

When to shut it down? assignment



Assignment Type: Individual Project Deliverable Length: 2 pages Points

Possible: 150 Due Date: 11/30/2012 PMCT sometimes market activities

(production, buying, and selling) have unintended positive or negative effects outside the market's scope. These are called externalities. As a policy maker concerned with correcting the effects of gases and particulates emitted by and local power plant, answer the following questions: 1 . What two policies could you use to reduce the total amount of emissions? . Why do you think they each would work? 3. What would the benefits of each action be (besides emissions reduction)? 4. What would the costs of each action be? 5. How would you decide what was the best level of emission reduction? unit

4 IP My recommendations are as follows: First, define and explain externalities. Be specific and be thorough. You may write a very brief summary of environmental economic policy in your introduction.

Explain the policies can be used to “ internalize” the externality. We will cover these in chat. While you may choose any of these policy approaches to discuss in your Unit 4 IP paper, I recommend that you focus your discussion on only one or two. Be sure to define and explain each, and explain its advantages and disadvantages over other methods of environmental policy.

Five broad Classes of Environmental-Economic Policy Moral Suasion

Command and Control Economic Incentives – Market Based

Pigouvian Taxes Cap & Trade pollution permits Pollution Prevention

Investment in Technology ??? Direct Production of Environmental Quality –

Conservation, Sewage Treatment, Cleaning Up Toxic Waste sites etc. I

recommend that you focus on the market based policies for pollution

reduction Pigouvian or pollution taxes and trade able pollution permits. See

<https://assignbuster.com/when-to-shut-it-down-assignment/>

the EPA's website at: <http://www.epa.gov/airmarkets/trading/buying.html>

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