

Syllabus

**Environmental Management: Law and Policy
LGST 215-301**

Honors Program

Prof. Eric Orts

office: Legal Studies and Business Ethics Department, 648 Huntsman Hall
telephone: 898-3018; e-mail: ortse@wharton.upenn.edu

Classes: Mondays and Wednesdays, 3:00 to 6:00 pm, Huntsman Hall F92.

Texts: The following materials are required reading. They are available at the Penn Book Center (34th and Sansom), online, or elsewhere.

- \$ Yvon Chouinard and Vincent Stanley, *The Responsible Company* (Patagonia Books 2012) [paper] (Amazon online price: \$12)
- \$ Paul Hawken, *The Ecology of Commerce: A Declaration of Sustainability* (revised edition, Harper Business 2010) [paperback] (Amazon online price \$11)
- \$ Daniel Goleman, *Ecological Intelligence: How Knowing the Hidden Impacts of Everything We Buy Can Change Everything* (Broadway Books 2009) [paperback] (Amazon online price: \$14)
- \$ William McDonough and Michael Braungart, *Cradle to Cradle: Remaking the Way We Make Things* (North Point Press 2002) (paperback) (Amazon online price \$17.50)
- \$ James Salzman and Barton H. Thompson, Jr., *Environmental Law and Policy* (3d ed., Foundation Press 2010) [text paperback] (Amazon online price: \$37.50)
- \$ James Gustave Speth, *The Bridge at the End of the World: Capitalism, the Environment, and Crossing from Crisis to Sustainability* (Yale University Press 2009) [paperback] (Amazon online price: \$12)
- \$ Adam Werbach, *A Strategy for Sustainability: A Business Manifesto* (Harvard Business Press 2009) [hardcover] (Amazon online price: \$16)

Handouts: Supplementary handouts provided in class are also considered part of required course materials.

Course description: This course provides an introduction to environmental management with a focus on law and policy as a basic framework and orientation. The primary aim of the course is to give students a deep, informed, and practical sense of the important relationship between business and the natural environment and to encourage them to think critically about how best to manage this relationship. Special note: This is an experimental version of the course to be run as an honors seminar. Permits for qualified upper-class students will be granted only as space allows. As indicated, the course will entail an intensive semester-long research paper as the primary formal requirement.

Seminar paper, presentation, and grading: The primary formal requirement for this course will involve an independent, in-depth research project, the topic of which will be formulated in consultation with the instructor at the beginning of the course. A short research memo of 3 to 5 pages will describe the sources to be consulted or research methodology to be followed. A draft of the final paper will be presented to the seminar as a whole. And then the final paper will be submitted at the end of the semester. The page limit for the final paper is between 15 and 20 pages. (The page maximum is inclusive of footnotes and any bibliography.) For calculating the research memo and class presentation draft will account for 25 percent each. The final paper will count 50 percent. Class participation will also be included as specified below.

Pop quizzes: One or more pop quizzes may be given without notice as a check on whether students are able to keep up with the reading. If and when given, they will be factored into the class participation part of the final grade.

Citations and Plagiarism: Students must give adequate citations for all sources quoted or used in writing papers. No specific form of citations in footnotes is required, as long as the source is identified sufficiently for it to be found and checked. Every written submission, including the final paper, must be the student's own work. *Any incident of plagiarism will be fully prosecuted through the usual channels.*

Class Participation: In addition to formal requirements, students are expected to have 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-). Poor attendance or failure to participate regularly and knowledgeably in class discussion may be taken into account to reduce a student's final grade by one step (e.g., B to B-).

Office hours: Mondays from 1:45 to 2:45 pm and by appointment.

Course Outline and Readings

Introduction

1. Opening Class: Discussion of professor's and students' backgrounds and expectations, handout of hard-copy of syllabus, description of the course, and discussion of approach of the course and teaching expectations. [Sept. 5]

Part One: Approaches to Sustainable Management

2. Opening View I [Sept. 12]

Hawken, entire book.

In-class video: “So Right, So Smart” (2010).

3. Opening View II [Sept. 19]

Chouinard and Stanley, entire book.

Special guest: Vincent Stanley, Patagonia

4. Large-scale Diagnosis I [Sept. 26]

Speth, pp. ix-106.

5. Large-scale Diagnosis (and Proposed Solutions) [Oct. 3]

Speth, pp. 107-237

In-class exercise: business idea “elevator” presentations

6. Sustainable Consulting [Oct. 10]

Werbach [entire book]

7. Sustainable Design and Recycling [Oct. 17]

McDonough and Braungart [entire book]

8. Environmental Measurement and Reporting (and the Role of Consumers) [Oct. 24]

Goleman [entire book]

In-class exercise: select a company or organization that has issued a recent environmental report; briefly describe the company and its overall highlights and offer a critical assessment of the report (e.g., “excellent and covers all bases” to “good but misses these important issues” to “seems like mostly greenwashing”).

Research memo due on environmental management topics: October 24 (or earlier).

Part Two: Interdisciplinary Perspectives on Environmental Law and Policy

9. Introduction to Environmental Law and Policy—and the Tragedy of the Commons [Oct. 31]

Salzman & Thompson, pp. 1-24.

Handouts: Garrett Hardin, "The Tragedy of the Commons," 162 *Science* 1243 (1968) and Elinor Ostrom, "Polycentric Systems for Dealing with Collective Action and Global Environmental Change," 20 *Global Env'tl. Change* 550 (2010).

Computer teaching simulation: "The Tragedy of the Tuna 2.0" [classroom to be scheduled and announced].

10. Introduction to Environmental Law and Policy: Overview of Perspectives and Analytical Frameworks; Administrative and Constitutional Law [Nov. 7]

Salzman & Thompson, pp. 24-86.

11. Environmental Law and Policy: Regulation of Air and Water Pollution [Nov. 14]

Salzman & Thompson, pp. 87-174.

Research memo due on environmental law topics: November 14 (or earlier).

Part Three: Student Research Paper Presentations

12. Draft Paper Presentations I [Nov. 21]

13. Draft Paper Presentations [Nov. 28]

14. Draft Paper Presentations [Dec. 5]

Final papers due last day of reading days: December 11. Deliver hard copy to professor's mailbox on sixth floor of Huntsman Hall and e-mail copy to ortse@wharton.upenn.edu.

Bio of Instructor: Eric Orts is the Guardsmark Professor at the Wharton School of the University of Pennsylvania. He is a professor in the Legal Studies and Business Ethics Department with a joint appointment in the Management Department. He directs the Initiative for Global Environmental Leadership (IGEL) at Penn/Wharton. He serves also as an academic co-director of the FINRA at Wharton certificate program for securities compliance and regulatory professionals. His primary research and teaching interests are in environmental law and policy, corporate governance, and professional ethics.

Prior to joining Wharton's faculty in 1991, Orts practiced law at Paul, Weiss, Rifkind, Wharton & Garrison in New York City and was a Chemical Bank fellow in corporate social responsibility at Columbia Law School. He teaches also at the University of Pennsylvania Law School and has been a visiting professor at the UCLA School of Law, University of Michigan Law School, Tsinghua University, Sydney Law School, and NYU School of Law. He has also been a visiting Fulbright professor in the law department of the University of Leuven, the Eugene P. Beard Faculty Fellow at Harvard University's Center for Ethics and the Professions, and a faculty fellow in the Center for Business and Government at the Kennedy School at Harvard. Orts is a graduate of Oberlin College (B.A.), the New School for Social Research (M.A. in political science), the University of Michigan (J.D.), and Columbia University (J.S.D.). He is a member of the bar of New York and the District of Columbia, an elected member of the American Law Institute, and belongs to several other professional and academic associations.

Current research: forthcoming book on *The Persons of Business Enterprise: A Legal Theory of the Firm* (Oxford University Press 2013). Recent article: "Climate Contracts" (*Virginia Environmental Law Journal*).