Global Green MBA – Damia Class

Environmental and Resource Economics (8210)

Syllabus – 2017

Lecturer: Dr. David Katz
Email: katzd@geo.haifa.ac.il
Office Hours: Mondays: 16:00-17:00 or by appointment in Rabin Bldg. 8016

Course Session Hours:

1. 02.01.17 (17:00-20:00)
2. 09.01.17 (17:00-20:00)
3. 16.01.17 (17:00-20:00)
4. 23.01.17 (17:00-20:00)
5. No class on 30.01.17
6. 06.02.17 double session 14:00-17:00 and 17:00-20:00
7. 13.02.17 (17:00-20:00)
8. 20.02.17 (17:00-20:00)

Exam: 27.02.17 17:00-20:00

Location: Room 205, Jacobs Building

Objectives: This course will expose students to economic theory of environmental and natural resource management. It will cover a brief introduction of basic welfare economics and applied micro-economic analysis to environmental issues. The beginning of the course will focus on the role of markets in ensuring resource efficiency. The course will then spend much time covering sources of market failure such as externalities and public goods problems and will present and evaluate various economic approaches to addressing such market failures. The course will then address techniques for non-market valuation and for benefit-cost analysis. It will also develop simple models for optimal renewable and non-renewable resource extraction and allocation. Finally, the course will address a limited number of macro-economic issues such as green national accounting, limits to growth, and international trade and the environment. Throughout, the course will emphasize understanding how incentives shape human behavior, and how altering incentives can affect environmental outcomes.

Course Format: Lectures will cover theory and applications.

Course Requirements and Grading: The course requires

- active participation in class lectures and discussions,
- submission of 4 homework assignments (each of which comprises 10% of the final grade), and
- successful completion of an exam (which is 60% of the final grade).
Course materials:


There are many good introductory text books on this topic. The primary advantage of this one is that it is relatively cheap, up to date, and concisely written.

In addition, for each topic, additional readings are assigned. These readings will be posted on the course website and may change during the course.

The course is divided into topics. Some topics will be covered in one week, while others will take two weeks. I will inform you of the appropriate readings as the course progresses.

**TOPICS & READINGS**

1. Environment and economics – Understanding the connections
   - M&E, Chapter 1

2. Economic markets – the basics
   - M&E, Chapters 2 and 4

3. Environmental externalities and market failure
   - M&E, Chapter 5 - externalities

4. Policy mechanisms for addressing environmental externalities
   - M&E, Chapters 8,9, 10
   - "Last gasp for the forest", *The Economist* 24 September, 2009.

5. Non-market valuation techniques
   - Braden, J., “How Valuable is Valuation? Issue Overview”

6. Public goods and common pool resources
7. Discounting the future and benefit cost analysis
- M&E, Chapter 3 – benefit cost analysis

8. Sustainability and economic growth
- M&E, Chapter 3 – benefit cost analysis
- Daly, H., "Economics in a Full World", Scientific American, September, 2005

9. International trade and the environment
If we have time, we will also address issues relating to international trade: