

## **Outline for Environmental Economics (EEP 101/ECON 125) Course**

**Location:** 2060 Valley LSB, Tuesday & Thursday 9:30-11:00 a.m.

**Professors:** David Zilberman & Katrin Millock, 338 Giannini Hall.  
Office Hours: Thurs., 11:00-12:00 a.m.

### **G.S.I.'s:**

Fang Lai (email: [lai@are.berkeley.edu](mailto:lai@are.berkeley.edu)), 314 Giannini Hall.  
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**Course website:** <http://are.berkeley.edu/~zilber/EEP101/spring05>

### **Readings:**

There is no required textbook. The detailed course notes on the course website serve as required text for the course (available at <http://are.berkeley.edu/~zilber/EEP101/spring05>). There will also be a course reader.

For supplementary readings, we recommend the following textbooks (on reserve in the Moffitt library):

Tietenberg, Tom, *Environmental and Natural Resource Economics*. Fifth Edition, Reading, Massachusetts: Addison Wesley Longman, Inc., 2000.

Carlson, Gerald A., David Zilberman, and John A. Miranowski, *Agricultural and Environmental Resource Economics*. New York: Oxford University Press, 1993.

The course reader contains some extracts of these books that are particularly useful.

### **Online Text**

Detailed text and lecture summaries are available at <http://are.berkeley.edu/~zilber/EEP101/spring05> The detailed notes and lecture summaries will be modified to reflect the revised content of the class.

### **Grading**

30% midterm, 50% final, and 20% homework.

Students may opt to submit a paper. In this case grading is 66.6 % classwork and 33.3 % for the paper.

## **Course Outline**

Lecture 1: Introduction

Lecture 2: When Is a Market Socially Optimal? Production and Consumption Externalities

Lectures 3-4: Market Failure and Policy Instruments: Standards, Taxes and Subsidies

Lecture 5: Policy Instrument Choice: Heterogeneity, Uncertainty

Lecture 6: Waste Management: Deposit-Refund Systems

Lecture 7: The Coase Theorem and Liability Rules

Lectures 8: Stationary Source Air Pollution Control: Emission Charges and Permits in Practice

Lecture 9: Mobile Source Air Pollution

Lecture 10: Technological Change and Pollution Control

Lecture 11-12: Public Goods

Lectures 13: Economics of Biodiversity and Endangered Species

Lecture 14-15: Valuation of Environmental Benefits

Lecture 16: MIDTERM

Lecture 17: Environmental and Health Risks

Lecture 18-20: Water Allocation and Quality Policies

Lecture 21: Animal Waste

Lecture 22-23: Pesticide Economics

Lecture 24: Biotechnology

Lectures 25-26: Global Pollutants and International Environmental Agreements

Lecture 27-28: Environment and Development; Concepts of Sustainable Development

Lecture 29: Environmental Justice

Lecture 30: Reserve

Lecture 31: REVIEW

Lecture 32: FINAL EXAM