

ECO 39556– Environmental Economics
Fall 2020
Hunter College
Department of Economics

Lecturer: Bipasha Chatterjee
Time: Monday and Thursday from 9.45 AM – 11.00AM
Office Hours: Thursday 12.30PM -1.30PM
Mode of Instruction: Online Lectures
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Learning Objectives

This course is an introduction to the use of economic principles and tools for the analysis of environmental problems and for designing appropriate policy responses. The aim of this course is to develop a set of useful economic toolbox that will allow students to address critically a wide variety of current environmental and climate problems and their proposed solutions rather than just building their knowledge of environmental issues.

The learning objectives are to understand:

1. Concepts and theories in environmental economics
2. Tools and techniques for environmental valuation
3. Institutions and instruments for designing and implementing environmental regulations and policies
4. Discussions on new green financial products

At the end of the course the students will be equipped to answer questions such as:

- Why and how to place an economic value on environmental goods? For example, how much are people truly paying or willing to pay for clean air in polluted cities such as Beijing or Delhi?
- What is the true cost to Australia from its devastating bush fires?
- Can market instruments such as emissions trading reduce carbon emissions more cost effectively and efficiently than carbon taxes? What are the main international negotiation issues in the Paris Agreement?
- What do these terms often appearing in the US media such as, ‘climate mitigation,’ ‘climate adaptation,’ ‘climate resilience’ and ‘climate justice’ actually mean?
- What are the new types of financial options (e.g. affordable climate insurance) that are being designed in African countries for making cities and communities more resilient to climate-derived market shocks; can those kind of financial products be useful in states like Texas, Florida, New York, California, and Puerto Rico that are exposed to recurrent storms, floods and wild fire?

Course Materials

The textbooks for the course are Main: 1) **Environmental Economics and Sustainability (3rd edition) by Ahmed Hussien** Optional: 2) **Environmental and Natural Resource Economics** by T. Tietenberg. Old editions are available online too. Since environmental economics is an evolving and a relatively new area of study, some parts of the book may not be relevant for the current policy topics covered in the class.

Therefore, lectures will frequently diverge from the book in terms of order and depth of coverage. The web links to the additional readings to support each lecture will be provided in the class.

Evaluations:

Homeworks: (10 marks)

Mid Term (20 marks): Date TBD

Essay (30 marks): Date TBD

Final examination (40 marks): Date TBD

There will be **no make-up exams** except in the case of a **serious and documented** emergency. In this case, I will need to be notified within 24 hours of the exam.

Course schedule

Time	Topics	Readings
Module A.	Environmental Economics: Concepts and Theories	
Week 1- 2	Topic: <i>Examine the</i> foundational concepts, theories and perspectives (neoclassical and ecological economics)	Ch. 1 – 2
Week 3- 4	Topic: <i>Discuss the main theories in environmental economics:</i> The Tragedy of the Commons, The Limits to Growth debate; strong vs. weak sustainability, the laws of transformation of matter-energy	Readings in blackboard
Mid Term	Objective questions.	
Module B.	Economic valuation of environmental goods and services and environmental projects: Tools and Techniques	
Week 5-7	Topics: <ul style="list-style-type: none"> • Revealed preference and stated preference methods • Cost-benefit analysis (CBA) • Environmental impact assessment (EIA) • Ecological footprints 	Ch. 7 – 8 plus readings in blackboard
Group project	The project will be explained in the first week of the term. Please be prepared to form study groups with 4 members for this project from the beginning of the term.	Details to be discussed in class
Module C.	Environmental Regulation	
Week 8-10	Topics: <ul style="list-style-type: none"> • Command and Control (Emissions Standards) • Market based instruments for controlling pollution (Tax, Subsidies, & Permit Trading); • Voluntary Regulation/ Voluntary Agreements; 	Ch. 4, 5, 6 plus readings in blackboard
Module D.	Group discussions on new green financing options	
Week 11- 13	Topics: <ul style="list-style-type: none"> • Climate Finance <ul style="list-style-type: none"> - Sovereign Green Bonds - Climate Insurance - Alternative energy finance 	Ch 9,10, plus readings in blackboard
Week 14 -15 Final Exam	<ol style="list-style-type: none"> Essay submission Final Exam preparation in class through non-graded quiz and verbal QA sessions in class. Final Exam will be a written exam with objective questions as well as long questions. 	

Attendance

You are expected to attend online classes at real time. If you have problems to attend on certain days, you will be able to access lecture materials on blackboard and you could make an appointment with the lecturer for online office hours to discuss questions. Attendance will be taken to ensure that students are not missing too many classes and that they can be offered help to catch up with missed lessons.

ADA POLICY

In compliance with the American Disability Act of 1990 (ADA) and with Section 504 of the Rehabilitation Act of 1973, Hunter College is committed to ensuring educational parity and accommodations for all students with documented disabilities and/or medical conditions. It is recommended that all students with documented disabilities (Emotional, Medical, Physical, and/or Learning) consult the Office of AccessABILITY, located in Room E1214B, to secure necessary academic accommodations.

Hunter College Policy on Sexual Misconduct

In compliance with the CUNY Policy on Sexual Misconduct, Hunter College affirms the prohibition of any sexual misconduct, which includes sexual violence, sexual harassment, and gender-based harassment retaliation against students, employees, or visitors, as well as certain intimate relationships. Students who have experienced any form of sexual violence on or off campus (including CUNY-sponsored trips and events) are entitled to the rights outlined in the Bill of Rights for Hunter College.

- a. Sexual Violence: Students are strongly encouraged to immediately report the incident by calling 911, contacting NYPD Special Victims Division Hotline (646-610-7272) or their local police precinct, or contacting the College's Public Safety Office (212-772-4444)
- b. All Other Forms of Sexual Misconduct: Students are also encouraged to contact the College's Title IX Campus Coordinator, Dean John Rose (jtrose@hunter.cuny.edu or 212-650-3262) or Colleen Barry (colleen.barry@hunter.cuny.edu or 212-772-4534) and seek complimentary services through the Counseling and Wellness Services Office, Hunter East 1123.

CUNY Policy on Sexual Misconduct Link: <http://www.cuny.edu/about/administration/offices/ia/Policy-on-Sexual-Misconduct-12-1-14-with-links.pdf>

Hunter College statement on Academic Integrity

Hunter College regards acts of academic dishonesty (e.g., plagiarism, cheating on examinations, obtaining unfair advantage, and falsification of records and official documents) as serious offenses against the values of intellectual honesty. The College is committed to enforcing CUNY Policy on Academic Integrity and will pursue cases of academic dishonesty according to the Hunter College Academic Integrity Procedures. Plagiarism, dishonesty, or cheating in any portion of the work required for this course will be punished to the full extent allowed according to Hunter College regulations.