University of California, San Diego School of Global Policy and Strategy IRGN 458: International Environmental Policy and Politics Winter 2016

Time: Tu/Th 2:00p-3:20p **Location:** RBC 1328

Instructor: Junjie Zhang, RBC 1303, (858) 822-5733, junjiezhang@ucsd.edu

Office Hour: Wednesdays 2:00 - 4:00 pm

Course Description: This course will focus on the three main areas of international environmental policy and politics: (1) causes of global environmental problems, (2) methods and strategies for promoting policy solutions, and (3) economic rationale for international environmental agreements. Students are expected to read theoretical and empirical literature. All course materials will be self-contained. Previous knowledge in introductory economics and econometrics is helpful but not required.

Readings: No textbook is required. Most readings are available online, otherwise they will be distributed on class.

Course Format: The course will be run as a combination of lectures and seminars with active student participation. For lecture sessions, the instructor will present basic materials on each topic. For discussion sessions, the class will study the designated readings with discussion leaders. In addition, students will participate in one debate on a controversial issue in the field.

Grading: There are no homework assignments and exams for this class. Students are expected to finish reading course materials before class and lead paper discussions at least once. There is an individual project report. The course grade will be based 20% on classroom discussions, 10% on debates, 10% on simulations, 20% on group projects, and 40% on the term paper.

Important Due Dates: Please submit all reports in pdf.

- February 4, 2016 5:00 pm: group project report
- February 21, 2016 5:00 pm: one-page final project proposal
- March 13, 2016 5:00 pm: final project report

Academic Integrity: Student conduct related to this course is governed by the UCSD Policy on Integrity of Scholarship: "Students are expected to complete the course in compliance with the instructor's standards. No student shall engage in any activity that involves attempting to receive a grade by means other than honest effort."

Week 1: International environmental problems

January 5, 2016: Introduction and logistics

January 7, 2016: Trans-boundary environmental problems I

Mäler, K.-G., 1990. "International environmental problems." *Oxford Review of Economic Policy* 6: 80-108.

Frankel, Jeffery A., 2003. "The environment and globalization." NBER working paper. Available at http://www.nber.org/papers/w10090.pdf.

January 12, 2016: Trans-boundary environmental problems II

Week 2: Economic growth, trade and the environment

January 14, 2016: Economics growth and the environment

January 19, 2016: Trade and the environment

Dasgupta, S., B. Laplante, H. Wang, and D. Wheeler, 2002. "Confronting the environmental Kuznets curve." *Journal of Economic Perspectives* 16(1):147-168.

Carson, R. T. 2010. "The Environmental Kuznets Curve: Seeking Empirical Regularity and Theoretical Structure," *Review of Environmental Economics and Policy* 4(1): 3-23.

Frankel, J.A. and Andrew Rose, 2005. "Is Trade Good or Bad for the Environment? Sorting out the Causality." *Review of Economics and Statistics* 87: 85-91.

Prakash, A. and Potoski, M. 2006, "Racing to the Bottom? Trade, Environmental Governance, and ISO 14001." *American Journal of Political Science* 50: 350-364.

Week 3: Economics of environmental policy

January 21, 2016: Lecture 1

Pearce, David, 2002. "An Intellectual History of Environmental Economics." *Annual Review of Energy and the Environment*: 57-81.

Stavins, Robert N., 2003. "Experience with market-based environmental policy instruments." In: Mäler, K.-G., Vincent, J.R. (Eds.), *Handbook of Environmental Economics*, vol. 1. Elsevier, Amsterdam: 356-435.

January 26, 2016: Lecture 2

January 28, 2016: Simulation

We will conduct a simulation on class to illustrate how international carbon tax and carbon market work. The class will be divided into 10 groups. The sign-up sheet is posted online: http://goo.gl/n3pV4 The background information for the simulation is available at: http://goo.gl/HAXPU1 You are encouraged to meet before class for a better understanding of the class materials. Please bring your own laptop.

Week 4: Group project presentation

February 2, 2016: Session 1

February 4, 2016: Session 2

Topic: delivering environmentally sustainable economic growth. The conventional economic growth model has created mounting pressure on the environment and natural resources. Policy makers around the world have called for a major policy shift. You are asked to identify and characterize new growth models that incorporate sustainability. The students will form 10 groups. Please sign up here: http://goo.gl/AccRH. Each group must have at least one student from developed and developing countries respectively. Each group is working on a different country. Specifically, you need to analyze the current growth pattern of this country and make relevant policy suggestions for sustainable growth. Each group is required to submit a 10-page double-spaced policy memo. The contribution of each student needs to be specified on a separate cover page. The major findings will be presented on class (15 min for each group).

Example: Zhang, J. 2012. "Delivering Environmentally Sustainable Economic Growth: The Case of China." Asia Society Policy Report.

Week 5: Political institutions and environmental policy

February 9, 2016: Lecture

Oates, Wallace and Paul R. Portney, 2003. "The political economy of environmental policy." In: Mäler, K.-G., Vincent, J.R. (Eds.), *Handbook of Environmental Economics*, vol. 1. Elsevier, Amsterdam: 326-354.

Congleton, R. D. 1992. "Political-Institutions and Pollution-Control." *Review of Economics and Statistics* 74(3): 412-421.

February 11, 2016: Simulation

You are asked to simulate the dynamics of climate legislation in the senate in 2009. The script is based on the following article. Each student needs to pick one character from the article. In the simulation, you can play this character or just narrate his/her position and action. Please sign up here: http://goo.gl/aPDc0 An incomplete list of characters is posted here: http://goo.gl/kC210.

Lizza, Ryan. 2010. "As the World Burns: How the Senate and the White House missed their best chance to deal with climate change." *The New Yorker*. October 11, 2010.

Week 6: International environmental agreements

February 16, 2016: Theory of environmental treaty making

February 18, 2016: Practice

Barrett, S. 1998. "On the theory and diplomacy of environmental treaty-making." *Environmental and Resource Economics* 11:317-333.

Young, Oran. 2008. "The Architecture of Global Environmental Governance: Bringing Science to Bear on Policy." *Global Environmental Politics* 8(1): 14-32.

Week 7: Climate change

February 23, 2016: Lecture

Nordhaus, William D., 1993. "Reflections on the economics of climate change." *Journal of Economic Perspectives* 7(4): 11-25.

Kolstad, C.D. and M. Toman, 2005. "The economics of climate policy." In: Maler, K.-G., Vincent, J.R. (Eds.), *Handbook of Environmental Economics*, vol. 3. Elsevier, Amsterdam: 1561-1618.

February 25, 2016: Debate

Topic: The current climate negotiations follow the United Nations model that requires all countries to reach consensus. Some criticized that it is too slow to make progress. It is proposed that only top 20 or even less emitters should be involved in the negotiations. Do you agree or disagree with this point of view? Please read the debate instruction http://goo.gl/zaeuR and sign up here: http://goo.gl/MZ0I1.

Week 8: Involvement of developing countries

March 1, 2016: Impact of climate change

March 3, 2016: Mitigation and adaptation

Wara, M., 2007. "Is the global carbon market working?," *Nature* 445(7128): 595-596.

Aldy, J.E. and R. Stavins. 2008. "Climate Policy Architectures for the Post-Kyoto World." *Environment* 50(3): pp. 6-17.

Victor, D. G., 2009. "Climate Accession Deals: New Strategies for Taming Growth of Greenhouse Gases in Developing Countries," in J. Aldy and R. Stavins, eds., *Post-Kyoto International Climate Policy: Implementing Architectures for Agreement*, Cambridge: Cambridge University Press.

Zhang, J. and C. Wang. 2011. "Co-Benefits and Additionality of the Clean Development Mechanism: An Empirical Analysis," *Journal of Environmental Economics and Management* 62(2):140-154.

Week 9: Student presentation of final projects

March 8, 2016: Session 1

March 10, 2016: Session 2

Each student is required to submit a paper on a research topic relevant to the course materials. The paper may be empirical or conceptual as long as it is creative. Literature reviews are acceptable if they are interpretive. The paper should be no longer than 12 pages (exclusive of figures, tables and references). The paper should include a clear problem and objectives statement, review of relevant literature and analysis of the problem. All information or arguments drawn from the literature should be carefully cited. The final week is for each student to make an oral presentation. A one-page project proposal is due on the Friday of the 5th week. The complete paper should be submitted before the Friday of the 10th week. Please sign up to the presentation sheet online http://goo.gl/hlacnd.