

Env Econ → principles
env problems → solution
- resource to be used
 how?
- max value
 - trade-offs
 - opportunity cost

Property Rights

- use
 - exclusion
 - sell
- } broad. / limited
or absent

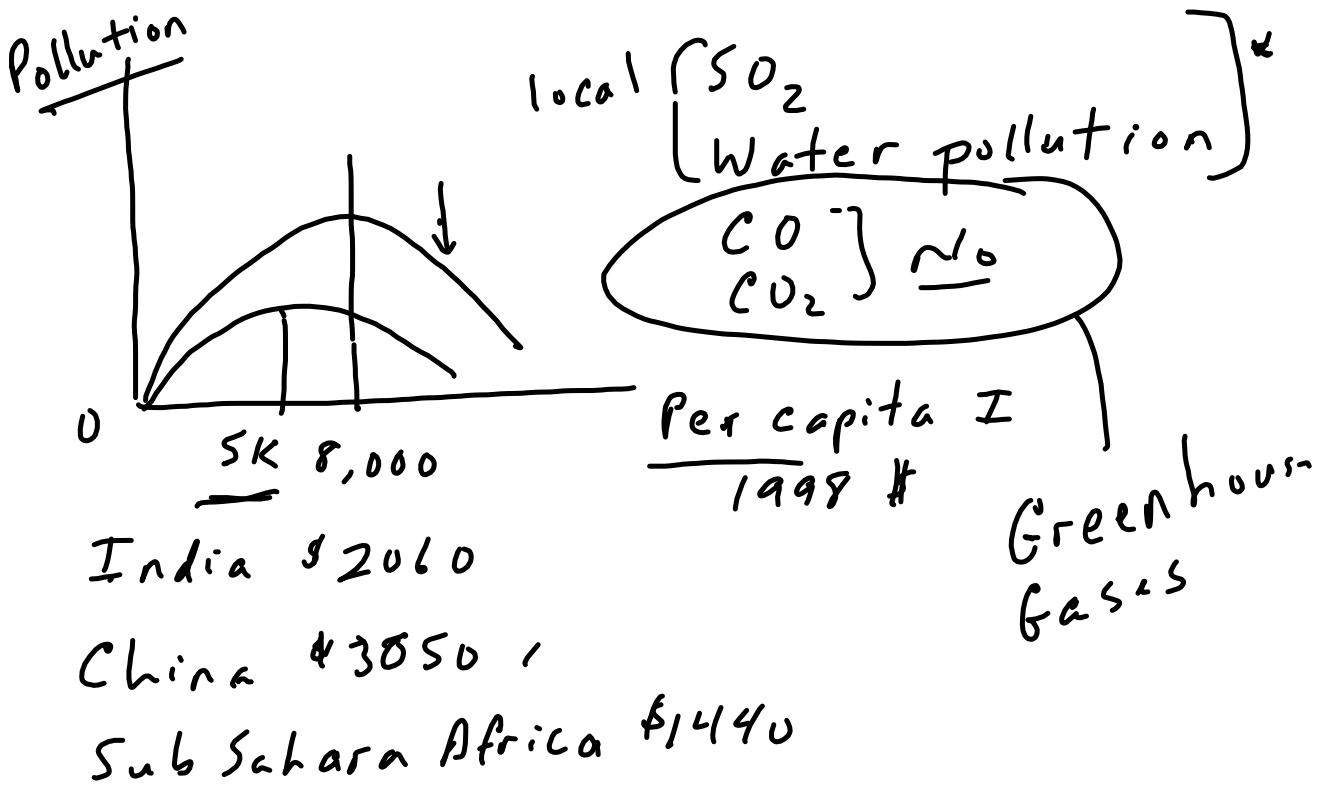
w/o property right → no exclusion
+ no payment
externalities - spillovers

Environment \rightarrow good

Income \uparrow $D_x \uparrow$ X normal

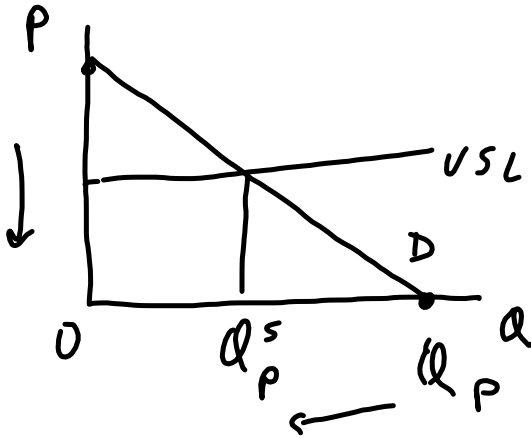
$$\epsilon_x = \frac{p_0 \Delta Q_x}{p_0 \Delta I} > 0$$

Environmental Kuznets Curve
EKC



Assign property rights

Moral Hazard - P pollution = 0
 use resource
 $MB = 0$



VSL
Value of a statistical life
WTP for Δ prob (death)

Environmental Regulations

- command → rules or standards
 - technology ("scrubbers")
fuel
- incentives - market for emissions

Literature

- Journal of Env Econ & Mgt
- technical
- * Land Economics - less technical.
- * Journal of Economic Perspectives
- Am. J. of Ag Econ.
- Natural Resources J.