

Economics 131, Section B00

Fall 2021

Professor: Mark Jacobsen (m3jacobsen@ucsd.edu)

Office Hours: Tuesdays 1:30-2:30pm, Economics Building, Room 227
Thursdays 1:30-2:30pm, Zoom
Please check Canvas for Zoom links and announcements for any changes

Class: Tuesdays and Thursdays 11:00am–12:20pm, Warren West Tent Classroom
Recordings will be available after class at <http://podcast.ucsd.edu>

Web Page: <http://canvas.ucsd.edu>

Economics of the Environment

Economics 131 introduces environmental economics: we begin with the theory, including cost-benefit analysis, externalities, and concepts of economic efficiency that combine standard economic consumption with environmental benefits. We then turn to practical applications of the theory to policy, for example in the contexts of air and water pollution, energy use, and sustainability. The questions will be treated mathematically using formal economic models, while at the same time the field is heavily influenced by the natural sciences and the role of politics.

Textbook

Markets and the Environment (Keohane and Olmstead, 2nd ed. 2016) (required)

Problem Sets

The four problem sets will each start with graded questions, followed by an ungraded (but equally important for practice) section. Problem sets and due dates will be announced in class and also posted on Canvas. Grades will depend on showing your work and demonstrating you understand the question: ✓+ (perfect), ✓ (good), and ✓– (mistakes and/or work not shown). Many problem set questions are old exam questions so hopefully will help both in understanding the material and in preparing for the exams. Problem sets may be handed in before class or photographed/scanned and submitted electronically.

TAs

Your TAs will lead four sessions during the quarter in order to help review material needed for problem sets and to answer any other questions from lecture. These are optional but I encourage you to attend: many students find them very helpful. There will also be an additional review session before the final and extended office hours or reviews before midterms. Please check Canvas as the class progresses for the latest TA office hours and session times.

Exams

Exams will be held in person and are scheduled for:

Midterm 1: October 19th, in class at 11:00am

Midterm 2: November 9th, in class at 11:00am

Final exam: December 8th, 11:30am-2:00pm

Grades

Grades will be based on your best three problem sets (5% together), midterm 1 (20%), midterm 2 (30%), and final exam (45%).

The exams are cumulative and cover the material presented in class, problem sets, and assigned reading.

Exams are closed book and notes and calculators are not permitted. It is the policy of the economics department to turn any issues of academic integrity over to the university.

If you miss one of the midterms and are excused ahead of time we can transfer the weight to the final exam and other midterm. Please email me any time if you are experiencing difficulty with the class due to Covid or other circumstances and we can discuss accommodations. If you were not excused from an exam ahead of time a grade of 0 will be assigned. The final exam is required to complete the class; please contact me to request an incomplete for Covid-related or other reasons.

Schedule and outline (please check Canvas for announcements and changes)

9/23 Costs and benefits (Ch. 1-2)	11/4 Sustainability (Ch. 11)
9/28 Costs and benefits (Ch. 3)	11/9 Midterm 2, in class
9/30 Externalities (Ch. 4-5)	<i>11/11 Veteran's day</i>
10/5 Externalities, Policy (Ch. 8)	11/16 Resources and energy (Ch. 6-7)
10/7 Policy (Ch. 8-9)	11/18 Resources and energy
10/12 Policy, applications (Ch. 9)	11/23 Fisheries (Ch. 7)
10/14 Tradable permits (Ch. 10)	<i>11/25 Thanksgiving holiday</i>
10/19 Midterm 1, in class	11/30 Fisheries
10/21 Climate change	12/2 Concluding examples
10/26 Valuing ecosystems and human risks	12/8 Final exam, 11:30am-2:00pm
10/28 Cars and transportation	
11/2 Cars and transportation	