Course Objectives

The objectives of this course is to gain an understanding of the relationship between economics and the environment. How can the field of economics contribute to global sustainability. What are the theoretical and practical limitations of studying ecological problems within the context of economics. In the course we will examine issues like cost-benefit analysis, property rights, entropy, "green" GDP, environmental racism, among other topics. Given the current awareness of greenhouse gases in today's society, now is an exciting time to study the economic and social impact of environmental destruction, and to analyze the current debate of the solutions.

Course Requirements

Class attendance and involvement is mandatory for the successful completion of the course. There will be two exams and a research paper.

Texts and Readings

The primary text is *Economics and the Environment* by Goodstein (EG in course outline). This will be supplemented by readings from *Valuing the Earth* edited by Daly and Townsend (VTE), and *The Environmental Ethics and Policy Book* edited by VanDeVeer and Pierce (V&P), as well as reserve readings and handouts (*indicates required).

Course Outline and Readings

I. The Economic Problem, Environmental Crisis, and Intellectual Inquiry

- V&P, (article by Rachel Carson)
- EG, ch. 1.

II. Economy and Environment: Overview

- *Herman Daly, “Introduction to Essays Toward a Steady State Economy,” in VTE.

Special Topic: Entropy and the Laws of Thermodynamics


III. Externalities and Social Costs

- *EG, chs. 2-3.
Special topic: GDP: Implications for the Environment
- *EG, pp. 80-89, 465-468, ch. 11.
- Green GNP Handout

IV. Property Rights
- *EG, ch. 4., pp. 485-487.
- V&P (articles by Locke, Shrader-Frechette, Sagoff, and The Rio Declaration)

Special Topic: The ‘Tragedy of the Commons’
- *Garrett Hardin, “The Tragedy of the Commons” and “Second Thoughts on the Tragedy of the Commons” in VTE, chs. 6-7.

V. Cost-Benefit Analysis
- *EG, chs. 8-10.
- *V&P (articles by Kelman, Leonard and Zeckhauser, and ‘Sidelight’)

Special Topic: The Valuation of Life, Health, and Nature
- *V&P (articles by Freeman and Sagoff)

VI. Government Regulation

VII. Market Controls: Taxes, Fees, Subsidies, Permits
- *EG, chs. 16-17.
- *V&P (articles by Freeman and Sagoff)


VIII. Natural Resources, Species Extinction, and the Discount Rate
- *EG, ch. 6.

- *V&P (all articles in section VI.A.)

**Special Topic: Population**

- *EG, ch. 21.
- *V&P (all articles in section V.D.)

**IX. Economics and Environmental Ethics**

**Special Topic: Deep Ecology and Social Ecology**

- *V&P (articles by Devall and Sessions, Naess, and Bookschin)

**X. Alternatives and Limits to Growth**


**Special Topic: Technology and Energy Policy**

- *EG, chs. 18-20.

**XI. ‘Development’ and Environment**

- *EG, ch. 22.
- *V&P (articles by Ramachandra Guha and Luis Camacho)

**Special Topic: Trade and Environment**

- *Trade and Environment (reserve packet)

**XII. Environmental Racism and Ecofeminism**

  

- XIII. **Discussion: Alternative Policy Proposals and Prospects for the Future**

- EG, ch. 23.

- Mathew Forstater, “Full Employment and Environmental Sustainability,” C-FEPS Working Paper No. 13, Kansas City,