TE WHARE WĀNANGA O TE ŪPOKO O TE IKA A MĀUI
VICTORIA
UNIVERSITY OF WELLINGTON

School of Economics and Finance

ECON 340:
Environmental and Resource Economics

Trimester One 2014

COURSE OUTLINE

Name and Contact Details

Paul Calcott RH 324 463-6585 paul.calcott@vuw.ac.nz (course coordinator)
Yiğit Sağlam RH 312 463-9989 yigit.saglam@vuw.ac.nz

How do you pronounce Yiğit's name?

If you say "yeet", it will be close enough.

Class times and room numbers

lectures	GBLT4	Wed, Fri	9:30–10:20
tutorials	RWW413	Wed	12:40–13:30, or
	RWW314	Fri	10:30–11:20

office hours: Please email to arrange a time.

Course Content

This course aims to provide students with an understanding of the major results of environmental and resource economics. There is a list of topics to be covered on page 4 below.
Assessment will take a variety of forms. You will be asked to write short explanations, to interpret and construct theoretical diagrams and to solve simple mathematical problems. With respect to the mathematics, we will assume that you have a basic knowledge of partial differentiation. If you have successfully completed ECON 201, you should be in good shape.

Prescription

Topics include property rights and transactions costs; environmental externalities and associated missing markets; valuation of environmental resources; irreversibility and its economic implications under uncertainty; economics of pollution control; economics of natural resource use; decision-making under New Zealand's Resource Management Act.

Readings

Readings will be made available on http://blackboard.vuw.ac.nz. There is no required textbook. If you require supplementary reading, you may wish to have a look at:

Tom Tietenberg and Lynne Lewis, *Environmental & natural resource economics* 9th ed., Prentice Hall, 2012, (available in the library).

Course documents, **announcements**, assignment questions, the links to the papers and other information will also be available on the blackboard website: http://blackboard.vuw.ac.nz.

Assessment

From Trimester 1, 2014, a revised Assessment Handbook will apply to all VUW courses: see http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf.
In particular, there will be a new grade scheme, in which the A+ range will be 90-100% and 50-54% will be a C-.

Assignment 1	13%	18 April, by 5:00pm
1 hour test	20%	7 May, 9:30–10:20
Assignment 2	13%	6 June, by 5:00pm
Group presentation	4%	June 4–6
2 hour final exam	50%	13 June – 2 July

Assignments can be handed in to the appropriate box on the Mezzanine floor; #74 (Paul) or #87 (Yiğit). Assignments that are late without permission will attract **penalties** of 5% points a day.

A list of topics for **student presentations** will be posted on blackboard, and you will be asked to email Paul with your preferences. They will all be applied issues in resource or environmental economics. On the basis of your reported preferences, we will allocate you to a small team to work on your assigned topic. This is a low stakes (only 4%) opportunity to get some experience in presenting and working in a team.

Silent non-programmable calculators will be permitted in the **exam**. You are expected to be able to attend an exam at the University at any time during the formal examination period. The final exam for this course will be some time from Friday 13 June - Wednesday 2 July (inclusive).

There are no **mandatory course requirements**.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat.

Tutorial signup

On s-cubed from Wed 5 Mar at 10:00 until Fri 7 Mar at 14:00, https://signups.victoria.ac.nz/.

Trimester Dates

Teaching Period:	Monday 3 March - Friday 6 June
Study Period:	Monday 9 June - Thursday 12 June
Examination Period:	Friday 13 June - Wednesday 2 July (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Fri 14 March.

2. The standard last date for withdrawal from this course is Friday 16 May 2014. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an "*Application for Associate Dean's Permission to Withdraw Late*" including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

Course Learning Objectives

Students passing this course should be able to:

1. articulate the implications for socially desirable decisions of environmental externalities
2. articulate the principles of socially desirable decisions regarding the use of natural resources
3. explain and critique methods used to conduct valuations of environmental resources and cost-benefit analyses of environmental regulations
4. apply economic theory to model decisions that have impacts on the environment or resource stocks.

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Course delivery

There are 24 lectures of 50 mins each, plus eight 50 min tutorials. However some lecture and tutorial times will be allocated to student presentations.

Expected Workload

The expected workload is a total of 150 hours. In addition to the lecture and tutorial times, this might include tutorial preparation of 16 hours, reviewing material for the test and exam of 80 hours and working on assignments for 20 hours.

Class representative

A class representative will be elected in the first class, and that persons name and contact details made available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Student feedback

Student feedback on University courses may be found at www.cad.vuw.ac.nz/feedback/feedback_display.php.

Link to general information

For general information about course-related matters, see
http://www.victoria.ac.nz/vbs/studenthelp/general-course-information

Approximate lecture schedule

	Wednesday	**Friday**
W1.	March 5 Introduction no tutorial	March 7 Market failure & dynamic efficiency no tutorial
W2.	March 12 Market failure & dynamic efficiency Tutorial, group 1 (YS)	March 14 Depletable & renewable resources Tutorial, group 2 (YS)
W3.	March 19 Depletable & renewable resources Tutorial, group 1 (YS)	March 21 Energy Tutorial, group 2 (YS)
W4.	March 26 Water Tutorial, group 1 (YS)	March 28 Fisheries Tutorial, group 2 (YS)
W5.	April 2 Land no tutorial	April 4 Population no tutorial
W6.	April 9 Cost-Benefit Analysis no tutorial	April 11 Cost-Benefit Analysis no tutorial
W7.	April 16 Cost-Benefit Analysis no tutorial	April 18 holiday
	Mid-term break	Mid-term break
W8.	May 7 mid-term test no tutorial assignment 1 due	May 9 Uniformly-mixed flow pollutants no tutorial
W9.	May 14 Uniformly-mixed flow pollutants Tutorial, group 1 (PC)	May 16 Uniformly-mixed flow pollutants Tutorial, group 2 (PC)
W10.	May 21 Air & water Tutorial, group 1 (PC)	May 23 Air & water Tutorial, group 2 (PC)
W11.	May 28 Environmental liability Tutorial, group 1 (PC)	May 30 Mobile sources & design standards Tutorial, group 2 (PC)
W12.	June 4 Student presentations “ “	June 6 Student presentations “ “