

1. Write an essay that describes a comprehensive policy that would encourage households to recognize the full social costs associated with solid waste disposal.

There is “too much” solid waste because the cost of trash disposal does not include its full social costs. A comprehensive policy to combat this would include:

- (1) forcing consumers and producers to pay the full social cost of waste disposal by incorporating the scarcity value of landfills into the tipping fee and marginal cost pricing (through the use of standardized containers, for example);**
- (2) reducing of the quantity of solid waste produced (e.g., through the use of a packaging tax);**
- (3) removing hazardous waste (e.g., deposit-refill systems for batteries or other toxic substances);**
- (4) encouraging recycling (e.g., at least until economies of scale are achieved, so it pays for itself).**
- (5) preventing illegal disposal (which might increase as the cost of waste disposal rises).**

2. Describe a comprehensive policy for addressing the problem of global warming. Be sure to mention all the essential components of such a policy.

Should include policies to address each of the following features of global warming:

- (1) Reduce, or at least stabilize, emissions of greenhouse gases, or at least those with greatest radiative forcing. Can use marketable permits or taxes.**
- (2) Subsidize further study to determine extent and duration of damage from global warming and extent to which each type of greenhouse gases contributes to it.**
- (3) Develop an international policy that deals with the global dimension of the problem without placing an inequitable burden on developing countries or future generations. This could induce planned reductions in emissions now with a more rapid timetable for developed countries.**