

EC1340 Economics of Global Warming

Course Outline

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Course objectives and requirements:

The problem of global warming can be described with by a simple economic model. We face a trade-off between current consumption, future consumption, and future climate. We have preferences over consumption and climate and would like to choose our optimal climate/consumption bundle. This course is organized around filling in the details required to make this model useful, characterizing the optimal climate/consumption path suggested by the model, and finally, investigating policies to move us towards the optimal path.

The first part of the course will be devoted to developing an understanding of the facts that confront us. The second part of the course will be devoted to solving for the optimal climate and consumption path. The third part of the course will investigate carbon mitigation policies. The course will require familiarity with microeconomics and basic calculus. In particular, I will assume you are familiar with the material from intermediate microeconomics and that you can solve univariate optimization problems. I will cover solution methods for more difficult problems in class.

Prerequisites:

The prerequisite for this course is ECO1110. If you have not taken this course, I am generally willing to waive the prerequisite for students with a technical background.

Course website:

The course website is at:

http://www.brown.edu/Departments/Economics/Faculty/Matthew_Turner/ec1340/eco1340_main.htm

The schedule on this site provides a detailed, but tentative, schedule of the material to be covered during the term. You should check this schedule at least weekly for updates and changes.

This website is also where you will find supplementary readings, homework assignments and solutions, lecture notes, old exams and announcements.

Lectures:

There is a single section of this course. Lectures are in Friedman Hall, room 201, MW 8:30-9:50. I will miss class on October 9, but do not anticipate other deviations from the regular schedule. I will announce any unforeseen changes to the schedule in class and on the course website.

Required Texts:

- Storms of my grandchildren, J. Hansen, Bloomsbury, 2009. (< 20\$)
- A Question of Balance, W. Nordhaus, Yale University Press, 2008.(< 25\$)

Both books should be available at the bookstore.

I will often refer to: The Economics of Climate Change: The Stern Review, N. Stern, Cambridge University Press 2008. An online version is available at this link:

http://www.brown.edu/Departments/Economics/Faculty/Matthew_Turner/ec1340/readings/Sternreview_full.pdf

Office hours:

I will have office hours regularly during the term. For a schedule and location, please check this link:

http://www.brown.edu/Departments/Economics/Faculty/Matthew_Turner/office_hours.htm

I will also, usually, be available to talk after class.

I will try to maintain a regular schedule of office hours, but will occasionally need to deviate from this schedule. In this case, I will make a note at the link above. I encourage you to check before you come to my office.

The TA for the course is Samuele Giambra (tentative). His office hour schedule is also available at the link above.

Grading:

You should plan to attend class and you should expect to hand something in almost every week. There are approximately weekly problem sets along with a midterm and a final.

Weights assigned to each are as follows:

- Participation 10%
- Best 7 homework assignments 40%
- Midterm 15% (Tuesday, October 23, 2018, regular classroom)
- Final 35% (TBD, Finals period.)

I will collect problem sets at the beginning of each class. I will generally post solutions shortly after class and will not accept late problems sets after that time. The marking scheme allows you to miss two or three assignments without penalty, so expect me to enforce this rule.

Over 14 weeks, students will spend 3 hours per week in class (42 hours total). Homework, reading, and studying for midterm examinations will take approximately 9.5 hours per week (133 hours total). In addition, there is a 2-hour final exam for which approximately 18 hours of review is assumed.

Academic misconduct:

Copying or plagiarizing or other forms of academic misconduct will not be tolerated. Students caught engaging in these activities will be subject to academic discipline. The Brown University Academic code is here: <https://www.brown.edu/academics/college/degree/sites/brown.edu/academics/college/degree/files/uploads/Academic-Code.pdf>

Students with disabilities:

Please inform me if you have a disability or other condition that might require some modification of any of these course procedures. You may speak with me after class or during office hours.

Email Policy:

I will try to reply to email within 24 hours, except on weekends. For me to be able to do this, I need some rules about email correspondence:

- Please look on the website to see if you can find an answer to your question before you write.
- Try to formulate questions that require short answers. If it takes more than a few sentences to answer, then the question is too hard for email. Please come to office hours instead.
- No emails about grading. Please come to office hours for this.