

# NATURAL RESOURCE AND ENVIRONMENTAL ECONOMICS ECONOMICS EC2172A-001

Department of Economics  
Western University

I. Trela

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**Class:** T 10:30-11:30 B&GS 0165, Th 10:30-12:30 B&GS 0165

**Office Hours:** M, W 12:30-1:30, or any time my office door is open

**Course website:** <https://owl.uwo.ca/portal>

**Undergraduate inquiries:** 519-661-3507 SSC Room 4075 or [econungrd@uwo.ca](mailto:econungrd@uwo.ca)

## Registration

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

## Prerequisite Note

The prerequisites for this course are **Economics 1021A/B** and **1022A/B**, or **Economics 2001A/B**.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken an antirequisite course. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

## Course Objective

Environmental economics is a valuable means of inquiring why people behave as they do toward the natural environment and how we might restructure the current system to rectify harmful practices. Its strength lies in the fact that it can help design effective environmental policies, get more environmental improvement from the resources we devote to these programs, and help us learn more about the levels of environmental damages and the values people put on improving the environment. The aim of this course is to present students with the types of problems environmental economists work on and some of the approaches they might take.

## Learning Outcomes

Students will be able to apply economic reasoning and methods effectively to the study of environmental issues.

Students will be able to use economic theories of market inefficiency to explain environmental problems.

Students will be able to identify major current environmental problems and their economic components.

Students will be able to identify major current policies to remedy environmental problems.

Students will be able to apply the concept of trade-off to environmental policies.

Students will be able to use elementary cost-benefit analysis to measure the effectiveness of environmental policies.

Students will be able to evaluate the impact of environmental policies on individual and social welfare.

## Text

Barry Field and Nancy Olewiler, *Environmental Economics*, 4th Canadian edition, McGraw-Hill Ryerson, 2015.

The textbook is also available as a **McGraw-Hill Ryerson E-Text**, which you can order through the campus book store.

The textbook is also available on 2 hr reserve at D.B. Weldon Library.

## Assessment

Midterm*	Scheduled for Friday, November 3, 6:00-8:00pm	40%
Final Exam*	To be announced by the Registrar's Office	60%

\*The midterm and final exams are each 2 hours in length and in multiple choice formats. Questions will be a mix of theory questions (in multiple choice format), true and false statements (in multiple choice format), problems (in multiple choice format), and questions based on information presented in tables and/or graphs (in multiple choice format).

### Missed exam

You must notify both me and your Faculty's Academic Counselling Office within 48 hours of your absence from a scheduled exam. Only with approved documentation (medical, death/illness of a family member) will you be allowed to write a makeup exam. Documentation must be submitted to your Faculty's Academic Counselling Office; the Academic counsellor will then inform me if an accommodation may be granted. If you miss an exam for medical reasons, you must fill in the Student Medical Certificate form and return it to your Faculty's Academic Counseling Office. The Student Medical Certificate form can found here:

[https://studentservices.uwo.ca/secure/medical\\_document.pdf](https://studentservices.uwo.ca/secure/medical_document.pdf)

### Course Website

<http://owl.uwo.ca>: This site gives you access to lecture notes, video clips and other readings, homework questions (analytical problems and discussion questions from the Field and Olewiler textbook and other questions), review questions, and announcements. **The lecture notes posted on the course website are supplementary material and should not be regarded as a substitute for lectures. There will be many topics covered in class that are NOT in the posted lecture notes. Students are reminded that all class material (including posted lecture notes and additional topics covered in class that are not in the posted lecture notes), homework questions and review questions will ALL be subject to examination.**

### Course outline

#### 1. Introductory

What is Environmental Economics? Chapter 1

Linkages between the Economy and the Environment: A Taxonomy, Chapter 2

#### 2. Basic Microeconomic Foundations of Environmental Economics

Benefits and Costs, Supply and Demand, Chapter 3

Economic Efficiency and Markets, Chapter 4

The Economics of Environmental Quality, Chapter 5

#### 3. Cost-Benefit Analysis

Framework of Analysis, Chapter 6

Benefit-Cost Analysis: Benefits, Chapter 7

Benefit-Cost Analysis: Costs, Chapter 8

#### 4. Environmental Policy Analysis

Criteria for Evaluating Environmental Policies, Chapter 9

Liability Laws, Property Rights, Moral Suasion, Green Goods, Chapter 10  
Standards, Chapter 11

Emission Taxes and Subsidies, Chapter 12

Transferable Discharge Permits, Chapter 13

Environmental Policies in Perspective, Chapter 14

#### 5. Environmental Policy in Canada

Environmental Policy in Canada: An Overview, Chapter 15

Water Pollution-Control Policy, Chapter 16

Air Pollution-Control Policy, Chapter 17

Policy on Toxic and Hazardous Substances, Chapter 18

Recycling, Solid Waste Disposal, and Land Use, Chapter 19

Global Environmental Problems, Chapter 20

**Please Note**  
Department Policies for 2017 – 2018

Remember that the University expects all students to take responsibility for their own academic Programs. Also remember to check your registration to make sure you are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at <http://westerncalendar.uwo.ca>.
2. Students must familiarize themselves with the “Rules of Conduct for Examinations” <http://westerncalendar.uwo.ca/2017/pg136.html>.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other economics courses or programs. The University may impose further penalties such as a notation on your official academic transcript, suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. Whenever students take an idea or a passage from another author, they must acknowledge it by using quotation marks where appropriate and referencing with footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the current UWO Academic Calendar at <http://westerncalendar.uwo.ca/2017/pg113.html>).

The University of Western Ontario uses software to check for plagiarism and students may be required to submit their written work in electronic form. Those found guilty will have penalties imposed as noted in point 3.

5. It is Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students are responsible for submitting assignments in class or to the instructor during office hours.
6. When appealing a mark, students should refer to the University’s Procedures in the current UWO Academic Calendar (<http://westerncalendar.uwo.ca/2017/pg112.html>). Please note the relevant deadlines.

The Department will not consider any appeal unless an attempt has been made to settle the matter first with your instructor. If after this discussion you remain dissatisfied with a grade or other decision, you may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for your appeal. A useful form and checklist is provided at ([http://economics.uwo.ca/undergraduate/program\\_counselling/responsibilities\\_policies.html#appeals](http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals)).

7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following add and drop deadlines:

Last day to **add** a 1<sup>st</sup> term half course:  
**Friday, September 15<sup>th</sup>, 2017**

Last day to **add** a 2<sup>nd</sup> term half course:  
**Tuesday, January 16<sup>th</sup>, 2018**

Last day to **drop** 1<sup>st</sup> term half course without academic penalty:  
**Monday, November 13<sup>th</sup>, 2017**

Last day to **drop** 2<sup>nd</sup> term half course without academic penalty:  
**Wednesday, March 7<sup>th</sup>, 2018**

9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is not an excuse for a make-up. This rule applies to all mid-term tests and final exams in the Department of Economics.

### **Policy Regarding Makeup Tests and Final Examinations**

*Academic accommodation will **not** be granted automatically on request. You **must** demonstrate by documentation that there are **compelling** medical or compassionate grounds before academic accommodation will be considered.*

If you decide to write a test or an examination, you must be prepared to accept the mark you earn. Rewriting tests or examinations, or having the value of the test or examination reweighted on a retroactive basis, is **not** permitted. Book airline flights after you know the dates of your final examinations. Airline flights must not conflict with test or final exams.

If you are requesting a makeup test for a midterm or a final examination, unless medically incapable, notify your instructor by email or phone, preferably prior to the scheduled date of the test, but definitely within **24 hours** of the date of the test or exam. Failure to follow this procedure may result in denial of a request for academic accommodation or result in a grade of zero. Set up an appointment as soon as possible to meet personally with your instructor. If the instructor is not available, you may send an email message, copying the Undergraduate Coordinator at [econugrd@uwo.ca](mailto:econugrd@uwo.ca) (Social Science Room 4075). **Notifying your instructor of a missed test or exam does not automatically entitle you to a makeup test.**

Students who seek a makeup test or examination must provide medical or other relevant verification that their absence from a regularly scheduled test or examination is beyond their control. Documentation must support your reasons. Medical documentation should be given to the Academic Counselling Office of your *home* Faculty **as soon as possible (preferably within 24 hours of the test)** if you know you may not be able to write your final examination on the scheduled day and time. Failure to follow this procedure, or to provide supporting documentation, may result in denial of a request for academic accommodation or result in a grade of zero. If your documentation is not acceptable, you will be given a zero for the missed test.

For personal illness, if you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used and can be found at:

[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf). Notes stating "For Medical Reasons" are not considered sufficient.

For any other circumstances, if you are not sure what documentation to provide, ask your Academic Counsellor. If your documentation is judged sufficient, the Academic Counsellor will issue a Recommendation for a Special Examination (a single form for midterms or a triple color form for final examinations). Once you have this form, contact your instructor as soon as possible to make arrangements. Even if approved from your home faculty Academic Counsellor, there is no guarantee that you will be allowed to write the makeup test and exam.

For final examinations, you need permission from your *home* Faculty Counsellor, your instructor, and the Department Undergraduate Director. Failure to follow this procedure may result in an examination grade of zero. You must ensure that the Special Examination form has been signed by

the instructor and Department Undergraduate Director and that the form is returned to the Academic Counselling Office for approval without delay. Make-up final examinations, if permitted, will be written within one month of the end of the exam period.

### **Policies Regarding Academic Accommodation**

Information about the Faculty of Social Science's policies regarding academic accommodation is found on its website at <http://counselling.ssc.uwo.ca/procedures/havingproblems.asp> or in Social Science Room 2105. Your "Academic Rights and Responsibilities" are also outlined in the current UWO Calendar at <http://westerncalendar.uwo.ca/2017/pg111.html>. Claiming that "you didn't know what to do" is not an acceptable excuse for not following the stated procedures.

### **Policy Regarding Class Attendance**

If your instructor views your class attendance as unsatisfactory, you can be prohibited from writing the final examination. If there is intent to make use of this University policy, you will be notified in writing.

### **Statement on Mental Health and Support Services**

If you or someone you know is experiencing emotional/mental distress, there are several resources here at Western to assist you. Please visit <http://www.uwo.ca/uwocom/mentalhealth/> for more information and a complete list of resources, as well as how to obtain help.