

# Development and the Environment

SMA 530

Autumn Quarter 2012

MW, 12:30- 1:50, MAR 268

Credit Hours: 3

Instructor: Nives Dolšak

Office Hours: Wednesdays, 2:00 – 3:00 PM and by appointment

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## Course Description

This course examines two concepts that are intertwined and often perceived as constraining one another, economic development and the natural environment. Economic development is a key component of a society's survival and progress. Governments are judged in terms of their success in encouraging economic growth. Yet, economic growth can lead to resource overuse and pollution. Sustainable development, growth management, sustainable yield, sustainable practices, local and organic food production, corporate social responsibility, and other approaches have been devised to harmonize growth and sustainability. Under what conditions such approaches emerge? What factors influence their effectiveness? How do they relate to other societal goals such as democracy and equity? These are the key issues addressed in this course.

I use a seminar approach. I expect students to read the assigned readings prior to the class and come prepared to engage in an energetic discussion to identify core issues, engage in theoretical debates, examine policy options, and suggest policy solutions. Students will reflect on the assigned readings in memos. They will analyze progress we are making towards achieving millennium development goals. Further, students will study a selected market-based instrument, prepare a written report on it, and present in group.

Note: For SMEA students entering program in Autumn 2012, this course meets the *Economics* Area Requirement.

## Student Learning Goals and Objectives

1. Development of knowledge of key institutions fostering sustainable development, key policy actors, and policy design;
2. Review of economics concepts required to understand the functioning of market-based policy instruments;
3. Development of analytical thinking skills and engagement with theoretical arguments;
4. Improvement of integrative thinking, linking natural sciences with social sciences;
5. Improvement of oral and written communication skills.

## Class assignments and Grading

1. Four memos, addressing all readings assigned for the class session (600-800 words). The first paragraph of the memo provides an overview of what the assigned readings addressed. The remainder of the memo is focused on topics/concepts addressed in the readings and NOT on writers. Please post memos electronically using the Blackboard's "Assignment" option by 5:00 PM the day prior to the class session for which the readings are assigned. [Each 15 points max];
2. World Development Indicators Analysis;  
You will sign up for an indicator and then prepare
  - a. **A 2-3 page analysis** of this indicator for the countries we will select in the class. This analysis will include: a definition of the indicator, a table reporting this indicator for the selected countries, and a brief written summary. Please see the template on Blackboard, Assignments section. Submit this assignment via Blackboard "Assignments" by Wednesday, 09/26, 9:00 AM. [10 points max];
  - b. With others reporting on the same development goal, you will prepare a 5 minute **group presentation** on progress towards achieving this goal. Please see the template on Blackboard, Course Documents section. One person from the group will give a presentation on Monday, 10/01 during the class. [Everybody in the group gets the same number of points, 5 points max];
3. Policy instruments: Theoretical concept. The list of theoretical concepts will be posted on Blackboard; Discussion forum. You will sign up for a presentation of a concept by replying to a message with the concept name. You will prepare a 5 minute oral presentation on this concept to be given during the assigned class session. [10 points max.]
4. Incentive-based instrument: case report. You will sign up for an incentive-based policy instrument and prepare
  - a. A 2000-2500 word **written report** on this policy instrument. The report will include
    - i. theoretical concepts from Hackett's book relevant for this policy instrument;
    - ii. specification of the policy instrument design;
    - iii. report on effectiveness of the policy instrument.Please submit the report via Blackboard "Assignments" by Tuesday, 11/27, 5:00 PM. [20 points max]
  - b. **Group oral report**: you will work with colleagues in specified groups on similar policy instruments and prepare a comparative analysis of these instruments. This comparative analysis will examine how differences in designs of these policy instruments impacted their effectiveness. Each group will have 15 minutes to present their comparative analysis on the specified date (Dec. 3 or 5). All group members have to be present at the presentation to get the group project points [15 points max].

Below is an illustrative list of policy instruments creating incentives for producers and consumers to change behavior to as implemented in the U.S. Students may identify other market-based instruments to analyze for Assignment 4 .

Alaska Halibut and Sablefish IFQ Program  
Atlantic Surf Clam and Ocean Quahog ITQ Program  
Bering Sea King and Tanner Crab Rationalization Program

Blue Ocean Institute's From Sea to Table Sustainable Seafood Program  
Catch shares in Chesapeake Blue Crab Fishery  
Congestion charges  
Environmental Defense Fund Seafood Selector  
Marine Stewardship Council certification  
Monterey Bay Aquarium Seafood Watch  
New England Multispecies Sectors Program  
Safe Harbor  
Salmon Safe Certification  
Transfer of Development Rights  
Wetlands Mitigation Banking  
Zipcar

### **Academic integrity**

University of Washington students are expected to know their responsibilities and to maintain the highest standards of academic conduct. They are held responsible for any violation of the University of Washington Student Code irrespective of whether the violation was intentional or not. For more information on academic responsibility, see

<http://depts.washington.edu/grading/pdf/AcademicResponsibility.pdf>

I expect all writing assignments in this class to be original work, completed by the student or a group of students for this class. When the work is based on published literature and data, those have to be appropriately cited.

### **Disability accommodations**

University of Washington is committed to assisting disabled students. If you believe that you have a disability and would like academic accommodations, please contact Disability Services Office (DSO). DSO is located in Suite 836, Condon Hall, 1100 NE Campus Parkway, Seattle, Washington 98105. They can also be accessed through Campus Mail: Box 364560; via e-mail at [dso@u.washington.edu](mailto:dso@u.washington.edu); by phone at 206-543-6450; 206-543-6452 (TTY); or fax at 206-685-7264. You can find more information about the DSO services at <http://www.washington.edu/admin/dso/contacts.html>.

### **Laptop and other Electronic Devices**

I do not allow students to use cell phones during class sessions. Laptops are allowed ONLY for note-taking, accessing a course document on Blackboard when needed for a class activity, and for accessing the Internet for a specified task and specified duration. Please do not use the Internet otherwise. In order to provide a disability-friendly classroom environment, I want us to minimize activity on laptop screens that are visible to others.

### **Required Readings**

#### Required Textbooks:

Vig, Norman J. and Michael E. Kraft. (Eds). 2013. *Environmental Policy: New Directions for the 21<sup>st</sup> Century*. 8<sup>th</sup> ed. Sage Publications. Thousand Oaks, CA. (Available at UW Bookstore)

Hackett, Steven C. 2006. *Environmental and Natural Resource Economics: theory, policy, and the sustainable society*. M.E Sharpe Inc. (Selected chapters; E-book available at UW Library)

Required and recommended chapters and journal articles (available through UW Library or Blackboard)  
 These are listed at the end of the syllabus.

### Online Course Communication and File Exchange

I will use Blackboard site to post my announcements, share course documents with you, receive your assignments and grade them. I may also e-mail you via Blackboard. You will post your assignments in two ways. You will post individual assignments via the “assignments” section. You will also use a discussion board or group pages for your group projects.

To be able to access the Blackboard site for this course (<https://bb.uwb.edu>), you will first have to enroll in this class on the UWB blackboard site. The guidelines on how to enroll in a Blackboard site are appended at the end of this syllabus. Please also read the note about Blackboard e-mails in the same Appendix. If you have any problems accessing Blackboard site, contact the UWB Help desk at IT@uwb.edu or at 425-352-3456.

### Late Assignment Policy

I will not accept late assignments. This class builds on seminar discussions. Therefore, the readings have to be completed prior to coming to the class and assignments have to be submitted as scheduled.

Should you have a medical condition that prevents you from submitting any assignment on time, please e-mail me and attach a copy of a doctor’s note. I will e-mail you the date by which the assignment has to be submitted.

Schedule of Topics and Readings			
Class	Topic	Readings	Assignment
M 09/24	Introduction		
W 09/26	Millennium Development Goals	The World Bank. (1-19) (skim indicators)	Indicators Analysis
M 10/01	Measuring Development - World Development Indicators - Well-Being and Progress	D’Acci	Indicators group report
W 10/03	Ecosystem Services	WRI (pages 26-70)	Memo
M 10/08	The right to develop	Sen (Introduction, Ch. 1) Sand (2012)	Memo
W 10/10	Institutions for Economic Development	Olson Ch. 1, 2, 10 Gwartney et. Al	Memo
M 10/15	Environmental Resources and Economic Development: Environmental Kuznets Curve?	Smil Grossman and Krueger Deacon and Norman	Memo
W 10/17	Environmental Priorities in the U.S.	Vig and Kraft (Ch.1-3)	Memo
M 10/22	Environmental Policy in the U.S. Federal Government: The Executive, and Legislative Branches*	Vig and Kraft (Ch. 4,5,7) Oct. 3 and Oct. 16 Presidential Debates	Memo
W	Markets and their failures	Hackett (Ch. 3,4)	Memo

10/24			TC presentation
M 10/29	The Economics of Natural Resource Systems	Hackett (Ch. 5)	Memo TC presentation
W 10/31	The Commons	Ostrom (two chapters) Acheson and Brewer	Memo TC presentation
M 11/05	Measuring Non-marketed Environmental Benefits	Hackett (Ch. 7, )	Memo TC presentation
W 11/07	Applying Market Principles: Incentive regulation	Vig and Kraft (Ch. 9) Hackett (Ch. 10) Dolšak	Memo TC presentation
M 11/12	NO UW Classes; Veterans Day		
W 11/14	ITQs	Pinkerton and Edwards Bess Eythorsson	Memo
M 11/19	"Sustainable" Production, Trade, and Consumption*	Hackett (Ch. 12) Vig and Kraft (Ch. 10) Gulbrandsen Cao and Prakash Cléménçon	Memo TC presentation
W 11/21	The class does not meet: see note * below		
M 11/26	Development, Environment, Security: Towards Sustainable Development*	Vig and Kraft (Ch. 13-16)	
W 11/28	Group work on Case Reports		
M 12/03	Market-based Instruments: Case Reports		Group Reports
W 12/05	Market-based Instruments: Case Reports		Group Reports
<p><b>Reading</b> : shading is used for readings that apply the analytical concepts in an empirical analysis. Students are encouraged to read these readings, but not required.</p> <p>* The session has a heavier reading load so that the class does not have to meet on Wednesday before Thanksgiving.</p> <p>TC = Theoretical Concept</p>			

### Required and Recommended Readings

Acheson, James M. and Jennifer F. Brewer. 2003. Changes in the Territorial System of the Maine Lobster Industry. In *The Commons in the New Millennium: Challenges and Adaptation*, Nives Dolšak and Elinor Ostrom, eds. Pp. 37-60.

Bess, Randall. 2005. Expanding New Zealand's quota management system. *Marine Policy*, 29(4):339-347.

- Cao, Xun and Aseem Prakash. Policy Interdependence and Structural Equivalence: Does Trade Competition affect Domestic Pollution? *International Organization*, 2010, 64(3).
- Clémençon, Raymond. 2012. "From Rio 1992 to Rio 2012 and Beyond: Revisiting the Role of Trade Rules and Financial Transfers for Sustainable Development." *The Journal of Environment & Development* March 2012 21: 5-14, doi:10.1177/1070496512436890
- D'Acci, Luca. 2011. "Measuring Well-Being and Progress. Social Indicators Research. 104:47-65.
- Deacon, Robert T. and Catherine S. Norman. 2006. "Is the environmental Kuznets curve and empirical regularity?" In *Explorations in environmental and natural resource economics*, Robert Halvorsen and David Layton, eds. Pp. 97-121. (the book is available through UW EBL library)
- Dolšak, Nives. 2012. "Rights to Pollute: An Assessment of Tradable Permits for Air Pollution." In *Property in Land and Other Resources*, Daniel H. Cole and Elinor Ostrom, eds. Lincoln Institute of Land Policy. Pp. 159-187.
- Eythorsson, Einar. 2003. Stakeholders, Courts, and Communities: Individual Transferable Quotas in Icelandic Fisheries, 1991-2001. In Nives Dolšak and Elinor Ostrom, eds. *The Commons in the New Millennium: Challenges and Adaptations*, pp129-168.
- Grossman and Kreuger. (1995). Economic Growth and the Environment. *Quarterly Journal of Economics*. 110:353-75.
- Gulbrandsen, Lars H. 2006. Creating markets for eco-labelling: are consumers insignificant? *International Journal of Consumer Studies*, 30(5): 477-489,
- Gwartney, J.D., R.G. Holcombe, and R. A. Lawson. 2004. "Economic Freedom, Institutional Quality, and Cross-Country Differences in Income and Growth." *Cato Journal*, Fall 2004.  
<http://www.cato.org/pubs/journal/cj24n3/cj24n3-2.pdf>
- Olson M. (2000). Chapter 1. The Logic of Power. In *Power and Prosperity* (pp. 1-24). New York; Practice Books.
- Olson M. (2000). Chapter 2. Time, Takings and Individual Rights. In *Power and Prosperity* (pp. 25-43). New York; Practice Books.
- Olson M. (2000). Chapter 10. The Kinds of Markets Needed for Prosperity. In *Power and Prosperity* (pp. 173-199). New York; Practice Books.
- Ostrom, Elinor. 1990. An Institutional Approach to the Study of Self-Organization and Self-Governance in CPR Situations. In *Governing the Commons*. Cambridge University Press, pp. 29-57.
- Ostrom, Elinor. 1990. Analyzing Institutional Failures and Fragilities. In *Governing the Commons*. Cambridge University Press, pp. 143-181.

Pinkerton, Evelyn and Danielle N. Edwards. 2009. The elephant in the room: The Hidden costs of leasing individual transferable fishing quotas. *Marine Policy*, 33 (4): 707-713.

Sand, Peter H. 2012. "Fortress Conservation Trumps Human Rights? The "Marine Protected Area" in the Chagos Archipelago." *The Journal of Environment and Development*. 21:36.

Sen, Amartya. (1999). Introduction: Development as Freedom. In *Development as Freedom* (pp. 3-12). New York: Anchor Books.

Sen, Amartya. 1999. Chapter 1: The Perspective of Freedom. In *Development as Freedom* (pp. 13-34). New York: Anchor Books.

Smil, Vaclav. (2003). Energy Linkages. In *Energy at the Crossroads: Global Perspectives and Uncertainties*. (pp. 63-120) Cambridge, MA: The MIT Press.

The World Bank. 2012. World Development Indicators. (Accessible electronically at UW library and on Blackboard)

World Resources Institute. 2005. Millennium Ecosystem Assessment. *Ecosystems and Human Well-being: Synthesis*. Island Press, Washington, DC.

Presidential Debates:

<http://www.2012presidentialelectionnews.com/2012-debate-schedule/2012-presidential-debate-schedule/>

# Blackboard Course Site: Enrolling and Receiving e-mail

## Instructions for students who have not used Blackboard before and are enrolling as a new Blackboard user:

(Note: enrolling in a Blackboard course is a completely separate activity from student registration or the MyUW account)

1. Go to Blackboard at <http://bb.uwb.edu>.
2. Click on the **Create Account** button
3. Fill in only the information with the red asterisk. We recommend that your user ID be the same as your UW NetID. In your profile information, please enter the e-mail you most frequently read in case I need to contact you about any course changes.  
Click on the **Submit** button at the bottom of the page and then click on **OK**.
4. Click on the **Courses** tab. To find your course, type the course title (Development and the Environment) in the **Course Search** box. Scroll down the page to get to the title of your course.
5. Click on the **Enroll** button on the right side of your course. Click on the **Submit** button at the bottom of the screen and then on **OK**.

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## Instructions for students who have used Blackboard before and already have an account:

1. Go to Blackboard at <http://bb.uwb.edu>
2. Click on the **Login** button and put in the same login and password you had previously. If you don't remember your password, you can click on the **Forgot your password?** link to have your password emailed to you.
3. Click on the **Courses** Tab. To find your course, type the course ID in the **Course Search** box. Scroll down the page to get to the title of your course title (Development and the Environment).
4. Click on the **Enroll** button on the right side of your course. Click on the **Submit** button at the bottom of the screen and then on **OK**.

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## E-mails from Blackboard:

Email systems (i.e. Hotmail, Yahoo, Comcast, etc.) may label Blackboard mail as junk, and send it to your junk or bulk mail folders. If this happens, you WILL HAVE TO designate that emails sent through Blackboard not go into your junk folders. For instance in Yahoo, if you find an email an instructor in the Bulk folder, you need to open the email and press the "Not Spam" button, and future emails will go into the regular inbox.

The best way for you to be sure you are getting all of your Blackboard email is to avoid forwarding your u.washington.edu mail. If you have difficulties with the above email issues, please contact the IT help desk at [IT@uwb.edu](mailto:IT@uwb.edu) or 425-352-3456.