

E599 Empirical Environmental Economics

Master in Economics
University of Mannheim

Fall Term 2018

Instructor: Prof. Ulrich Wagner, PhD

Assistants: Ms. S. Collet. Email: collet@uni-mannheim.de
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Office hours: Thursday, 2pm – 3pm.
Please make an appointment with Ms. Zorell ahead of time.

Summary:

This seminar covers recent empirical research in Environmental Economics, in particular on air pollution control. Each student will present a paper chosen from the reading list to the class and write a report critiquing the paper. The emphasis will be on identifying the central questions addressed in the paper, evaluating the methodology and data, and making suggestions for improvements and extensions.

Organizational Meeting: Wednesday, September 12 at 10:15 in L9, 1-2, room 409
Block seminar: November 23, 9am-5pm in L9, 1-2, room 001
November 24, 9am-5pm in L9, 1-2, room 409.

Each paper can be assigned no more than once for presentation or refereeing. The assignment will be on a first come, first served basis. Please submit your paper choice via email to Ms. Collet

Deadlines:

- Choose a paper to present by October 23.
- Upload your presentation to ILIAS by November 22, 7am
- Choose a paper to referee by November 30
- Upload your referee report (max. 3 pages) to ILIAS by December 21

Evaluation criteria: Presentation (40%), report (40%), class room discussion (20%)

READING LIST (electronic copies available on ILIAS)

0. Referee report

Berk, J. B., C.R. Harvey and D. Hirshleifer (2017). "How to Write an Effective Referee Report and Improve the Scientific Review Process." *Journal of Economic Perspectives*, 31(1): 231-44.
<https://www.aeaweb.org/atypon.php?doi=10.1257/jep.31.1.231>

1. Air pollution control

- Greenstone, M. (2002). "The Impacts of Environmental Regulations on Industrial Activity: Evidence from the 1970 and 1977 Clean Air Act Amendments and the Census of Manufactures." *Journal of Political Economy*, 110(6): 1175-1219.
<http://www.jstor.org/stable/10.1086/342808>
- Walker, W.R. (2013). "The Transitional Costs of Sectoral Reallocation: Evidence from the Clean Air Act and the Workforce." *The Quarterly Journal of Economics*, 128(4): 1787-1835.
http://faculty.haas.berkeley.edu/rwalker/research/walker_transitional_costs_CAA.pdf
- Auffhammer, M. and Kellogg, R. (2011). "Clearing the Air? The Effects of Gasoline Content Regulation on Air Quality." *American Economic Review*, 101(6): 2687-2722.
http://www.jstor.org/stable/23045655?seq=1#page_scan_tab_contents
- Davis, L.W. (2008). "The Effect of Driving Restrictions on Air Quality in Mexico City." *Journal of Political Economy*, 116(1): 38-81.
<https://www.jstor.org/stable/10.1086/529398>
- Wolff, H. (2014). "Keep Your Clunker in the Suburb: Low-emission Zones and Adoption of Green Vehicles." *The Economic Journal*, 124(578): F481-F512.
<http://onlinelibrary.wiley.com/doi/10.1111/ecoj.12091/pdf>

2. Health impacts of air pollution

- Currie, J. and Neidell, M. (2005). "Air Pollution and Infant Health: What Can We Learn from California's Recent Experience?" *The Quarterly Journal of Economics*, 120(3): 1003-1030.
http://www.jstor.org/stable/25098761?seq=1#page_scan_tab_contents
- Chay, K.Y. and Greenstone, M. (2003). "The Impact of Air Pollution on Infant Mortality: Evidence from Geographic Variation in Pollution Shocks Induced by a Recession." *The Quarterly Journal of Economics*, 118(3): 1121-1167.
http://www.jstor.org/stable/25053932?seq=1#page_scan_tab_contents
- Currie, J., Neidell, M. and Schmieder, J.F. (2009). "Air pollution and infant health: Lessons from New Jersey." *Journal of Health Economics*, 28(3): 688-703.
http://www.princeton.edu/~jcurrie/publications/Air_Pollution&Infant_Health_NJ.pdf
- Arceo, E., Hanna, R. and Oliva, P. (2014). "Does the Effect of Pollution on Infant Mortality Differ Between Developing and Developed Countries? Evidence from Mexico City." *Economic Journal*, 126(591):
<http://onlinelibrary.wiley.com/doi/10.1111/ecoj.12273/abstract>
- Schlenker, W. and Walker, W.R. (2016). "Airports, Air Pollution, and Contemporaneous Health." *The Review of Economic Studies*, 83(2): 768-809.
<http://restud.oxfordjournals.org/content/83/2/768>
- Currie, J., Davis, L., Greenstone, M. and Walker, R. (2015). "Environmental Health Risks and Housing Values: Evidence from 1,600 Toxic Plant Openings and Closings." *American*

Economic Review, 105(2): 678-709.
<https://www.aeaweb.org/articles.php?doi=10.1257/aer.20121656>

Knittel, Christopher R., D. L. Miller and N. Sanders (2016). "Caution Drivers! Children Present. Traffic, Pollution, and Infant Health." *Review of Economics and Statistics*, 98(2): 350-366.
https://doi.org/10.1162/REST_a_00548

Barreca, A., M. Neidell and N. Sanders (2017). Long-Run Pollution Exposure and Adult Mortality: Evidence from the Acid Rain Program. *NBER Working Paper 23524*
<http://www.nber.org/papers/w23524>

Anderson, M. (2016). "As the Wind Blows: The Effects of Long-Term Exposure to Air Pollution on Mortality." Mimeograph, University of California at Berkeley.
https://are.berkeley.edu/~mlanderson/pdf/air_pollution_highways.pdf

3. Air quality and labor supply

Hanna, R. and Oliva, P. (2015). "The effect of pollution on labor supply: Evidence from a natural experiment in Mexico City." *Journal of Public Economics*, 122: 68-79.
<http://www.sciencedirect.com/science/article/pii/S0047272714002096>

Currie, J., Hanushek, E.A., Kahn, E.M., Neidell, M. and Rivkin, S.G. (2009). "Does Pollution Increase School Absences?" *The Review of Economics and Statistics*, 91(4): 682-694.
http://www.jstor.org/stable/25651370?seq=1#page_scan_tab_contents

Graff Zivin, J. and Neidell, M. (2012). "The Impact of Pollution on Worker Productivity." *American Economic Review*, 102(7): 3652-3673.
http://www.jstor.org/stable/41724649?seq=1#page_scan_tab_contents

Lavy, V., Ebenstein, A. and Roth, S. (2015) "The Long Run Economic Consequences of High-Stakes Examinations: Evidence from Transitory Variation in Pollution." *American Economic Journal: Applied Economics*, 8(4):36-65.
<https://www.aeaweb.org/atypon.php?doi=10.1257/app.20150213>

4. Valuation of air quality

Chay, K.Y. and Greenstone, M. (2005). "Does Air Quality Matter? Evidence from the Housing Market." *Journal of Political Economy*, 113(2): 376-424.
<http://www.jstor.org/stable/10.1086/427462>

Bayer, P., Keohane, N. and Timmins, C. (2009). "Migration and Hedonic Valuation: The Case of Air Quality." *Journal of Environmental Economics and Management*, 58(1): 1-14.
<http://www.sciencedirect.com/science/article/pii/S0095069609000035>

Sieg, H., Smith, V.K., Banzhaf, H.S. and Walsh, R. (2004). "Estimating the General Equilibrium Benefits of Large Changes in Spatially Delineated Public Goods." *International Economic Review*, 45(4): 1047-1077.
http://www.jstor.org/stable/3663619?seq=1#page_scan_tab_contents

Reif, J., Deryugina, T., Heutel, G., Miller, N., and Molitor, D. (2016). “The Mortality and Medical Costs of Air Pollution: Evidence from Changes in Wind Direction.” *NBER Working Paper* No. 22796.
<http://www.nber.org/papers/w22796.pdf>

Bajari, P., Fruehwirth, J., Il Kim, K., and Timmins, C. (2012). “A Rational Expectations Approach to Hedonic Price Regressions with Time-Varying Unobserved Product Attributes: The Price of Pollution.” *American Economic Review*, 102(5): 1898-1926.
<http://www.jstor.org/stable/41724609>