



Academic year	2015-16
Subject	20620 - Environmental Economics
Group	Group 40, 1S, GECO
Teaching guide	H
Language	English

Subject identification

Subject	20620 - Environmental Economics
Credits	1.8 de presencials (45 hours) 4.2 de no presencials (105 hours) 6 de totals (150 hours).
Group	Group 40, 1S, GECO (Campus Extens)
Teaching period	First semester
Teaching language	English

Professors

Lecturers	Horari d'atenció als alumnes					
	Starting time	Finishing time	Day	Start date	Finish date	Office
Àngel Bujosa Bestard angel.bujosa@uib.es	11:00	12:00	Thursday	14/09/2015	30/09/2016	DB256 (demanar cita prèvia per e-mail)

Contextualisation

This subject on Environmental Economics is intended to provide students with knowledge on 1) the most important environmental problems and their interpretation from an economic perspective, 2) the analytical techniques for assessing the economic value of the environment, 3) the principles, rules and procedures of sustainable development from an economic view, and 4) the theory and foundations of environmental policy analysis. While these goals aim to provide students with a range of knowledge related to the terminology, methodology, principles and theories of environmental economics, they also attempt to develop in students the ability to apply the information and knowledge learned throughout the Degree in Economics in specific situations and problems of the new economic context. In this way, the instruments provided in the Environmental Economics subject will become a useful tool in their future professional development.

Requirements

Essential requirements

This subject is mainly addresses to students with economic background at an advanced stage of their studies. Students without any economic background are advised to consult professor before enrolling.



Teaching guide

Recommendable

Students with economic background that have not taken courses on Microeconomics, Welfare Economics and Microeconometrics are advised to become familiar with the fundamentals and concepts of these fields by means of any textbook related to these areas of knowledge.

Skills

Specific

- * CE1. Contribute to the good management of the resources' allocation in the private and public scope.
- * CE4. Assess the consequences of alternative actions and choose the best one based on the objectives.
- * CE10. Derive relevant data impossible to recognize for non-professionals in Economics.

Generic

- * CG3. Apply professional criteria based on the management of technical tools to the analysis of problems.
- * CG5. Analyze problems with critical thinking, without prejudice, with precision and rigor.
- * CG8. Contribute, through the exercise of professional activity, to the development of human rights, democratic principles, equal opportunities and universal accessibility, of peace and solidarity, and environmental protection.

Basic

- * You may consult the basic competencies students will have to achieve by the end of the degree at the following address: <http://www.uib.eu/study/grau/Basic-Competences-In-Bachelors-Degree-Studies/>

Content

The contents of the Environmental Economics program attempts to analyze environmental problems from an economic perspective, the economic value of the environment and the methods for assessing environmental quality, renewable and nonrenewable resources, environmental regulation and the assessment of environmental policies, the role of companies to environmental problems and the dilemma growth-environment. To achieve these objectives, the course is divided in six modules listed below.

Theme content

Module I. Introduction

Unit 1. Introduction to natural resource and environmental Economics

- 1.1 Environmental pressures and tensions
- 1.2 Types of environmental problems
- 1.3 Economics and Ecology
- 1.4 Environmental Economics versus Ecological Economics

Unit 2. The study object: the problematic of the environment

- 2.1 Natural resource definition and classification
- 2.2 Environmental functions and environmental services
- 2.3 The problem: the absence of price

Teaching guide

2.4 The operation of imperfect markets

Unit 3. Economics, politics and the environment

3.1 Society, property rights and the environment

3.2 Society, the market and the environment

3.3 Society, State and the environment

Module II. Economic valuation of the environment

Unit 4. The economic value of the environment

4.1 The reasons for valuing the environment

4.2 What gives value? Who expresses these values? How do we express them?

4.3 The total economic value

4.4 The limits of the analysis

Unit 5. Measuring welfare changes: the neoclassical legacy

5.1 Welfare measures

Unit 6. An overview of economic valuation methods

6.1 Criteria for classifying valuation methods

6.2 The separability of the utility function

6.3 Revealed preference methods

6.4 Stated preference methods

Unit 7. The contingent valuation method

7.1 Introduction

7.2 Biases

7.3 Designing a valuation study

Unit 8. The travel cost method

8.1 Underlying assumptions

8.2 The zonal model

8.3 The individual model

8.4 Specification of relevant variables

Module III. Natural resource Economics

Unit 9. Natural resource management

9.1 Uncertainty and irreversibility

9.2 The precautionary principle and the safety minimum standards

9.3 Weak and strong sustainability

Unit 10. Renewable and non-renewable resources

10.1 The management of renewable resources: the biological model and the economic model

10.2 The management of non-renewable resources: Hotelling's rule

Module IV. Environmental policy

Unit 11. Environmental policy tools

11.1 The optimal level of pollution

11.2 The Coase theorem

11.3 Economic instruments

Teaching guide

11.4 Command-and-control instruments

Teaching methodology

In-class work activities

Modality	Name	Typ. Grp.	Description	Hours
Theory classes	Theoretical Lessons	Large group (G)	The theoretical foundations that students must acquire during the course will be presented in these classes. The theoretical lessons will follow the program presented above.	22
Seminars and workshops	Seminars	Medium group (M)	The seminars are intended to encourage the exchange of views between participants and to facilitate the use of theoretical knowledge into reality through the study and discussion of case studies.	3
Practical classes	Practical Lessons	Medium group (M)	The practical classes will be devoted to the presentation, discussion and resolution of case studies and to the presentation and discussion of the projects carried out by the students.	15
Assessment	Final exam	Large group (G)	Final exam to evaluate the acquired knowledge.	2
Assessment	Midterm exam 1	Large group (G)	Midterm exam to evaluate the acquired knowledge.	1.5
Assessment	Midterm exam 2	Large group (G)	Midterm exam to evaluate the acquired knowledge.	1.5

At the beginning of the semester a schedule of the subject will be made available to students through the UIBdigital platform. The schedule shall at least include the dates when the continuing assessment tests will be conducted and the hand-in dates for the assignments. In addition, the lecturer shall inform students as to whether the subject work plan will be carried out through the schedule or through another way included in the Campus Extens platform.

Distance education work activities

Modality	Name	Description	Hours
Individual self-study	Case study resolution	Individual self-study and resolution of case studies to analyze and solve the problems presented by the professor.	20
Individual self-study	Study time	Individual self-study to acquire the contents developed in the course.	55
Group self-study	Study time	Group self-study to acquire the contents developed in the course.	30

Teaching guide

Specific risks and protective measures

The learning activities of this course do not entail specific health or safety risks for the students and therefore no special protective measures are needed.

Student learning assessment

Final exam

Modality	Assessment
Technique	Objective tests (retrievable)
Description	Final exam to evaluate the acquired knowledge.
Assessment criteria	Written examination to assess the knowledge acquired by students using short-answer questions, the resolution of case studies and/or multiple-choice questions. This exam represents the 50% of the final grade and can be retrieved in the extraordinary period of assessment indicated in the course calendar.

Final grade percentage: 50%

Midterm exam 1

Modality	Assessment
Technique	Objective tests (non-retrievable)
Description	Midterm exam to evaluate the acquired knowledge.
Assessment criteria	The student will be required to apply the knowledge acquired during the course by means of a multiple-choice test based on short case studies and/or several academic papers. The multiple-choice test, that represents the 25% of the final grade, will cover the content of the first part of the course and cannot be retrieved in the extraordinary period of assessment indicated in the course calendar.

Final grade percentage: 25%

Midterm exam 2

Modality	Assessment
Technique	Objective tests (non-retrievable)
Description	Midterm exam to evaluate the acquired knowledge.
Assessment criteria	The student will be required to apply the knowledge acquired during the course by means of a multiple-choice test based on short case studies and/or several academic papers. The multiple-choice test, that represents the 25% of the final grade, will cover the content of the second part of the course and cannot be retrieved in the extraordinary period of assessment indicated in the course calendar.

Final grade percentage: 25%

Resources, bibliography and additional documentation

Basic bibliography





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Callan, S.J., Thomas, J.M. (2010). Environmental economics & management: theory, policy, and applications. Mason (Ohio): South-Western Cengage Learning.

Hanley, N., Shogren, J. F.; White, B. (2007). Environmental economics. In theory and practice. Palgrave MacMillan (2nd edition).

Perman, R., Ma, Y., McGilvray, J., Common, M. (2003). Natural resource and environmental economics. Harlow, England: Pearson/Addison Wesley.

Complementary bibliography

Hanley, N., Shogren, J., White, B. (2013). Introduction to environmental economics. United Kingdom: Oxford University Press

Pearce, D.W., Turner, R.K. (1990). Economics of natural resources and the environment. Johns Hopkins University Press.

