

USC Dornsife

Economics 487: Environmental Economics
Units: 4
Fall 2015

Location: KAP

Instructor: Matthew E. Kahn
Office: TBA
Office Hours: Monday 1pm-150pm, Wednesday
11am-Noon
Contact Info: kahnme@usc.edu

Teaching Assistant:
Office: TBA
Office Hours:
Contact Info:

Course Description

This undergraduate level course applies concepts from microeconomics and statistics to study key topics in environmental economics. Special emphasis will be placed on the role of designing incentives to reduce environmental externalities such as air pollution and greenhouse gas emissions. The causes and consequences of pollution will be studied in detail and we will focus on a number of applications in the United States and China.

Professor Bio

Matthew E. Kahn is a Visiting Professor of Economics at USC. He is also a Professor at the UCLA Institute of the Environment, the Department of Economics, the Department of Public Policy, the UCLA Anderson School of Management and the UCLA School of Law. He is a research associate at the National Bureau of Economic Research and the IZA. He holds a Ph.D. in economics from the University of Chicago. He has served as a Professor at Columbia University and the Fletcher School at Tufts University. He has served as a Visiting Professor at Harvard, Stanford University and the National University of Singapore. He is the author of *Green Cities: Urban Growth and the Environment* (Brookings Institution Press 2006) and the co-author of *Heroes and Cowards: The Social Face of War* (Princeton University Press 2008). He is the author of *Climatopolis: How Our Cities Will Thrive in the Hotter World* (Basic Books 2010). In 2013, he published *Fundamentals of Environmental and Urban Economics* (Amazon Books). His research areas include; environmental, urban, energy and real estate economics.

Research Webpage: mek1966.googlepages.com

Twitter: [@mattkahn1966](https://twitter.com/mattkahn1966)

Green Economics Blog: greeneconomics.blogspot.com

Learning Objectives

This course seeks to introduce students to the major ideas in modern environmental economics. These ideas will be applied to real world policy issues. Students will gain experience in public speaking, memo writing, data analysis, and hypothesis testing. Students will gain an appreciation for the power of free markets to improve overall environmental quality. Special attention will be devoted to studying the intended and unintended consequences of government policy. This framework will allow us to analyze the optimal role for the federal, state and local government in implementing environmental policy.

Prerequisites: Micro economics

Recommended Preparation: Statistics or Econometrics

Course Notes

All lecture notes and class handouts will be posted to our Blackboard class website before class.

Technological Proficiency and Hardware/Software Required

Knowledge of Stata or Excel for basic data processing

Required Readings

The only required purchase for this course is our \$1 electronic e-book sold by Amazon.

<http://www.amazon.com/dp/B00E1U992U>

Fundamentals of Environmental and Urban Economics by Matthew E. Kahn

All other readings will be posted as .pdf files and weblinks to our Blackboard page

Grading Breakdown

Assignment	% of Grade
Class Participation	15%
Homeworks	15%
Midterm	20%
Class Paper	15%
Final Exam	35%

Class Participation includes; attendance, one's quality of comments in class and prepared public speaking in class.

Homeworks: Students can work in groups of up to 4 students on homework. One's homework should list the names of all students who participated on the first page.

Details about the class paper will be discussed in class.

Additional Policies

Attendance is mandatory

Late assignments will have points deducted

You may use computers in the classroom

Course Schedule: A Weekly Breakdown

Exact readings will be announced days before each class

	Topics/Daily Activities	Key Dates	Deliverables
Week 1 Dates	Course Introduction and Pollution Externalities		August 24th
Week 2 Dates	Government I		August 31 st Homework #1 Due
Week 3 Dates	Government II		September 7 No Class Labor Day Homework #2 Due
Week 4 Dates	Pollution Caused by Industrial Activity		Homework #3 Due September 14th
Week 5 Dates	Pollution Caused by the Household Sector		<i>Homework #4 Due September 21st</i>
Week 6 Dates	Household Pollution Exposure and Environmental Justice		Homework #5 Due September 28th
Week 7 Dates	Green Business and Consumer Preferences	MIDTERM in class on October 7th 2015	October 5th
Week 8 Dates	Climate Change Economics I		October 12
Week 9 Dates	Climate Change Economics II		Homework #6 due October 19th
Week 10 Dates	California and Local Environmental Policy		Homework #7 Due October 26th
Week 11 Dates	Natural Resource Economics I		November 2nd
Week 12 Dates	Natural Resource Economics II	Class Paper Due on November 11th 2015	November 9th
Week 13 Dates	Adapting to Climate Change		Homework #8 Due November 16h
Week 14 Dates	Macro economics and the environment		Homework #9 Due November 23rd

Week 15 Dates	Course Review		November 30th
FINAL Date	at 2-4 pm, Friday, Dec. 11.		Date: <i>Schedule of Classes</i> at www.usc.edu/soc .

Statement on Academic Conduct and Support Systems

Academic Conduct

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/departement-public-safety/online-forms/contact-us>. This is important for the safety whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage sarc@usc.edu describes reporting options and other resources.

Support Systems

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students. *The Office of Disability Services* and *Programs* http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu/> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.