

Economics 496 (Economics of Sustainability)
Donald J. Boudreaux
114 Mason Hall

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dboudrea@gmu.edu
www.cafehayek.com

Office Hours: MTW, 9:30am-12:00pm, 1:00-2:45pm, and by appointment. I'm usually in my office also at hours other than these (although on Thursdays and Fridays I'm often at my Arlington campus office). If I'm in my office at these other times and the door is open, just knock. If I'm not busy with other pressing matters, I'll be very happy to discuss the course or economics with you.

Purpose of the Course: The purpose of the course is to equip the student with the analytical frame of mind and tools necessary to assess arguments for and against sustainability in a critical and objective fashion. While no one can sensibly oppose actions, institutions, and policies that sustain, rather than destroy, resources, the environment, and economic opportunities, presuppositions about how markets and government policies work sustainably or destructively are often too simplistic. These suppositions frequently reveal unfamiliarity with basic economic tenets and with relevant historical facts. This course will instill in the student a more economically and historically informed, as well as analytically rigorous, understanding of sustainability and of the benefits and costs of the various policies for promoting that goal.

Grading: Your course grade will be based on (1) your cumulative score on the mid-term exam and the final exam (65%), (2) your class participation (10%), and (3) your paper (25%).

Exams: The mid-term will be administered sometime in late October (after we complete Unit 5. It will be worth 25 percent of your course grade. The final exam will be administered on Monday, December 14th, beginning sharply at 1:30pm (as per the University's Final Exam schedule). It will be worth 40 percent of your course grade. (You have the option to not take the mid-term, in which case your final exam will be worth 65 percent of your course grade. I highly recommend that you do *not* exercise this option, although you will not be penalized if you do exercise it.) Each exam will consist of a series multiple-choice questions and essay questions. You must bring to each exam (1) a blue scantron sheet; (2) two bluebooks; and (3) a pencil for the scantron and a pen for the essay questions.

The final exam is cumulative and you must take it.

Paper: You will read and write a review of Matt Ridley's book *The Rational Optimist*. Your review will not only summarize Ridley's main argument, but also critique it. You are free, if you wish, to praise the book, but even if you find yourself to be in thorough and enthusiastic agreement with Ridley, for your review to have a chance of getting a high grade, you must critically challenge at least some part of the book.

Text: Other than the Ridley book, there is no assigned text for the course, but there are many assigned readings (and some videos) for each session (most of which are available at the links below. I reserve the right to assign to you throughout the semester a small handful of readings in addition to the ones listed below. You should read these items carefully and be prepared to discuss them in class.

TOPICS:

Unit 1: Living Standards throughout History and the Industrial Revolution

<https://www.youtube.com/watch?v=t9FSnvtcEbg&feature=share>

<https://www.youtube.com/watch?v=a0nsKBx77EQ#t=173>

Unit 2: Sustainability: What Does it Mean?

<http://www.un-documents.net/ocf-02.htm#I>

<http://www.worldwatch-europe.org/node/153> (the first half)

<http://fee.org/freeman/detail/sustainable-development-common-sense-or-nonsense-on-stilts>

Unit 3: The Tragedy of the Commons and Externalities

<http://www.sciencemag.org/content/162/3859/1243.full>

<http://www.econlib.org/library/Enc/Externalities.html>

Unit 4: Property Rights

<http://www.econlib.org/library/Enc/PropertyRights.html>

<http://www.cato.org/sites/cato.org/files/pubs/pdf/pa482.pdf>

http://media.hoover.org/sites/default/files/documents/0817944826_xiii.pdf

<http://perc.org/articles/property-rights-path-sustainable-development>

“The Coase Theorem,” by Donald J. Boudreaux. (I’ll e-mail to you a copy of this essay, which is a chapter in Peter J. Boettke, ed., *The Elgar Companion to Austrian Economics* [1994].)

Unit 5: The Economics of Political Decision-Making ("Public Choice")

<http://www.econlib.org/library/Enc/PublicChoice.html>

<http://www.cato.org/policy-report/novemberdecember-2014/why-governments-fail-why-ideas-matter>

I can find no good on-line critiques of public choice. The best critique that I'm aware of is a short book by Donald Wittman, *The Myth of Democratic Failure* (Chicago: University of Chicago Press, 1995). [You do not have to read this Wittman book.] My review of this book, which contains a summary of its main thesis, is here:

http://www.independent.org/pdf/tir/tir_01_1_boudreaux.pdf

Unit 6: Pollution: What Is It? And How Much Pollution, If Any, Is Appropriate?

(No assigned readings: be prepared in class to offer your own definition of pollution, to consider the definitions offered by other students, and to discuss the pros and cons of each.)

Unit 7: Pollution and Economic Growth

<http://knowledge.allianz.com/environment/pollution/?644/historical-look-at-pollution-worldwide>

http://www.juliansimon.com/writings/Ultimate_Resource/TCHAR16.txt

<http://fee.org/freeman/detail/cleaned-by-capitalism>

<http://mn.gov/oah/images/social-studies-academic-standards-public-exhibits-2c.pdf>

Unit 8: Human Creativity, Human Population, and Resource Availability: Julian Simon and the 'Ultimate Resource' (with a nod to the question of immigration)

http://phe.rockefeller.edu/docs/Nature_Rebounds.pdf

<http://fee.org/freeman/detail/imagine-that>

http://www.juliansimon.com/writings/Ultimate_Resource/TCHAR03A.txt

http://www.juliansimon.com/writings/Ultimate_Resource/TCHAR04B.txt

<http://www.libertylawsite.org/book-review/running-out-of-everything/>

<http://www.huffingtonpost.com/alon-tal/overpopulation-is-still-t b 3990646.html>

<http://fee.org/freeman/detail/absorbing-immigrants>

http://cafehayek.com/2005/08/is_nigers_probl_1.html

Unit 9: Land and Food

<http://www.theguardian.com/science/2005/dec/06/agriculture.food>

<http://fee.org/freeman/detail/running-out-of-agricultural-land>

<http://blog.chron.com/sciguy/2013/09/will-the-world-run-out-of-food-this-century/>

<http://humanprogress.org> (Click on “Browse Data” and then click on “Food”)

Unit 10: Energy (including, of course, fossil fuels)

<https://www.ecotricity.co.uk/our-green-energy/energy-independence/the-end-of-fossil-fuels>

<http://www.peakoil.net/about-peak-oil>

http://cafehayek.com/2004/05/is_it_possible_1.html

<http://www.cobdencentre.org/2011/05/a-long-way-from-reaching-our-peak/>

<http://humanprogress.org> (Click on “Browse Data” and then click on “Energy”)

Unit 11: Buying Local

<https://sustainableconnections.org/thinklocal/why>

<http://perc.org/articles/food-mile-myths-buy-global>

Unit 12: Recycling and Garbage Disposal

<http://www.epa.gov/osw/conserve/tools/localgov/benefits/>

<http://web.williams.edu/HistSci/curriculum/101/garbage.html>

<http://fee.org/freeman/detail/i-recycle>

<http://perc.org/articles/recycling-rubbish>

Unit 13: *Existence Value*

<http://greenlaw.blogs.law.pace.edu/2012/01/12/existence-value-introduced-as-argument-for-standing-in-esa-case/>

Donald J. Boudreaux, Roger E. Meiners, and Todd J. Zywicki, "Talk is Cheap: The Existence Value Fallacy" (originally published in *Environmental Law*, Fall 1999):
<http://tinyurl.com/mym6cng>

Unit 14: *Climate Change*

- Each student, by no later than February 18th, must suggest to me the most persuasive essay (article or blog post) that he or she is aware of on the danger(s) of climate change. I will then choose the top two or three from among these essays and assign these to the class for this unit.

<http://www.the-american-interest.com/2014/12/10/hot-stuff-cold-logic/>

<http://www.rationaloptimist.com/blog/adapting-to-climate-change.aspx>

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Class Attendance: I do not take roll. You are an adult. I strongly urge you to attend each and every class, from beginning to end. However, if you miss a class, I recommend that you get class notes from a reliable friend who did attend the class or classes that you missed. While I am always willing – indeed, happy – outside of class to elaborate on any materials covered during the lectures, please do not expect me to repeat, or even to summarize in detail, any lectures that you missed.

You are always free to audio tape my lectures (or to have a classmate do so for you).

Also, be sure that your GMU e-mail account is activated and that you check it regularly.

Honor Code: George Mason University has a rigorous honor code. Please consult the student handbook to learn the expectations established by the honor code, as well as the procedures for its compliance and enforcement. Obviously, absolutely

no cheating – of any kind – will be tolerated. Nothing excuses violations of the honor code.

Special Accommodations: Students requiring special accommodations – because of documented disabilities – should see me as soon as possible to arrange these accommodations.

ENJOY THE CLASS! I hope that what we learn here will prove sustainable throughout your lives!