



UG Course Outline
EC3317: Environmental Economics
2019/2020

Michael Simmons
E-mail: *michael.simmons@rhul.ac.uk*
Office: *TBA*
Office hours: *TBA*

Daim Syukriyah
E-mail: *daim.syukriyah.2018@live.rhul.ac.uk*
Office: *TBA*
Office hours: *TBA*

Martin Guenther
E-mail: *martin.guenther.2016@live.rhul.ac.uk*
Office: *TBA*
Office hours: *TBA*

Aims

EC3317 aims to introduce students to environmental economics. The main concepts include efficiency, externalities public goods, property rights, cost-benefit analysis, and regulation.

Course Objectives

Successful students will:

- Understand how economic methods can be applied to environmental issues facing society
- Understand difficulties arising in using economic analysis in environmental policy design
- Solve and manipulate a variety of diagrammatic and algebraic models in environmental economics, and critically evaluate these models
- Be familiar with a number of real world environmental policy problems and understand how economic analysis has been applied to their solution

Course Delivery

The course is delivered through a weekly two-hour lecture, and a weekly one-hour seminar

Assessment and Coursework

- A two-hour written final exam (weight 75%)
- A 50-minute midterm exam (weight 15%)
 - **The midterm exam will test on the material that was taught before the reading week**
- Two problem sets (weight 10%)
 - Compliance (5%): Full compliance will award 5 marks. Students missing 1 submission will obtain 2 marks and students missing 2 or more will obtain 0 marks.
 - Performance (5%): Two submissions (at random) graded on a Pass/Fail scale. Two Pass grades: 5 marks. One Pass grade: 2 marks. Zero Pass grades: 0 marks.
 - **The problem sets need to be submitted in the beginning of each seminar.**

Required Materials

- Kolstad, C., Intermediate Environmental Economics, 2011 (2nd ed.), Oxford University Press.
- Course notes and problem sets available on Moodle

Further Reading

- Harris, J. and Roach, B., Environmental and Natural Resource Economics, 2018 (4th ed.), Routledge.
- Tietenberg, T. and Lewis, L. Environmental Natural Resource Economics, 2018 (11th ed.), Pearson.
- Hanley, N., Shogren, J. and White, B., Introduction to Environmental Economics, 2001, Oxford University Press.

Schedule

The schedule is tentative and subject to change.

Week 01

- Introduction (Kolstad Ch. 1-2)

Week 02

- Making Societal Choices (Kolstad Ch. 3)

Week 03

- Welfare and Markets (Kolstad Ch. 4)

Week 04

- Public Goods and Externalities (Kolstad Ch. 5)

Week 05

- Decision Making and Environmental Protection (Kolstad Ch. 6)

Week 06

- Reading Week

Week 07

- Pricing Emissions (Kolstad Ch. 12)

Week 08

- Midterm exam in the lecture. Seminars still on.

Week 09

- Tradable Permits and Regulation with Adverse Selection (Ch. 13 and 16)

Week 10

- Development and Growth (Kolstad, Ch. 20)

Week 11

- Regulation with Moral Hazard and Dynamics/Revision (Kolstad, Ch. 17)