



## Department of Economics Course Outline

<b>Course:</b>	Economics 499.77 [Topics in the Economics of the Environment]	<b>Term:</b>	Spring 2008
<b>Time:</b>	TR 14:00 – 16:50	<b>Section:</b>	21
<b>Instructor:</b>	David M. Bruner	<b>Place:</b>	ST 125
<b>Office:</b>	SS 409	<b>Telephone:</b>	220-4631
<b>Office hours:</b>	TR or by appointment	<b>E-mail:</b>	<a href="mailto:dbruner@ucalgary.ca">dbruner@ucalgary.ca</a>

**Textbook(s):** Charles D. Kolstad, *Environmental Economics*. (Oxford University Press, 2000).  
[Required]

Tom Tietenberg, *Environmental and Natural Resources*. (Addison Wesley, 7<sup>th</sup>  
ed.) [Optional]

**Additional Material:** The textbook is intended as the main reading for the course. Other materials pertinent to class discussions will be made available on the blackboard website for the course.

### Course Description:

This is an intermediate course in environmental economics. The environment holds a unique role in the economy as both an input in production and a final consumption good in itself. Unlike other factors of production and/or goods and services there is no market for the environment. Hence, economic agents do not receive the usual price signals that guide the market to an efficient outcome; rather the market fails. The objective of the course is to use economic analysis to understand the reasons for market failure and evaluate government policy used to correct market failure.

### Preliminary Course Outline (Subject to change at instructor's discretion)

- **Introduction** (May 15)
  - Chapter 3: Overview of Environmental Economics
- **Markets and Market Failures** (May 20 – 29) .../2

- Chapter 4: Efficiency and Markets
- Chapter 5: Market Failure: Public Bads and Externalities
  - Homework Assignment 1 (due May 23)
- Chapter 6: Property Rights
- Chapter 7: Pigovian Fees.
  - Homework Assignment 2 (due May 30)
- **Midterm Exam** (June 3)
- **Government Policies to Regulate Pollution** (June 10 – 19)
  - Chapter 8: Regulating Pollution
  - Chapter 9: Emission Fees and Marketable Permits
    - Homework Assignment 3 (June 12)
  - Chapter 10: Regulation with Unknown Control Costs
  - Chapter 11: Audits, Enforcement and Moral Hazard
    - Homework Assignment 4 (June 20)
- **Individual Decision Making** (June 24 – 26)
  - Chapter 12: Risk and Uncertainty
  - Chapter 15: Environmental Demand Theory
    - Homework Assignment 5 (June 27)
- **Final Exam** (Spring Session Final Exams June 27 – 29)

### **Grade Determination and Final Examination Details:**

Homework	35 %
Midterm	30%
Final examination	35 % (Scheduled by the Registrar)

A two hour final examination to be held in a classroom will be comprehensive and scheduled by the Registrar's Office.

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	96 - 100	B	77 - 81	C-	61 - 65
A	90 - 95	B-	74 - 76	D+	56 - 60
A-	87 - 89	C+	71 - 73	D	51 - 55
B+	82 - 86	C	66 - 70	F	0 - 50

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will be allowed during the writing of tests or final examinations.

Tests and exams will be short answer and essay. Content and organization will be the grading basis.

Specific instructions regarding the assignments will be discussed during the first two weeks of class.

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Society of Undergraduates in Economics (S.U.E.):

[www.ucalgary.ca/sue/](http://www.ucalgary.ca/sue/)

**Notes:**

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor within *seven days* of the work being returned to the class.

- Students are responsible for all material covered in the book, material passed out in class or presented in class lectures.
- Make-up examinations will not be allowed except in cases of extreme personal emergencies. This is only in cases of necessary absence and is at the discretion of the instructor. Exams will not be given before the indicated examination dates.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. In the Department of Economics, we recommend that all students enrolled in the Spring/Summer session, should discuss their needs with the instructor of the course no later than seven (7) days after the start of this course.

Safewalk / Campus Security: 220-5333

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