

MBAC 626: Environmental Economics and Policy

Spring 2026 – Part I

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(Note: Email me directly)

Office Hours:

My office hours will be by appointment only on Mondays, Wednesdays, and Thursdays.

- Please send me an email with three available dates/times to meet online, via Microsoft Teams. Please keep in mind that I am not available on Mondays and Thursdays from noon to 4 during my in-person teaching and office hours.
- My office hours will be via Microsoft Teams (I will provide a link within the Calendar invitation). It is important that you become familiar with Outlook's Calendar and Teams.

1. Course Description:

An introductory study of the way economists model environmental problems. The course starts with an overview of externalities, public goods, and common-pool resources, encompassing situations in which the market fails to maximize total welfare for society. The course explores the economics of environmental quality, focusing on marginal damages and marginal abatement costs of pollutants. Subsequently, it covers cost-benefit analysis, an important framework used by environmental economists to assess environmental policies. To estimate benefits, different valuation methods, including revealed and stated preferences, will be examined. The course concludes by studying various environmental policy instruments used to internalize environmental externalities, including standards, emission charges, Pigouvian taxes, subsidies, and cap-and-trade. **(Prerequisites:** MBAF 530 and MBAF 510 or equivalent undergraduate courses)

2. Learning Goals and Objectives

1. Students will understand and will model market failures connected to public goods, common-pool resources, and the presence of environmental externalities.
2. Students will identify the market outcome and the efficient outcome when the market fails.
3. Students will understand the economics of environmental quality, with particular attention to marginal damages and marginal abatement costs.
4. Students will understand the way benefit-cost analysis is used to assess environmental programs.
5. Students will comprehend the importance of valuing the benefits of the environment.
6. Students will be knowledgeable about both revealed and stated preference methods used to estimate the benefits of the environment.
7. Students will understand the economics of environmental policies and will be knowledgeable about the advantages and disadvantages of decentralized, command-and-control, and incentive-based policies.
8. Students will understand the economics of international environmental agreements and learn about examples of agreements.

3. Course Materials:

Required Textbook:

- *Environmental Economics: An Introduction* by Field and Field 8th edition. McGraw-Hill.
- **Other:**
 - Every week, I will assign a journal article, a news article, a podcast episode, or a video. Links to the assignments are posted on the course website.

Recommended:

- I strongly encourage students to read about current events related to environmental issues and try to connect and apply the course material to them. Important sources include the *Wall Street Journal*, *New York Times*, *The Washington Post*, etc.
- I also encourage students to follow the well-known environmental economics blog: <http://www.env-econ.net/>.

Technology:

- The course is accessed via Moodle
- Electronic mail: To access your MC email address, go to <http://outlook.office.com/>. Course announcements will occasionally be sent to your Manhattan email. Therefore, students must check their email accounts regularly.

4. Course Structure:

Every week is structured similarly, and students should expect these assignments:

1. **Reading Quiz:** Each week starts with a reading quiz with 10 multiple-choice questions. This quiz is meant to test reading comprehension. Students have 45 minutes to complete the quiz. While the quiz is open, students will not receive immediate feedback. Once the quiz closes, students can check their score and feedback. These quizzes are completed individually. While students can use their notes and textbook, they cannot work with others or use any other external tools (including AI Chats) or help.
2. **Video Assignment**
In addition to the textbook, additional readings, podcast episodes, or videos are assigned every week. Based on the latter or the textbook reading, students are asked to complete a video assignment every week. Detailed instructions and rubrics are provided for each assignment. Students are also asked to respond to a classmate's post or video. Consequently, it is extremely important that every student completes these assignments on time.
3. **Polls:**
Following an assignment, students will occasionally be asked to participate in a poll. These polls are graded based on participation, not on the chosen response.
4. **Dr. Gonzalez' Videos**
For most weeks, I provide at least one video in which I go over material from the textbook or solve a problem from the end of the chapter. These videos are meant to further explain the material and to prepare students for the weekly exams.
5. **Exams:** At the end of each week, students will take a multiple-choice exam. The number of questions varies per week, but it ranges between 15 and 23. Students have 120 minutes to complete the exam. While the exam is open, students will not receive immediate feedback. Once the exam closes, students can see their scores and feedback. While students can use their notes and textbook, they cannot work with others or use any other external tools (including AI Chats), or help.
6. **Final Written Assignment:** At the end of the last week, students are asked to write a paper. Detailed instructions and a rubric are provided during week 7.
7. **Valid Excuses:** Due to the nature of this course, keeping up with the material and submitting assignments on time is fundamental. Therefore, late assignments **should be avoided**. If a medical emergency, a serious illness, or a family emergency prevents a student from submitting an assignment on time, the student must inform me promptly of the emergency via email with an explanation. I may ask for written documentation, particularly for exams.

5. Grading

Grade Breakdown:

Assignment	Weight
Quizzes	14%
Exams	35%
Video Assignments	28%
Comments on video	7%
Polls	1%
Final Written Assignment	15%
Total	100%

Grade Guideline:

Range	Grade
93.00%-100.00%	A
90.00%-92.99%	A-
87.00%-89.99%	B+
83.00%-86.99%	B
80.00%-82.99%	B-
77.00%-79.99%	C+
73.00%-76.99%	C
70.00%-72.99%	C-
67.00%-69.99%	D+
60.00%-66.99%	D
<60.00%	F

Note: I reserve the right to curve.

If you disagree with any grade, you must submit an appeal. To appeal, you must submit to me the following via email: which question(s)/activity you are appealing, and why. If you can make a logical, well-reasoned, well-written argument for your case, you will be granted the points upon appeal. **Appeals must be made within 1 week after the graded assignment has been returned to you.**

6. Course Outline: *

Notes: F&F stands for Field & Field; All times referred to Eastern Time.

For each week, it is very important that you follow the order of the assignments.

Week 0: Review of Market Theory and Welfare Analysis

- I provide a video reviewing market theory and welfare analysis that were covered in MBAF 530. I expect every student to know the material reviewed in week 0. The video is based on F&F Chapter 3 (pages 40-58)

Week 1: Market Failure: Externalities, Common-Pool Resources, and Public Goods

(Learning Objectives 1 and 2)

- Read:
 - F&F Chapter 2 - Sections: Basic Terminology; Emissions, Ambient Quality, and Damages; and Types of Pollutants (pages 22-23; 31-37)
 - F&F Chapter 4 - All (pages 60-76)
- Reading Quiz
 - Due on **Wednesday by 11:59pm.** (Quizzes are typically due on Tuesday night. Due to the first week of classes, I extend the deadline by one day)
- Watch:
 - Tragedy of the Commons by Emma Refvem: <http://ed.ted.com/on/hqLi4DFd> (1:52)
- Poll:
 - Due **Thursday by 11:59pm.**
- Listen to Podcasts:
 - [NPR Planet Money Elinor Ostrom Checks In \(19:47\)](#)
 - [NPR Planet Money Special Series by David Kestenbaum \(4:30\)](#)
- Video Assignment
 - Record and post video by **Friday by 11:59pm.** (Video responses are typically due on Thursday night. Due to the first week of classes, I extend the deadline by one day)
 - Comment on a peer's video by **Sunday by 11:59pm.**
- Watch:
 - Dr. González' video on Chapter 4, Problem #3
 - Dr. González' video on Chapter 4, Problem #5
- Exam
 - Due on **Sunday by 11:59pm.**

Week 2: The Economics of Environmental Quality

(Learning Objectives 3 and 4)

- Read:
 - F&F Chapter 5 – Sections: Damage Functions; Changes in Damage Functions (pages 81-85); Abatement Cost Functions; Changes in Marginal Abatement Cost Function; Aggregate Marginal Abatement Costs (pages 87,90-94); Social Efficient Level of Emissions (pages 94-98); Enforcement Costs (pages 98-99); and The Equimarginal Principle Applied to Emission Reductions (pages 99-101)
 - F&F Chapter 6 – Sections: Cost-Effectiveness Analysis (page 106); Benefit-Cost Analysis (pages 108-115 – stop before Choice of Discount Rate)
- Reading Quiz:
 - Due on **Tuesday by 11:59pm.**
- Watch:
 - [Intro to Cost-Benefit Analysis](#) by the Conservation Strategy Fund (2014; 4:35)
- Listen to Podcast:
 - [Lives Vs. The Economy](#) by NPR Planet Money (Aired on 4/15/2020; 25:21)
 - [Is Your Carbon Footprint BS?](#) By How to Save a Planet (2021; 43:17)
- Video Assignment:
 - Record and post video by **Thursday by 11:59pm.**
 - Comment on a peer's video by **Sunday by 11:59pm.**
- Watch:
 - Dr. González' video on Chapter 5, Problem #2
 - Dr. González' video on Chapter 5, Problem #4
- Exam:
 - Due on **Sunday by 11:59pm.**

Week 3: Benefit-Cost Analysis

(Learning Objectives 4, 5, and 6)

- Read:
 - Benefits: F&F Chapter 7 – Everything, but **skip** sections: Materials Damage;
 - Costs: F&F Chapter 8 – Sections: The With/Without Principle; A Word on Social Costs; The Distribution of Costs; Concepts of Costs (pages 148-152); The Effect of Output Adjustment Costs; Long-Run Technical Change on Pollution-Control Costs (pages 158-160)
- Reading Quiz:
 - Due on **Tuesday by 11:59pm.**
- Watch Videos:
 - Valuation of Environmental Benefits: [Classes of Values](#) by *The Conservation Strategy Fund* (7:04)
 - Valuation of Environmental Benefits: [Travel Cost Method](#) by *The Conservation Strategy Fund* (3:54)
 - Valuation of Environmental Benefits: [Hedonic Pricing Method](#) by *The Conservation Strategy Fund* (2:54)
 - Valuation of Environmental Benefits: [Contingent Valuation](#) by *The Conservation Strategy Fund* (7:28)
 - [This country isn't just carbon neutral – it's carbon negative](#) by Tshering Tobgay (TED Talk filmed in February 2016) (12:58)
- Listen to Podcast:
 - NPR Planet Money [Episode 433 – Holding a Rainforest Hostage \(Update\)](#) (Aired on 8/30/2013) (18:37)
- Poll
 - Due on **Wednesday by 11:59pm.**
- Video Assignment:
 - Record and post video by **Thursday 11:59pm.**
 - Comment a peer's video by **Sunday 11:59pm.**
- Exam
 - Due on **Sunday by 11:59pm.**

Week 4: Coase Theorem and Command and Control Policies

(Learning Objective 7)

- Read:
 - F&F Chapter 10 – Sections: Property Rights; Problems with Property Rights to Internalize Externalities (pages 183-189)
- Watch:
 - [The Coase Theorem](#) by *Marginal Revolution University* (2015; 8:15)
- Read:
 - F&F Chapter 10 – Section: Voluntary Action (only Moral Suasion subsection pages 189-191)
 - F&F Chapter 11 – Everything (pages 202-217), but **skip** the following subsections: Enforcing Technology Standards and Enforcing Agency
- Reading Quiz
 - Due on **Tuesday 11:59pm.**
- Watch:
 - [Externalities and Plastic Bags](#) by Uncommon Econ (2025; 6:16)
- Listen to Podcast:
 - [The Bees go to California](#) by NPR Planet Money (2017; 22:54)
 - [Can the World Cup in Qatar Really be Carbon Neutral?](#) by How to Save a Planet (2020; 40:36)
- Video Assignment:
 - Record and post video by **Thursday by 11:59pm.**
 - Comment on Peers' Video by **Sunday by 11:59pm.**
- Watch:
 - Dr. González' Video on Chapter 11 - Review
- Exam
 - Due on **Sunday by 11:59pm.**

Week 5: Incentive-Based Policies: Taxes and Subsidies

(Learning Objective 7)

- Read:
 - F&F Chapter 12 - all
- Reading Quiz
 - Due on **Tuesday by 11:59pm.**
- Read:
 - ["License Plate-Based Driving Restrictions Programs: Where Do They Make Sense?"](#) by Allen Blackman published in Resources Magazine on 11/4/2020
- Listen to Podcast:
 - [Episode 949: The Pigou Club by NPR Planet Money](#) (Aired on 11/1/2019; Duration: 21:35)
- Watch:
 - [Understanding Carbon Tax with Professor Catherine Hausman](#) (Aired on 9/22/2022; Duration 3:02)
- Video Assignment:
 - Record and post video by **Thursday by 11:59pm.**
 - Comment on peer's by **Sunday by 11:59pm.**
- Watch:
 - Dr. González' video on Chapter 12 – Review
 - Dr. González' video on Chapter 12 – Problem #6
- Exam
 - Due on **Sunday by 11:59pm.**

Week 6: Incentive-Based Policies: Pollution Trading Agreements, Behavioral Approaches & Environmental Justice

(Learning Objective 7)

- Read:
 - F&F Chapter 13 (pages 245-260)
 - F&F Chapter 14 – Sections: Nonpoint-Source Water Pollution Control; Total Maximum Daily Load Program; and Emission Trading in Water Pollution Control (pages 282-289)
 - F&F Chapter 18 - Section: Incentive-Based Approaches for Reducing Greenhouse Gas Emissions (pages 371-372)
- Reading Quiz
 - Due on **Tuesday by 11:59pm**
- Watch:
 - [Trading Pollution: How Pollution Permits Paradoxically Reduce Emissions](#) by Marginal Revolution University (Aired on 3/18/2015; Duration: 4:08)
 - [A Deeper Look at Tradeable Allowances](#) by Marginal Revolution University (Aired on 3/18/2015; Duration 6:00)
 - [Alex Laskey: How behavioral science can lower your energy bill.](#) (Aired on 6/4/2013; Duration: 8:11)
 - [Environmental Justice](#) by Lala Ma (Duration: 6:21)
- Video Assignment:
 - Record and post video by **Thursday by 11:59pm.**
 - Comment on peer's video by **Sunday by 11:59pm.**
- Watch:
 - Dr. González' video on Chapter 13 – Review
 - Dr. González' video on Chapter 13 – Problem #3
- Exam
 - Due on **Sunday by 11:59pm**

Week 7: International Environmental Agreements

(Learning Objectives 8 and 5)

- Read:
 - F&F Chapter 18 - Sections: International Efforts in Global Warming; The Kyoto Protocol; The Paris Agreement; and Estimating the Social Cost of Carbon (pages 349-353).
 - F&F Chapter 19 (pages 359-377).
- Reading Quiz
 - Due on **Tuesday by 11:59pm.**
- Watch:
 - Suhhdev, P. (2011). "[Put a value on nature!](#)" TED Talk. (2011; 16:31)
 - Halstead, T. (2017) "[A climate solution where all sides can win](#)" TED Talk. (2017; 13:07)
- Listen to Podcast:
 - [Can Corporations Stop Climate Change?](#) By NYT Daily (2020; From: 0:00 To: 26:10)
- Video Assignment:
 - Record and post video by **Thursday by 11:59 pm.**
 - Comment on peer's video by **Sunday by 11:59 pm.**
- Exam
 - Due on **Sunday by 11:59 pm.**
- Final Written Assignment:
 - Due on **Sunday by 11:59 pm.**

7. Expectations:

An online course requires students to be in control of their learning. As students, you expect that I designed this online course in such a way that it facilitates an appropriate learning environment. I have taken substantial time to prepare the course and have designed several activities that will allow you to learn about environmental economics and policy. For students to succeed in this course, students are expected to:

- a) take control of their learning.
- b) strictly follow the detailed course schedule and submit every assignment on time. I highly recommend that students review deadlines daily. Students might want to print the course schedule and cross off completed assignments or they might want to log in to the course page daily and review deadlines.
- c) read the textbook carefully, pausing to understand the models, the graphs, and the tables described in each chapter.
- d) watch the videos I recorded, pausing and re-watching as needed to fully understand the material. You might want to try the problems on your own before and after watching the videos.
- e) ask for help if needed.
- f) read any additional assigned articles, connecting course material to the content.
- g) listen to the podcast episodes and watch the assigned videos, paying careful attention and trying to connect course material.
- h) be insightful and support arguments using environmental economics theory.
- i) be respectful and constructive when replying to your classmates' discussion posts and videos.
- j) manage their time efficiently. This course encompasses materials that would typically be covered in a 15-week semester. Due to the rapid nature of the course, students must manage their time and carefully plan their schedules to have enough time to process the new material and to complete every assignment. Allow for about 20-22 hours per week for this course.

8. Online Communication Guidelines:

Communication with the instructor:

- It is important to remember that while the Internet is available 24 hours a day, the instructor and other students are not. Students can expect that I will respond to e-mail messages within 24 and 48 hours.
- It is important to remember that I will not be able to perceive the non-verbal cues that students display in the traditional face-to-face classroom. In other words, I won't be able to see whether students are confused.

Students **must communicate** if they need more help. Students must initiate communication early and be specific about the material that is not understood or the source of confusion.

9. Academic Integrity

Manhattan University has devoted itself to fostering a climate of academic trust and integrity, so that our students master their disciplines through their own hard work and manifest their respect for their own work and the work of others through openness and honesty. Our students accept the Academic Code of Honor and pledge that they will not cheat, lie or steal or tolerate others who do. Academic integrity is at the heart of the Manhattan University learning experience.

Academic integrity means that every member of the academic community accepts the responsibility to be honest, truthful, ethical and accountable for all intellectual efforts, for all access to and presentation of data, facts, information and opinions, and for all access to and use of data or other files (printed, oral, audio, video or digital) related in any way to students, faculty, staff or administration. In addition, every member of the Manhattan University community must understand what can constitute violations of academic integrity, the consequences in terms of penalties, and by what process penalties are imposed.

The university policy on academic integrity will be strictly enforced in this class. A full statement of the policy, including definitions of academic integrity violations, levels of violations, and sanctions, can be found in the [Student Handbook](#).

10. AI Tools:

Artificial intelligence (AI) tools such as ChatGPT, Gemini, and Copilot can be valuable resources for learning, but their use in this course must support—not replace—your own critical thinking and analysis. The following guidelines clarify when and how AI tools may be used across different assignments and activities.

- **Permitted Uses:**
 - Best Practices:
 - Use AI tools as a way to clarify concepts, get examples, or explore multiple perspectives. However, try answering the questions or coming up with examples or different perspectives first, before going to the chats.
 - Use AI to check for grammar and give feedback on your writing. However, remember to keep your authentic voice. Always ask the AI tool to highlight changes done and explain the reasoning.
 - Critically evaluate AI output. AI can make mistakes or present incomplete information. For example, AI could make up a source or hallucinate information from a source. Students are responsible for checking the quality of the AI output. Any made-up information included in any assignment will be considered a violation of the AI policy.
 - Keep documentation of your AI usage. Any time you use AI, you cite its usage. Moreover, I reserve the right to request an AI transcript if AI was used. Failure to save and provide such chat will result in zero for the assignment.
 - Final Paper: detailed rules on the usage of AI for the final paper will be provided. An AI Chat statement and transcript, if used, will be required.
- **Prohibited Uses:**
 - Students are **not** allowed to use AI tools or chatbots during quizzes and exams. Remember that students are allowed to use the textbook and own notes during quizzes and exams.
 - Students are **not** allowed to use AI tools for video responses in any way. Each question is designed to have multiple defensible answers. Using AI will prevent the classroom from learning from different viewpoints, as the AI chat will likely provide the same response to everyone, essentially defeating the

purpose of the assignment. Moreover, students need to learn to come up with own answers during interviews. The video responses should not be scripted and serve as practice for interviews.

- Students are not allowed to copy and paste a question or activity prompt on AI Chats.
- Due to the copyrights on my materials, students are not allowed to upload any assignments to AI chats/tools.
- **IMPORTANT: Academic Integrity:** Any violation of the course-level AI policy or AI instructions within assignments is considered academic misconduct and will be treated as an academic integrity violation as outlined in the Student Code of Conduct. Students are expected to maintain academic integrity in all uses of AI.
- **Bottom Line:** AI can be a useful supplement to your learning, but it cannot substitute for your own reasoning and writing. Misuse of AI will be treated as a violation of the university's academic integrity policy.

11. Copyright of Course Materials and Resources

All course materials developed by the faculty for this course and not otherwise copyrighted, such as the textbook, case studies, and published articles, are proprietary to the faculty. Any dissemination or sharing of these materials on websites, social media accounts, via email, in private chats, etc., is not allowed without explicit permission of the faculty. Such posts can be considered a violation of Academic Integrity and will be dealt with accordingly. Related to that, any use of materials you may find, posted online or otherwise made available to you by previous students will be considered plagiarism, which is also a violation of Academic Integrity.

12. Title IX Statement

In accordance with Title IX of the Education Amendments of 1972 that prohibits discrimination on the basis of sex in educational settings that receive federal funds, Manhattan University is committed to providing an environment not impaired by sex and gender-based misconduct. For purposes of Title IX reporting, I am considered a "mandated reporter" at Manhattan University. That means I must share information related to situations involving sex discrimination and sexual harassment, including sexual assault, sexual harassment, domestic violence, dating violence, stalking, and/or retaliation with the Title IX Coordinator. Information for resources, policies, and how to file a formal report can be found on the [Title IX/Sexual Harassment webpage](#) of the University website.

13. Student Resources & Support

Self-Care

Your academic success in this course and throughout your university career depends heavily on your personal health and well-being. Stress is a common part of the university experience, and it often can be compounded by unexpected life changes outside the classroom. The Manhattan University community strongly encourages you to take care of yourself throughout the term, before the demands of midterms and finals reach their peak. Please feel free to talk with me about any difficulty you may be having that may impact your performance in this course as soon as it occurs and before it becomes unmanageable. Please know there are a number of other support services on campus that stand ready to assist you. I strongly encourage you to contact them when needed (refer to the list below for offices and their contact information). If you or someone you know is in emotional distress, call or text the 988 Suicide & Crisis Lifeline for free, confidential support 24/7.

Students with Disabilities in Need of Accommodation

If you have a documented disability (or disabilities) that require(s) special accommodation(s), please contact the Specialized Resource Center via email at src@manhattan.edu. Use of services is voluntary, strictly confidential, and free of charge. Once you have provided documentation to the SRC, it will be reviewed to determine the appropriateness of accommodations and you will receive a completed form to present to each of your professors.

Center for Academic Success

The Center for Academic Success (CAS) is committed to providing student-centered and student-led programs and initiatives designed to enhance learning and promote success and persistence for all Manhattan University students. Students work collaboratively with qualified peers and professionals to develop knowledge, skills, and strategies needed to thrive in the classroom and beyond. The CAS has three locations: the Learning Commons in Thomas Hall 3.11, the Leo Learning Center in Leo 117/118, and Lee Learning Commons 6th Floor.

Services include online and in-person tutoring and writing center appointments, special topics workshops, Supplemental Instruction, STEM and reading/writing professional Learning Specialist support, and English language support. All services are free of charge and available to all Manhattan University students. Appointments are preferred but walk-ins are welcome when available. To make an appointment, students can log into their Jasper Connect account or visit the CAS in Thomas Hall, 3.10. Students can also contact success@manhattan.edu with any questions.

Counseling and Psychological Services

The Counseling and Psychological Services office is committed to supporting our student's mental health, emotional health and well-being. The Counseling Center provides in-person, individual and group counseling to all full-time undergraduate students. There is no charge for this service.

For graduate students we offer consultations and referrals.

Our office is located in Miguel Hall, Room 501 and services are available Monday through Friday from 9am - 4:30pm. We also have a walk-in hour Monday through Thursday from 2:00 PM to 3:00 PM.

Students can schedule an appointment:

- In person: Our office is located in Miguel Hall, Room 501 (access through northern stairwell)
- By phone: (718) 862-7394
- By email: Julie Egan directly at jegan01@manhattan.edu

In the case of a mental health emergency when the Counseling Center is closed: please contact Public Safety at 718-862-7333; they will provide assistance and contact the counseling staff.

Technology Support

Contact the help desk to request assistance with a campus technology issue. Your request will be entered into the ticketing system so that it can be tracked and routed to the appropriate person or division.

- Call: 718-862-7973
- Email: its@manhattan.edu

For a complete list of all Manhattan University Information Technology Services visit the [ITS webpage](#).

Library Services

The O'Malley Library offers resources and services to support your research in this and all your classes. Librarians are available in person, by email, by chat, and by text to assist with finding appropriate information for all your projects. Subject Research Guides are available to identify the most important resources for each major out of the thousands of books, articles, videos, and other resources available to you. For more information or assistance with research assignments select from the links below or drop by the Information Desk in the O'Malley Library.

[The O'Malley Library](#)

[Ask Us](#)

[Subject Research Guides](#)

*****Potential Changes:** All details provided in this syllabus are subject to change at my discretion.