Course unit title:	Environmental Economics		
Course unit code:	ABSE 305		
Type of course unit:	Elective		
Level of course unit:	Advanced		
Year of study:	3rd or 4th		
Semester when the unit is delivered:	1st or 2nd		
Number of ECTS credits allocated :	6		
Name of lecturer(s):	Bernard Musyck		
Learning outcomes of the course unit:	Identify four essential questions that need to be answered when analysing environmental problems (application of this framework to the problem of global warming) Identify the issues of ethics and economics: review of concepts of utilitarism and social welfare functions Distinguish the concepts of resource degradation and externalities; efficiency and safety standard and sustainability. Analysis of consumption and welfare, analysis of environmental regulation, monitoring and enforcement Appraise how incentive-based regulations work Identify what are clean technologies Recognise the interaction between energy policy and the environment Determine why and how poverty, population and the environment are all interlinked Identify environmental policy in the context of poor countries Evaluate the economics of Global Agreements		
Mode of delivery:	*Ex cathedra* lectures, class discussions and presentations		
Prerequisites:	ABSE 203 and ABSE 204	Co-requisites:	None
Recommended optional program components:	None		
Course contents:	Four economic questions about global warming: How much pollution is too much? Is the Government up to the job? How can we do better? Can we resolve global issues? Ethics and Economics: Utilitarism and social welfare functions as externalities Pollution and resource degradation: the open access problem, the public goods problem. Case study: over fishing and aquaculture The efficiency standard: efficiency pollution levels, the Coase theorem, the ethical basis for efficiency standard The safety standard: the right to safety? Inefficient, not cost effective and regressive? Sustainability: a neoclassical view and ecological view (net national welfare, natural capital depreciation, future benefits, costs and discounting, Malthus and ecological economics, measuring sustainability and the ecological versus neoclassical debate) Measuring the benefits and costs of environmental protection (types of non market benefits, consumer surplus, risk assessment and perception, engineering costs, productivity and employment impacts of regulation and monopoly costs)		

	Is more really better? Consumption and welfare (money and happiness, social norms and rate race, positional goods and consumption externalities, welfare and social consumption) Environmental regulation: the process of regulation, regulation under imperfect information, bureaucratic discretion and political influence Monitoring and enforcement: the economics of crime and punishment, compliance record and cost effective enforcement Incentive-based regulation: cost effectiveness and technological progress. Case study of the Carbon Dioxide Trading system in Europe Promoting clean technologies: small scale and large scale technologies: case studies Energy policy and the environment: electricity, heat and transport Poverty, population and the environment: family size, population growth and the global environment. How to envisage a sustainable future? Environmental policy in poor countries: damaging subsidies, property rights, resource conservation and debt relief The economics of global agreements: monitoring and enforcement, biodiversity and global warming
Recommended and/or required reading:	See textbook
Textbooks:	Goodstein, E (latest ed) Economics and the Environment, 5th edition, Wiley
References:	Field, B & Field, M (latest ed) Environmental Economics, 5th edition, McGraw-Hill Tietenberg, T & Lewis, L (latest ed) Environmental Economics & Policy, 6th edition, Prentice Hall Tietenberg, T & Lewis, L (latest ed) Environmental and Natural Resource, 8th edition, Prentice Hall
Planned learning activities and teaching methods:	Lectures, discussions and presentations by students
Assessment methods and criteria:	Mid-term 40% Final examination 60%
Language of instruction:	English
Work placement(s):	Not applicable