Syllabus

Environmental Management: Law and Policy MGMT 213/713 and LGST 215/815

Eric W. Orts
Professor of Legal Studies and Management
Director, Environmental Management Program

office: 648 Huntsman Hall telephone: 898-3018 e-mail: ortse@wharton.upenn.edu

Texts: The required texts consist of the following materials.

- Daniel C. Esty and Andrew S. Winston, *Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage* (Yale University Press 2006) (hardcover).
- Andrew J. Hoffman, From Heresy to Dogma: An Institutional History of Corporate Environmentalism (Stanford University Press, expanded ed. 2001) (paperback).
- Neil Gunningham, Robert A. Kagan, and Dorothy Thornton, *Shades of Green: Business, Regulation, and Environment* (Stanford University Press 2003) (paperback).
- James Salzman and Barton H. Thompson, Jr., *Environmental Law and Policy* (paperback, Foundation Press 2003).
- Coursepack

The books are available for purchase in the Penn book store and elsewhere. The coursepack will be available for purchase soon from Wharton Reprographics in the basement of Steinberg-Dietrich Hall.

<u>Handouts</u>: Any supplementary handouts provided in class are considered part of required course material. This syllabus may also be revised during the semester in accordance with class progress and discussions about student interests and preferences.

<u>Course description</u>: This course provides an introduction to environmental management with a focus on law and policy as a basic framework. The primary aim of the course is to give students a deeper practical sense of the important relationship between business and the natural environment and to think critically about how best to manage this relationship.

<u>Exams</u>, <u>Group Presentation</u>, <u>and Grading</u>: There will be one required mid-term paper, one required in-class mid-term exam, and one final group presentation. Each of these formal requirements will count for approximately one-third of the final grade for the course. Student participation in class will also be taken into account in the determination of final grades as outlined below.

Group Project and Presentation: A primary component of the course is a group project. Students should begin to consider a topic that they would like to investigate relatively early in the semester. The topic *must* be discussed with the professor in advance. Class time will be allocated at the end of the semester for presentations. Students may join together in groups of two or three (maximum) and share responsibility and the grade for the presentation. Grades for the group projects will be based on the quality of the final presentation itself, as well as any supplementary written or other submission provided indicating sources and research.

<u>Mid-term Paper and Exam</u>: Guidelines for the mid-term paper will be handed out in advance in class. The deadline is given on the course outline and schedule below. There will also be a mid-term exam conducted in class. The exam will be closed book. No make-up exam will be given without an adequate and verifiable excuse. Any incident discovered of cheating on either the paper or the exam will be fully prosecuted. Please adhere to the University of Pennsylvania's honor code.

<u>Class Participation</u>: An important part of the learning experience for this course is the classroom discussions. In addition to formal written and oral presentation requirements, students are expected to read and be prepared to discuss the material assigned for each class. Consistently excellent participation in class may be taken into account to increase a student's grade by one step (e.g., B+ to A-, or P to HP). Poor attendance or failure to participate in class discussion may be taken into account to reduce a student's final grade by one step. In assessing class participation over the course of the semester, quality as well as quantity of comments will be taken into account.

<u>Quality circle</u>: A small quality circle of student representatives may be used to provide mutual feedback on teaching, classroom issues, and class performance. No extra credit in terms of grading will be given for representatives in a quality circle, but volunteering for this service is appreciated by the professor and other students.

Office hours: To be announced and by appointment.

Course Outline

Introduction

1. Opening Class: Discussion of students' backgrounds and expectations, handout of syllabus, description of the course, and discussion of teaching expectations. [Jan. 8]

Part One: Recent Approaches to Environmental Management

2. Business and the Natural Environment: An Opening View [Jan. 10]

Esty and Winston, preface and chs. 1 and 2, pp. 1-64.

3. The Idea of "Eco-Advantage" as a Business Strategy [Jan. 17]

Esty and Winston, chs. 3 thru 6, pp. 65-165.

4. Self-Monitoring, Greening Supply Chains, and Environmental Stewardship [Jan. 22]

Esty and Winston, chs. 7 thru 9, pp. 166-236.

5. The Argument for Sustained Competitive Advantage [Jan. 24]

Esty and Winston, chs. 10 thru 12, pp. 237-306.

6. Corporate Environmentalism: History [Jan. 29]

Hoffman, chs. 1 thru 5, pp. 1-106

7. Corporate Environmentalism: Institutional Perspective and Recommendations [Jan. 31]

Hoffman, chs. 6 thru 9, pp. 107-224

<u>Midterm paper</u>: Five to seven page paper on topic of environmental management (double-spaced, page limit including single-spaced footnotes and/or bibliography) due in class on February 5.

Part Two: Environmental Law and Policy

8. Introduction: Historical and Competing Disciplinary Perspectives [Feb. 5]

Salzman & Thompson, chs. 1-2, pp. 1-37, 41-42.

Yi-Fu Tuan, *Our Treatment of the Environment in Ideal and Actuality*, 58 American Scientist 244 (1970) [coursepack 1].

9. A Classic Paradigm: The Tragedy of the Commons [Feb. 7]

Garrett Hardin, "The Tragedy of the Commons," 162 Science 1243 (1968) [coursepack 2].

Salzman & Thompson, ch. 10, pp. 298-308.

In-class computer game exercise, "The Tragedy of the Tuna."

10. Environmental Ethics [Feb. 12]

Excerpts from *Environmental Ethics* (Robert Elliott ed., 1995), pp. 129-41 (Passmore), 226-47 (Sober) [coursepack 3].

James Lenman, "On Becoming Extinct," 83 Pacific Philosophical Q. 253 (2002) [coursepack 4].

11. Overview of Environmental Law: Common Law and Menu of Regulatory Methods [Feb. 14]

Boomer v. Atlantic Cement, 26 N.Y.2d 219 (1970) [coursepack 5].

Salzman & Thompson, ch. 3, pp. 43-57.

12. Administrative and Constitutional Dimensions of Environmental Law [Feb. 19]

Salzman & Thompson, ch. 3, pp. 57-85.

13. Contemporary Issue: Environmental Justice [Feb. 21]

Salzman & Thompson, ch. 2, pp. 38-41.

M.R. Elliott, Y. Wang, R.A. Low, and P.R. Kleindorfer, "Environmental Justice: Frequency and Severity of U.S. Chemical Industry Accidents and the Socioeconomic Status of Surrounding Communities," 58 J. Epidemiological Community Health 24 (2004) [coursepack 6].

In-class exercise, adaptation of "Not in My Backyard" [handouts].

14. Air Pollution Regulation: Basic Structure [Feb. 26]

Salzman & Thompson, ch. 4, pp. 87-111.

15. Water Pollution Regulation [Feb. 28]

Salzman & Thompson, ch. 5, pp. 137-64.

* spring break *

16. Toxic Substances [Mar. 12]

Salzman & Thompson, ch. 6, pp. 165-87.

17. Waste Management [Mar. 14]

Salzman & Thompson, ch. 7, pp. 188-232.

18. Protection of Natural Resources [Mar. 19]

Salzman & Thompson, ch. 9, pp. 261-97.

19. Environmental Impact Statements [Mar. 21]

Salzman & Thompson, ch. 11, pp. 309-22.

20. International Issues: Ozone-Layer Depletion and Global Climate Change [Mar. 26]

Salzman & Thompson, ch. 4, pp. 111-36.

James Krier, "The End of the World News," 27 Loyola of Los Angeles Law Rev. 841 (1994) [coursepack 7].

Handout: forthcoming Supreme Court opinion in Massachusetts v. EPA

21. International Issues: Trade and the Environment [Mar. 28]

Salzman & Thompson, ch. 8, pp. 233-59.

22. Mid-term exam on part two materials, closed book, short-essay style, in class [Apr. 2]

Part Four: Student Presentations

- 24. Guest Lecturer [to be announced] [Apr. 4]
- 25. Project Presentations I [Apr. 9]
- 26. Project Presentations II [Apr. 11]

- 27. Project Presentations III [Apr. 16]
- 28. Project Presentations IV [Apr. 18]