

ECON2127

ENVIRONMENTAL ECONOMICS

Course Outline

Semester 1, 2017

Part A: Course-Specific Information

Students are also expected to have read and be familiar with **Part B Supplement to All Course Outlines**. This contains Policies on Student Responsibilities and Support, Including Special Consideration, Academic Misconduct and Plagiarism, and Key Dates.

Table of Contents

1	<u>STAFF CONTACT DETAILS</u>	1
1.1	Communications with staff	1
2	<u>COURSE DETAILS</u>	1
2.1	Teaching Times and Locations	1
2.2	Units of Credit	1
2.3	Summary of Course	1
2.4	Aims and Relationship to Other Courses	2
2.5	Student Learning Outcomes	2
3	<u>LEARNING AND TEACHING ACTIVITIES</u>	3
3.1	Approach to Learning and Teaching in the Course	3
3.2	Learning Activities and Teaching Strategies	3
4	<u>ASSESSMENT</u>	4
4.1	Formal Requirements	4
4.2	Assessment Details	4
4.3	Tutorial discussion questions	4
4.4	Assignments	4
4.4.1	Submission Procedure for Assignment	4
4.4.2	Late Submission of Assignment	5
4.5	Midsession Exam	5
4.6	Final Exam Format	6
4.7	Quality Assurance	6
5	<u>COURSE EVALUATION AND DEVELOPMENT</u>	6
6	<u>COURSE RESOURCES</u>	6
7	<u>COURSE SCHEDULE</u>	7
7.1	Lecture Schedule	7
7.3	Tutorial Schedule	8

1 STAFF CONTACT DETAILS

Lecturer-in-charge: Dr. Tess Stafford
Office: Room 3129, Quad (Level 3)
Phone No: 9385 4187
Email: t.stafford@unsw.edu.au
Consultation Times: See Moodle

Tutor(s): A full list of tutors will be posted on Moodle.

1.1 Communications with staff

You should feel free to contact your lecturer(s) about any academic matter. However, I strongly encourage, for efficiency, all enquiries about the subject material be made at lectures or tutorials or during consultation time. Discussion of course subject material will not be entered into via lengthy emails.

Email correspondence on administrative matters (e.g. advising inability to attend tute) will be responded to within 48 hours, but not over weekends. Please note that the lecturer has no advance notice of the date and time of the exam.

2 COURSE DETAILS

2.1 Teaching Times and Locations

Lectures start in Week 1 and end in Week 12.

Time: Thursdays 10:00am – 12:00pm

Location: UNSW Business School G21 (E12 on Campus Map)

Tutorials start in Week 2 and end in Week 13.

Thursdays 9:00 – 10:00am, Law Building 203 (F8 on Campus Map)

Thursdays 12:00 – 1:00pm, UNSW Business School G21 (E12 on Campus Map)

2.2 Units of Credit

The course is worth 6 units of credit.

There is no parallel teaching in this course.

2.3 Summary of Course

The environment is one of the most important and most debated modern policy issues. This course provides an economic perspective on this debate. We will discuss the reasons behind why environmental problems exist, why unregulated markets sometimes fail in this context, and potential economic solutions to these problems, which include regulations, taxes, subsidies, and pollution permit trading schemes. We will also cover methods for determining the benefits and costs of environmental preservation. The course will equip students with the necessary knowledge to take part in the discussion about environmental policy from an economic perspective.

2.4 Aims and Relationship to Other Courses

This course is offered as part of the economics stream in the B.Com and B.Econ degrees. A prerequisite for this course is ECON1101. This course aims at developing and deepening your economic thinking regarding local and global environmental problems, such as air pollution and climate change, and expanding your knowledge of economic solutions to such problems.

2.5 Student Learning Outcomes

The Course Learning Outcomes are what you should be able to DO by the end of this course if you participate fully in learning activities and successfully complete the assessment items.

The Learning Outcomes in this course also help you to achieve some of the overall Program Learning Goals and Outcomes for all undergraduate coursework students in the Business School. Program Learning Goals are what we want you to BE or HAVE by the time you successfully complete your degree. You demonstrate this by achieving specific Program Learning Outcomes - what you are able to DO by the end of your degree.

For more information on the Undergraduate Program Learning Goals and Outcomes, see Part B of the course outline.

The following table shows how your Course Learning Outcomes relate to the overall Program Learning Goals and Outcomes, and indicates where these are assessed:

Program Learning Goals and Outcomes		Course Learning Outcomes	Course Assessment Item
<i>This course helps you to achieve the following learning goals</i>		<i>On successful completion of the course, you should be able to:</i>	<i>This learning outcome will be assessed in the following items:</i>
1	Knowledge	Understand the theoretical basis upon which the sub-discipline has been built	<ul style="list-style-type: none">• Tutorial Problems• Assignments• Mid-session and Final Exams
2	Critical thinking and problem solving	Recognise situations in which markets are likely to be inefficient and be able to prescribe a variety of intervention tools to correct the inefficiency. Apply methods economists use to measure environmental benefits.	<ul style="list-style-type: none">• Tutorial Problems• Assignments• Mid-session and Final Exams
3a	Written communication	Construct written work that is logically and professionally presented.	<ul style="list-style-type: none">• Tutorial Problems• Assignments• Mid-session and Final Exams
3b	Oral communication	Communicate ideas in a succinct and clear manner.	<ul style="list-style-type: none">• Tutorial discussions
4	Teamwork	Work collaboratively to complete a task.	<ul style="list-style-type: none">• Tutorial Problems• Assignments
5a.	Ethical,	Evaluate the rationale of current	<ul style="list-style-type: none">• Tutorial Problems

	environmental and sustainability considerations	environmental initiatives including climate change and water reform	<ul style="list-style-type: none"> • Assignments • Mid-session and Final Exams
5b.	Social and cultural awareness	Understand distinction between social and private optima.	<ul style="list-style-type: none"> • Tutorial Problems • Assignments • Mid-session and Final Exams

3 LEARNING AND TEACHING ACTIVITIES

3.1 Approach to Learning and Teaching in the Course

The philosophy underpinning this course and its Teaching and Learning Strategies are based on “Guidelines on Learning that Inform Teaching at UNSW. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au. Specifically, the lectures, tutorials and assessment have been designed to appropriately challenge students and support the achievement of the desired learning outcomes. A climate of inquiry and dialogue is encouraged between students and teachers and among students (in and out of class). The lecturers and tutors aim to provide meaningful and timely feedback to students to improve learning outcome.

3.2 Learning Activities and Teaching Strategies

The examinable content of the course is defined by the references given in the Lecture Schedule, the content of Lectures, and the content of the Tutorial Program.

Lectures

The purpose of Lectures is to provide a logical structure for the topics that make up the course; to emphasize the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied.

Tutorials

Tutorials are an integral part of the subject. Tutorial discussion questions will build on the material discussed in class with the lecturer.

Out-of-Class Study

While students may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time. Lectures can only provide a structure to assist your study, and tutorial time is limited.

An “ideal” strategy (on which the provision of the course materials is based) might include:

- Reading of the relevant chapter(s) of the text and any readings **before the lecture**. This will give you a general idea of the topic area.
- Attendance at lectures. Here the context of the topic in the course and the important elements of the topic are identified. The relevance of the topic should be explained.
- Attending tutorials and attempting the tutorial questions.

4 ASSESSMENT

4.1 Formal Requirements

In order to pass this course, you must:

- achieve a composite mark of at least 50 out of 100; and
- make a satisfactory attempt at ALL assessment tasks. This means a mark of at least 40% in all assessment items.

4.2 Assessment Details

	Assessment Task	Weight	Length	Due Date
1	Tutorial discussion questions	5%	Problem set	Randomly selected
2	Midterm Exam	25%	100 min.	April 13, 10:00am, in class (Week 7)
3	Assignment: Part 1	10%	Problem set	April 27, 10:00am, in tutorial or class (Week 8)
4	Assignment: Part 2	10%	Problem set	June 1, 12:00pm, in tutorial (Week 13)
5	Final Exam	50%	2 hours	University Exam Period (TBA)
		100%		

4.3 Tutorial discussion questions

Each week, you will be given an assignment, the solutions to which will be reviewed during your tutorial the following week. Of these assignments, 2 – 3 will be randomly chosen, collected at the beginning of your tutorial prior to review, and graded. Your combined grade on these collected assignments will constitute 5% of your overall assessment in the course.

Assignments must be submitted within the first 5 minutes of the start of your tutorial or they will not be collected and graded. Students who do not submit the assessment within this time frame and who do not have adequate reason will be awarded a mark of zero. Documentary evidence for an absence (e.g. medical certificate) must be provided to the Lecturer-in-charge. If approved, the student will have their final mark re-weighted according to the weight of the missed piece of assessment.

4.4 Assignments

Both Assignment 1 and Assignment 2 will be in the form of a problem set. Assignment 1 will be based on the material covered in Lectures and Tutorials up to and including Week 7 and is due no later than 10:00am on Thursday, April 27 (Week 8) in tutorial or class. Assignment 2 will be based on the material covered in Lectures and Tutorials up to and including Week 12 and is due no later than 12:00pm on Thursday, June 1 (Week 13) in tutorial. Refer to the next two sections for the submission procedure and treatment of late submissions.

4.4.1 Submission Procedure for Assignment

Assignment 1 is due no later than 10:00am on Thursday, April 27 in BUS G21 (class) or Law Building 203 (tutorial). Assignment 2 is due no later than 12:00pm on Thursday, June 1 in BUS G21. If this is not your regularly scheduled tutorial class, you may choose

to submit your assignments during your own tutorial session or during class in order to avoid any issues with finding the correct room. Trouble finding the correct room does not constitute an excuse for a late submission.

4.4.2 Late Submission of Assignment

Twenty-five percent of the value of each assignment will be deducted for each day (24 hours) or part thereof which the assignment is submitted to the lecturer in charge after the deadline. **Assignments submitted more than four days late will not be marked.**

Any student, who for reasons of **serious illness cannot submit before the submission**, will need **full and convincing documentation of that illness**, specifically a valid medical certificate which covers the period 4 days prior to the submission deadline. In cases where students have applied for special consideration, assignments must still be submitted within four days of the submission date or they will not be marked.

Applications for special consideration for late submission of the assignment must be lodged online through myUNSW. (Log into myUNSW and go to My Student Profile tab > My Student Services channel > Online Services > Special Consideration). Then submit the originals or certified copies of your completed [Professional Authority form \(pdf - download here\)](#) and any [supporting documentation](#) to Student Central.

Special consideration will only allow a waiver of part of the late penalty: one day's penalty for each two days of illness. Students should also note that satisfactory performance in the course to that time, including attendance at tutorials, will be taken into account by the Lecturer-in-charge in deciding whether to approve an application for consideration.'

Employment obligations or holiday plans of any kind are not acceptable reasons for late submission of an assignment.

4.5 Midsession Exam

The midsession exam will be held in class on Thursday 13 April (Week 7) and details will be confirmed within the lectures preceding the exam. The examination will test all material covered in lectures up to and including Week 6.

There will be **NO supplementary tests** offered for the mid-session exam. You should make every effort to take the mid-session exam. Students who fail to attend the examination will need to apply for Special Consideration.

Applications for special consideration for the mid-session exam must be lodged online through myUNSW within 3 working days of the exam. (Log into myUNSW and go to My Student Profile tab > My Student Services channel > Online Services > Special Consideration. Then submit the originals or certified copies of your completed [Professional Authority form \(pdf - download here\)](#) and any [supporting documentation](#) to Student Central.

Employment obligations or holiday plans of any kind are not acceptable reasons for absence from any test/examination.

4.6 Final Exam Format

The Final Exam will be held in the University examination period and will be 2 hours in length. The Final Exam will cover the entire course including the material that was previously covered by the midsession exam.

Further information on the content of the Final Exam will be provided towards the end of session.

A satisfactory performance in the Final Exam is required to pass this subject.

4.7 Quality Assurance

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential and will not be related to course grades.

5 COURSE EVALUATION AND DEVELOPMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's myExperience Survey Tool is one of the ways in which student evaluative feedback is gathered. You are strongly encouraged to take part in the feedback process.

6 COURSE RESOURCES

The website for this course is on UNSW Moodle at: <http://moodle.telt.unsw.edu.au>

The OPTIONAL textbook(s) for this course are:

Kolstad, C. D. (2011), *Environmental Economics*, 2nd Edition, Oxford University Press.

Additional readings will be posted on Moodle in the lecture folder to which they relate.

7 COURSE SCHEDULE

7.1 Lecture Schedule

Lectures start in Week 1 and finish in Week 12. This is a **tentative** schedule. Updated versions of the schedule will be put on the Course website.

LECTURE SCHEDULE		
Week	Topic	Reference
Week 1 2 March	Introduction & Logistics; Consumer Choice Theory	See Moodle
Week 2 9 March	Consumer & Social Choice Theory	See Moodle
Week 3 16 March	Market Efficiency	See Moodle
Week 4 23 March	Market Failure: Externalities & public goods	See Moodle
Week 5 30 March	Solutions to Market Failures: Standards and Command-and-control	See Moodle
Week 6 6 April	Solutions to Market Failures: Market based approaches	See Moodle
Week 7 13 April	Midterm Exam	
Mid-semester break: Friday 14 – Saturday 22 April inclusive		
Week 8 27 April	Solutions to Market Failures: Market based approaches	See Moodle
Week 9 4 May	Measuring the environment: Theory of environmental valuation; Compensating & equivalent variation	See Moodle
Week 10 11 May	Measuring the environment: Assessing benefits (damage function, CV, and averting expenditure methods)	See Moodle
Week 11 18 May	Measuring the environment: Assessing benefits (travel cost and hedonic pricing methods)	See Moodle
Week 12 25 May	Measuring the environment: Assessing costs; Benefit-cost analysis	See Moodle
Week 13 1 June	NO LECTURES	

7.3 Tutorial Schedule

Tutorials start in Week 2 and finish in Week 13. This is a **tentative** schedule. Updated versions of the schedule will be put on the Course website.

TUTORIAL SCHEDULE	
Week	Topic
Week 1 2 March	NO TUTORIALS
Week 2 9 March	Week 1 lecture and homework review
Week 3 16 March	Week 2 lecture and homework review
Week 4 23 March	Week 3 lecture and homework review
Week 5 30 March	Week 4 lecture and homework review
Week 6 6 April	Week 5 lecture and homework review
Week 7 13 April	NO TUTORIALS
Mid-semester break: Friday 14 – Saturday 22 April inclusive	
Week 8 27 April	Mid-session Exam Review; Turn in Assignment 1
Week 9 4 May	Week 8 lecture and homework review; Assignment 1 Review
Week 10 11 May	Week 9 lecture and homework review
Week 11 18 May	Week 10 lecture and homework review
Week 12 25 May	Week 11 lecture and homework review
Week 13 1 June	Week 12 lecture and homework review; Turn in Assignment 2