**Midterm review and questions**

**Readings covered in class are followed by questions about those readings. You should prepare to answer six of the short answer questions listed here on the midterm as well as key definitions. Links to all readings are found under Weekly Readings on Open Lab.**

**The PowerPoint presentations will also be very helpful for you to review (under PowerPoints) on the main page.**

**You will be required to answer three essay questions on the exam based on everything covered through October 19.**

**Readings (followed by questions)**

Economic Doctrines and Approaches to Climate Change Policy by Atkinson and Hackler, (pgs. 1 – 9; 15 – 16; 22 – 23 and 33 – 36)

Why Emissions Trading is More Effective than an Carbon Tax by the International Emissions Trading Association

**In pages 1 – 9, Atkinson and Hackler discuss their views of how Neoclassical, Neo-Keynesian and Innovation Economics would design economic policies to address the issue of climate change.**

[Atkinson-etal-2010-econ-climate-change\_theories](https://openlab.citytech.cuny.edu/macdonaldecon2505monsp2016/files/2016/02/Atkinson-etal-2010-econ-climate-change_theories.pdf)

1. What assumptions does neoclassical economics make about human behavior in the economic context? According to Atkinson and Hackler, what do neoclassical economists view as the most effective policy in addressing the challenges of climate change? **Please be specific**.
2. **Atkinson and Hackler present their alternative to both the Keynesian and neoclassical policy preferences for addressing climate change, which they call “innovation economics.” Clearly describe what the authors’ define as innovation economics and what policies innovation economics would employ to address climate change. Please be specific.**
3. According to Atkinson and Hackler, what are the main economic assumptions made by **neo-Keynesian** economics?  A) What policies does neo-Keynesian economics believe are most effective in addressing the challenges of climate change? **Please be specific**

**Readings:**

[Why Emissions Trading is More Effective Than a Carbon Tax\_session1](https://openlab.citytech.cuny.edu/macdonaldecon2505monsp2016/files/2016/02/Why-Emissions-Trading-is-More-Effective-Than-a-Carbon-Tax_session1.pdf)

William Emmons, “Don’t Expect Consumer Spending to be the Engine of Economic Growth it Once Was” [Consumer\_Spending\_William Emmons](https://openlab.citytech.cuny.edu/macdonaldecon2505wed2016d728/files/2016/02/Consumer_Spending_William-Emmons1.pdf)

1. William Emmons presents five major arguments as to why the U.S. economy can no longer rely on consumers to drive economic growth. He points out that American consumer spending was the major source of the prosperous post-war era from 1945 – 1980. **A)** Why does he now believe that American consumers can no longer play this role? **B)** What changes does he believe are needed in the U.S. economy to make up for the weaknesses in consumer spending and to generate growth? **Please be clear and specific in your answers.**

**Reading:**

[McClintock\_Why-Farm-the-City](https://openlab.citytech.cuny.edu/macdonaldecon2505monsp2016/files/2016/02/McClintock_Why-Farm-the-City.pdf)

1. What are the reasons McClintock believes that urban residents should farm the city? Please be specific and clear in your answer. What does McClintock mean by ***metabolic rift,*** ***ecological rift***, ***social rift*** and ***individual rift*?** Explain how he believesthese rifts can be overcome by farming the city?

**Reading:**

The World Bank, WAVES: Moving *Beyond GDP: How to factor natural Capital into Economic Decision Making*

1. According to the WAVES report, what does GDP fail to measure? What is natural capital and what are the arguments that the article makes for placing a value on natural capital, capital and human resources? A) How specifically does the report believe natural capital should be measured? B) How will accounting for the value of natural capital provide a more accurate measure of the value of what a nation produces? Provide an example of what one country is doing to account for the value of its natural resources.

**Readings:**

Craig J. Thompson and Metea Press, *How Community Supported Agriculture Facilitates Reembedding and Reterritorializing Practices of Sustainable Consumption*, in Juliet B. Schor and Craig J. Thompson, Sustainable Lifestyles and the Quest for Plenitude: Case Studies of the New Economy, Yale University Press, 2014.

U.S. Impacts of Climate Change and the Costs of Inaction, October 2007 (pgs. 3 – 7)

1. What sectors of the U.S. economy are projected to be affected by climate change in the near future? Why are climate change events expected to negatively affect public sector (government) budgets? Please provide examples from the reading.

1. What have been the economic costs of some recent extreme weather events? What are some of the reasons that different regions of the country are expected to experience different impacts or effects of differing severity? What are some examples of industries that may be impacted?

You may choose the following question **if you have already completed the field research for the semester research project:**

1. In a clearly worded essay**,** state the central question or thesis of your research project **A)** explain how your recent field-based research will (or has) helped inform the research project you will undertake for the class**. B**) Identify how three key pieces of information (observations made, feedback gained from interviews, other) you obtained from your field visit that and how this will enhance your project. **Please be very specific here**.

Other sources to review:

**PowerPoint Presentations:Please review these for the exam. The material they contain can supplement what is covered in the readings)**

[unit-3-emissions-trading-vs-carbon-tax](https://openlab.citytech.cuny.edu/macdonaldecon2505fall2016/files/2015/04/Unit-3-Emissions-Trading-vs-Carbon-tax.pptx)

Green GDP