

Course Outline

University of Regina
Department of Economics

ECON 296AH-070: Issues in Ecological Economics
Spring/Summer 2016

Instructor: Dr. Fred Olayele
Meeting Times: MW 7:00 – 9:45 pm
Place: Classroom Building 420
Email: fred.olayele@uregina.ca
TA: TBA; **Office Hours:** TBA

Course Overview

This course provides an introduction to ecological economics. We take a holistic perspective; the ever-expanding knowledge of ecology is incorporated into traditional economic theory. Among other things, basic concepts such as economic growth, environment, natural resources, and market failures are examined from a variety of economic perspectives. Students will learn basic economic concepts and analytical tools used to understand and assess the optimal scale of the economy in relation to the environment. At the end of the course, students should be capable of using ecological economic concepts and methods to propose scholarly research, or evaluate environmental policy issues which can help achieve viable, sustainable economies. We will examine some real global ecological issues, as well as available policy options – as implemented in Canada and abroad.

Course Expectations

The course design assumes that you will attend all the classes and review all assigned readings. To help you achieve your course objectives and prepare for the exams, I will discuss and explain key concepts in class, work out problems in class, assign practice problems, and provide one in-class midterm exam. You are encouraged to ask questions during or after class, or via email. To learn the material and prepare for the exams, you should study the textbook chapters, take notes in class, ensure you understand all the concepts, and work out all the practice problems as they are assigned. By doing the assignments provided, you will practice the material to make it your own. These are all sound learning strategies!

Attendance Policy

I will be allocating points for attendance, so I strongly encourage you to attend classes. Lectures will not follow the text in a strict sense; I will introduce supporting and tangential material not contained in the text. For a complete understanding of the course material and to achieve excellent grades, you should plan to attend all lectures. The PowerPoint slides for all lectures will be available on the web site. To help you achieve ongoing engagement with the material, I will assign two assignments, one group paper, one group presentation and one midterm exam. The due dates for assignments and schedule for midterm, group projects and group presentations will be provided in due course.

Academic Honesty

You are expected to be honest in your academic work. Cheating on assignments or examinations will not be tolerated. Students will be penalized for the use of the work or ideas of another person without properly acknowledging the contribution of that person through footnotes, endnotes or others. Students' use of others' expression of ideas, whether quoted verbatim or paraphrased, must also be clearly acknowledged according to acceptable academic practice (University of Regina, 2008-2009 Undergraduate calendar, Part 5 (5.13)). Potential sanctions include failure in the course and suspension from the University. If you have any questions about my expectations, please ask.

Assignments

While I encourage group learning, the solutions to the assignments that you submit must be your own independent work. Identical works will be considered scholastic dishonesty, will be given a grade of zero and will be reported to the Associate Dean of Arts for academic misconduct. No late assignments will be accepted. If you miss an assignment due to medical reasons, and can provide me with an appropriate medical certificate, the weight of the uncompleted assignment will then be reassigned equally to the second assignment. Assignments will be given after class and they will have to be submitted the following week, at the beginning of class (7:00 p.m).

Special Requirements

Any student with a disability who may need accommodations should discuss these with the course instructor, and contact the coordinator of the Disability Resource Office at 585-4631. The rights and responsibilities of special needs students in Faculty of Arts courses are outlined in the Faculty of Art Special Needs Procedure, which is available from the Faculty of Arts Records Office in CL 411.

Textbook

The main textbook for this course is: Ecological Economics: Principles and Applications (Second Edition): By Herman E. Daly and Joshua Farley

Other Important Issues

Please do not sleep, talk or receive phone calls during lecture. As you may know, these are distracting to everyone.

Class Participation

Note that 10% of your course grade will be based on class participation, so make sure to come to class prepared to participate.

Group Project

There will be a group project and class presentation (PowerPoint) which will constitute 40% of your course grade. You will be divided into groups in due course.

Course Evaluation

- Class Participation – 10%
- 2 Assignments – 20% (each worth 10%)
- Midterm Exam (July 27) – 30%
- Group Presentation – 20%
- Final Group Paper (Due on August 22 at 7:00 pm) – 20%

If you were to miss the midterm due to injuries or illness, a medical note is required according to university regulations. In that case, the weight for the midterm will be shifted. Without a medical note, the midterm will be given a grade of zero. Guidelines for the group presentation and final paper will be discussed in class. The midterm will be “closed book/closed notes”. Details will be provided in due course.

Course Outline

Section 1: Introduction to Ecological Economics

- Economics and Ecology
- Scale, Distribution and Efficiency
- Throughput, Efficiency and Utility
- Resources and Prioritization

Section 2: Analytical Framework

- Fundamentals of Market Models
- Externalities and Market Failures
- Economic Efficiency and Property Rights
- Modeling the Economic-Environment Relationship
- The Concept of Net Benefits
- Net Present Value (NPV)
- Benefit/Cost Ratio

Section 3: Economic Growth in a Finite World

- Physical Limits to Growth
- Grounding Economics in the Biophysical World
- Carrying Capacity and Ecological Footprints
- Laws of Thermodynamics
- Complexity and Irreplaceability of Ecosystems

Section 4: Measuring Economic Progress

- Pricing and Valuing Natural Capital and Ecosystems Services
- Internalizing Full Ecological Costs – Regulation v. Incentives
- Non-Market Valuation
 - Contingent Valuation Method
 - Contingent Ranking Method
 - Travel Cost Method
 - Hedonic Pricing Method
 - Benefit Transfer Method

Section 5: Income Distribution and Sustainable Development

- Pareto Optimality
- The Distribution of Income and Wealth
- The Functional and Personal Distribution of Income
- Intertemporal Distribution of Wealth
- Spatial Equity, Temporal Equity and Ecological Deficits
- A “Sustainable Fund” Model

Section 6: Policy Issues

- Controlling Throughput
- Price vs. Quantity as the Policy Variable
- Source vs. Sink
- Property Rights
- Direct Regulation
- Pigouvian Taxes
- Pigouvian Subsidies
- Tradeable Permits
- Redefining Efficiency

Disclaimer: The information in this course outline is subject to change; any changes will be announced in class.