AREC 380A2: Environmental Economics  
Colorado State University  
Fall 2014  
2-3:15 pm, TR, Military Science  
Dr. Andy Seidl, professor

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Office hours:  
12-1 pm TR and by appointment.

Description:  
Economic theories and analytic frameworks are developed and applied to contemporary problems of the use and protection of the natural environment.

Required Texts:  

Objectives:  
The successful student will be able to…  
- Apply benefit cost analysis techniques to environmental problems and projects and evaluate their implications for developed as well as developing countries and communities.  
- Assess the strengths and weaknesses of economic valuation approaches to inform decision-making.  
- Evaluate the implications of a wide range of policy tools to achieve environmental outcomes.  
- Evaluate and discuss the major US and International environmental policies and agreements, identifying common issues and challenges among them.

Grading:  
The class will be graded in the following manner:  
1) To combat the challenges of the traditional US grade scale (0-100), the following 5 point grading model (0-4) will be employed:  
   A = > 3.5;  
   B = 3.5 > x > 2.5;  
   C = 2.5 > x > 1.5;  
   D = 1.5 > x > 1.0;  
   F = <1.0.  
2) In addition, the mean grade for the course should probably be a “B.” Notwithstanding the above criterion, if you are within 0.5 standard deviations of the mean, you will earn a “B.” If you are more than 0.5 standard deviations above the mean, you will earn an “A” and more than 0.5 standard deviations below the mean earns a “C,” etc. “+”s and “-”s will be assigned at the discretion of the instructor.

Evaluation:  
Midterm Exams 30% of total points  
Final Exam 30% of total points  
Homework 40% of total points
Exams (60% of total grade):
Exams questions will be fill in the blank, multiple-choice, short answer, and graphical or mathematical illustrations. Information will be taken from the text and from classroom discussion. I like students to apply their theoretical knowledge to real world situations, so don’t be surprised if economic analyses of current news items show up on the exams.

Many current issues are complex and require individual evaluation from a number of perspectives. In writing your exams, please restrict yourselves to the economic arguments supporting your position.

Homework (40% of total grade):
There will be three types of homework:
1) Five (5 @ 5% each) graphical and/or mathematical applications of the concepts and tools taught in class. They will be due at the beginning of class. Late submissions will be accepted until the exercise is returned to the class. Such submissions will be subject to a 10% per day decrease in total possible points obtainable.
2) Two (2 @ 5% each) analyses of a contemporary environmental economic issue found in a newspaper or magazine article. Submissions will provide a critical analysis of the problem using economic concepts, graphical and/or mathematical representations and be 1 page, single spaced, 11 pt font, in length. Please attach the article analyzed to the submission. Submissions will be turned in prior to Dec 4. Late submissions will receive zero credit. Spelling and grammar count.
3) Two (2 @2.5% each) one-page reflections (2.5% each) of an environmental economics oriented seminar you have attended during the semester. The write-up should discuss what was presented and what you learned from the presentation through an economics lens. I will mention some of the relevant lectures in class, but you are not restricted to attending one mentioned in class.

Policies:
These should be self-evident. However...
1) Issues covered in this course can touch upon deeply held and personal values. I strongly encourage you to discuss these issues both inside and outside of class. General rules of civil discourse, mutual respect and decorum should be adhered to at all times.
2) Please be on time. I will begin and end class on time to be respectful of your time. Please reciprocate.
3) Beepers, cell phones, PDAs, etc.: Either turn them off or put them on “vibrate,” if you have some reason to need to have them turned on. No sort of active monitoring of these devises is allowed during exams.
4) Do your part. The first question Patrick will ask you when you come to office hours is “Have you read the text?” and the second question Patrick will ask you is “What do your classmates say?” The first question I will ask you is, “What did Patrick say?”
5) All university policies about academic honesty most definitely apply.

Need Help?
CSU is a community that cares for you. If you are struggling with drugs or alcohol and/or experiencing depression, anxiety, overwhelming stress or thoughts of hurting yourself or others please know there is help available. Counseling Services has trained professionals who can help. Contact 970-491-6053 or go to http://health.colostate.edu. If you are concerned about a friend or peer, Tell Someone by calling 970-491-1350 to discuss your concerns with a professional who can discreetly connect the distressed individual with the proper resources (http://safety.colostate.edu/tell-someone.aspx ).
Schedule (subject to adjustment according to class needs):

- **Tues, Aug 26**: Class introductions. F&F Ch 1.
- **Thurs, Aug 28**: F&F Ch 2: Economy and the Environment
- **Tues, Sept 2**: F&F Ch 3: Basic Theory
- **Thurs, Sept 4**: F&F Ch 4: Basic Theory II
- **Tues, Sept 9**: F&F Ch 5: Economics of Environmental Quality
- **Thurs, Sept 11**: F&F Ch 6: Frameworks of Analysis
- **Tues, Sept 16**: F&F Ch 7: Benefit-Cost Analysis: Benefits; H&B Ch 2: CBA Theoretical foundations
  - **Homework #1**: Due before class
- **Thurs, Sept 18**: H&B Ch 3-4: Stated Preference Methods
- **Tues, Sept 23**: H&B Ch 5-6: Revealed Preference Methods
- **Thurs, Sept 25**: H&B Ch 7: Production function methods and discounting
- **Tues, Sept 30**: F&F Ch 8: BCA: Costs
  - **Homework #2**: Due before class
- **Thurs, Oct 2**: H&B Ch 9: Valuing Ecosystem Services
- **Tues, Oct 7**: H&B Ch 11: Valuing habitat protection
- **Thurs, Oct 9**: Review session
- **Tues, Oct 14**: Midterm Exam (30% of grade)
- **Thurs, Oct 16**: F&F Ch 9: Policy analysis
- **Tues, Oct 21**: F&F Ch 10: Law and property rights
- **Thurs, Oct 23**: F&F Ch 11: Regulatory approaches
- **Tues, Oct 28**: F&F Ch 12: Incentive based strategies
- **Thurs, Oct 30**: F&F Ch 13: Incentive based strategies continued
  - **Homework 3**: Due before class
- **Tues, Nov 4**: F&F Ch 15, 16, and 17: US Federal Policies
- **Thurs, Nov 6**: H&B Ch 8: CBA in Developing Countries
- **Tues, Nov 11**: F&F Ch 18: Comparative environmental politics
  - **Homework 4**: Due before class
- **Thurs, Nov 13**: H&B Ch 13: The strengths and weaknesses of environmental CBA
- **Tues, Nov 18**: F&F Ch 19: Economic Development and the Environment
- **Thurs, Nov 20**: F&F Ch 20: the Global Environment
- **Tues, Nov 25**: Fall Break
- **Thurs, Nov 27**: Fall Break
- **Tues, Dec 2**: F&F Ch 21: International environmental agreements
- **Thurs, Dec 4**: UNCSD, UNFCCC and UNCBD
  - **Homework 5**: Due before class
  - All remaining homeworks due.
- **Tues, Dec 9**: H&B Ch 13: The strengths and weaknesses of environmental CBA
- **Thurs, Dec 11**: Review session. Course evaluation.
- **Mon, Dec 15**: Final Exam, 6:20-8:20 pm (30% of grade)