD document on Chalk.


B. Hypothetical bias


C. Scope bias


D. WTA/WTP disparity


2. Decentralized provision of public goods

A. Local provision


**B. Private provision**

**Philanthropy**


**3. Environmental Kuznets Curve**


**4. Endangered Species**


**5. Trade and the environment**

6. Climate Change
