E599 Empirical Environmental Economics

Master in Economics University of Mannheim

Fall Term 2017

Prof. Ulrich Wagner, PhD

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: Thursday, September 14 at noon in L7, 3-5, room P 43 Block seminar: November 10 and 11, 9am-5pm in L9, 7, room 308.

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 my assistant Ms. Collet at collet@uni-mannheim.de.

Deadlines:

- Choose a paper to present by October 10.
- Upload your presentation to ILIAS by November 9, 7am
- Choose a paper to referee by November 15
- Upload your referee report (max. 3 pages) to ILIAS by December 20

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

READING LIST (electronic copies available on ILIAS)

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

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

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." accepted at The Economic Journal. 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
- Karlsson, M., Schmitt, M. and Ziebarth N.R. (2016). "Population Health Effects and Health-Related Costs of Heat Events: Comprehensive Evidence from Germany." Working Paper. http://www.human.cornell.edu/pam/people/upload/Sunshine.pdf
- 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

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

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
- Timmins, C. (2007). "If You Can't Take the Heat, Get Out of the Cerrado... Recovering the Equilibrium Amenity Cost of Non-Marginal Climate Change in Brazil." Journal of Regional Science, 47(1): 1-25. http://onlinelibrary.wiley.com/doi/10.1111/j.1467-9787.2007.00497.x/pdf
- 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
- Levinson, A. (2012). "Valuing public goods using happiness data: The case of air quality." Journal of Public Economics, 96(9-10): 869-880. http://www.sciencedirect.com/science/article/pii/S0047272712000709
- 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