

# HS 229: Environmental Economics

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**Mrinal Kanti Dutta** (mkdutta@iitg.ac.in)

Dept. of Humanities and Social Sciences, IIT Guwahati



A scenic landscape photograph of a mountain valley. In the foreground, a calm lake reflects the surrounding scenery. The middle ground features a dense forest of evergreen trees, with several bright yellow shrubs or small trees standing out. The background shows rugged mountains with patches of snow under a clear blue sky.

# Course Outline

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# I. The Economy and the Environment

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- Economy-environment interaction
- The first and second law of thermodynamics
- Environmental degradation as market failure
- Pigovian tax, property rights and transactions costs





## 2. Economics of Natural Resources

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- Resource Taxonomy
- Renewable and non-renewable resources
- Common property resources
- Open access, the tragedy of commons





# 3. Valuation Techniques

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- Classification of environment and resource flows, use and non-use value
- Contingent valuation, hedonic pricing, travel cost method
- Environmental impact assessment







## 4. Pollution Control



- Pollution Prevention, control and abatement
- Command and control instruments and market based instruments– taxes vs. tradeable permits
- Overview of different acts/laws for pollution control in India





# 5. Environment and Development

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- Environment-development trade off, environmental Kuznet curve

- Poverty and environment
- Sustainable development-concepts and indicators
- Environmentally adjusted GDP, System of Integrated Environmental and Economic Accounting (SEEA)





A scenic landscape featuring a calm lake in the foreground, a dense forest of evergreen and deciduous trees in the middle ground, and majestic mountains with patches of snow in the background under a clear blue sky.

# Texts/References

1. N. Hanley, J. F. Shogren and B. White, *An Introduction to Environmental Economics*, Oxford University Press, 2001
2. C. Kolstad, *Environmental Economics*, Oxford University Press, 2000
3. N. Hanley, J. F. Shogren and B. White, *Environmental Economics: In Theory & Practice*, 2nd Revised edition, Palgrave MacMillan, 2006





# Texts/References

4. T. Tietenberg, *Environmental and Natural Resource Economics*, Pearson Education, 2004

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5. U. Sankar (ed.), *Environmental Economics (Readers in Economics)*, Oxford University Press, 2001





# About the Class

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- Classes will be held as per time table (M/T (12-12.55 pm) and F (11.00-11.55 am))
- Attendance in class is important
- Interaction highly welcome





# About evaluation

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- Evaluation will be done as mandated by the Academic Section
- Mid-semester and end-semester examinations are mandatory
- We shall target for quiz/zes for continuous evaluation
- Weightage of each component for evaluation will be as follows:
  - Mid-sem: 30%, End sem: 50%, Quiz: 20%
- Any change in the evaluation process will be intimated well in advance



# THANK YOU!

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