

REM 621 Ecological Economics

Course Outline Fall Semester (2016-3)

DESCRIPTION

Course Details: This course familiarizes students with basic concepts, analytical tools and policy instruments in resource and environmental economics, as well as to introduce the discipline of ecological economics.

Course-Level Educational Goals: In the words of Joan Robinson, a well-known UK economist, “One studies economics to avoid being fooled by economists”

GRADING

Grading:

Mid-term exam	30%
Final exam	30%
Assignments (2)	30%
Class participation (including Group Assignment)	10%

Notes: The class participation mark will be based partly on Group Presentations of short assigned readings (see items with '*' in the reading list). Be sure to read these before class and be prepared to participate in the classroom discussion. Further details will be provided in class.

Requirements: The course is composed of seminars/lectures.

MATERIALS

Materials and Supplies: No specialized requirements.

Required Reading: N. Hanley, J. Shogren and B. White, *Introduction to Environmental Economics*, Second Edition, Oxford University Press: Oxford, U.K., 2013 (purchase at bookstore)

Recommended Reading: Additional readings will be assigned to highlight key points or cover gaps in the main text. These readings and all lecture slides will be posted at a course website. Students with little or no economics background should consult Parkin & Bade's *"Microeconomics"*, a standard introductory text that is on reserve in the main library under ECON 103. There are also many texts on environmental and ecological economics. Tietenberg's *Environmental Economics and Policy* is frequently cited by students as being especially accessible to relative newcomers to environmental and resource economics. Students might also look at Field & Olewiler's *Environmental Economics*. The journal *Ecological Economics* publishes many papers that are relevant to the course and of general interest to REM students. Finally, an interesting environmental economics blog is maintained at: <http://www.env-econ.net/>.

Instructor

Duncan Knowler
Office: TASC1-8427
(778) 782-3421
djk@sfu.ca

Classroom

Monday: 10:30-12:20
(SECB 1013)
Wednesday: 10:30-12:20
(SECB 1010)

Course Objective**Course Format****Required Text****Supplementary Readings and Lecture Slides****Student Evaluation****Office Hours**

Office hours normally will be Wednesday, 1:00 – 3:00pm in TASC1-8427. Other meeting times can be arranged with sufficient notice.

Course Outline

Week	Topics	Readings	Other
1 Sept 7	Introduction	Ch 1	No class Monday
2 Sept 12/14	Economic theory basics I Economic theory basics II	Ch 2, Parkin & Bade (optional)	In-class “demand” exercise
3 Sept 19/21	Market failure Benefit cost analysis	Ch 2, cont’d Ch 3, Brennan, Arrow*	
4 Sept 26/28	Valuing ecosystem services I Valuing ecosystem services II	Ch 4, Mason* Knowler (case background)	Assignment 1 out
5 Oct 3/5	Lab Exercise: “Estimating WTP from survey data”	Loomis et al.	Lab room to be announced (no class)
6 Oct 12 only	Behavioral economics	Knetsch	No class Monday Guest: <u>Jack Knetsch</u>
7 Oct 17/19	Economics of pollution Environmental policy I	Ch 1, Section 2.3 & Ch 11 Fullerton & Stavins*	Assignment 1 due
8 Oct 24/26	Environmental policy II Environmental Policy III	Tietenberg (class discussion) Corrigan	“The Pollution Game”
9 Oct 31/Nov 2	Midterm Exam Problem of economic growth	Ch 6, Costanza*	Midterm: Oct 31
10 Nov 7/9	Economics of sustainability Non-renewable resources	Gowdy & McDaniel* Ch 13, Gunton (case background)	
11 Nov 14/16	Fisheries Forestry	Ch 7, Sections 7.1 – 7.5 Ch 10	Assignment 2 out
12 Nov 21/23	Transboundary pollution Trade & environment	Ch 7, Section 7.6 Ch 8	
13 Nov 28/30	Climate change Biodiversity	Ch 9, Krugman (class discussion) Ch 12**, The Economist***(*)	Assignment 2 due
14 Dec 5	Final Exam		Final Exam: Dec 5

[Note: the short readings with a single '*' will be the subject of a Group Presentation in the indicated class and participation in the Group Presentations and subsequent discussions will contribute to your participation mark.]

** **Sukhdev (TED talk):** https://www.youtube.com/watch?v=oU9G2E_RYJo

*****The Economist reading** <http://www.economist.com/news/special-report/21585100-contrary-popular-belief-economic-growth-may-be-good-biodiversity-long-view?zid=311&ah=308cac674cccf554ce65cf926868bbc2>

Case Studies and Other Readings:

Several of the case studies described in the course come from my own research. If you wish more details: (i) for valuing old growth forests in BC (Nov 16), <http://www.davidsuzuki.org/publications/downloads/2008/Knowler-Dust.pdf>; and (ii) for Nepal biodiversity conservation (Nov 30), see **Poudyal et al.** (rhino) and **Wood and Knowler** (musk deer) at the course download site.

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