

ST. FRANCIS XAVIER UNIVERSITY
Department of Economics

ECONOMICS 381: Natural Resource Economics

Instructor: Dr. Patrick Withey

Winter 2013

Lectures: 2:15 PM–3:30 PM Monday and Wednesday **BB 305**

Office: Nicholson Tower 504

Office Hours: Tuesday 10:00 AM -1:00 PM; Wednesday 12:00 PM- 2:00 PM or by appointment

Web page: <http://people.stfx.ca/pwithey/381/course>

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Course Description:

Examines the role of natural resource industries in the Canadian and world economies, including minerals, fossil fuels, forest resources, fisheries and endangered species, and water resources. The course introduces students to the use of economic tools in analyzing problems of renewable and nonrenewable resource management. Topics include: welfare and inter-temporal analysis of resource exploitation; ownership and property rights issues in resource use and management; the nature of resource markets; biodiversity conservation and sustainability.

Required Textbook:

Natural Resource Economics, 2nd Edition, 2008. Barry C. Field. Waveland Press.

Prerequisites: Econ 201, Math 111 (recommended)

Grading:

Your final grade will be determined as follows:

Midterms	40%	Dates: Feb 18 and March 18
Assignments	15%	Tentative due dates: January 28, Feb 11, March 13
Final examination	<u>45%</u>	TBA

You will write two midterm tests during the term, which will be based on material from the lectures, textbook and any supplemental reading that may be assigned. You must also complete three assignments, which will give you an indication of what to expect on the exams. Assignments will be given out one week in advance of the due date. You must write the final exam in order to pass the course. The final examination will be set by the examinations office and covers material from the entire course.

Note that assignments **may** use some basic mathematical programming to illustrate the concepts learned in class numerically. The software used will either be Excel or GAMS; GAMS can be downloaded for free at (<http://www.gams.com/download/>).

SYLLABUS

The following topics and readings are tentative and changes may be made as the course progresses.

- 1. Introduction** – Text Chapter’s 1 and 2
- 2. Building Blocks**
 - a. Review of supply and demand – Text Ch.’s 3 and 4
 - b. Static efficiency and markets – Text Ch.’s 5 and 6
 - c. CBA and Dynamic efficiency, discounting and the role of time dimensions – Text Ch.’s 5 and 6
- 3. Externalities and Public policy (Econ 281 review)**– Text Ch.’s 6 and 7
- 4. Economics of non-renewable natural resources**
 - a. Mining Economics– Text Ch 10
 - b. Energy – Text Ch 11
- 5. Economics of renewable natural resources**
 - a. Forest Economics – Text Ch12
 - b. Fisheries Economics- Text Ch13
 - c. Water Resources – Text Ch15
 - d. Land and Agriculture – Text Ch 14 and 16*
- 6. Bioeconomics and biodiversity**
 - a. Economics of wildlife – Text Ch18
 - b. Economics of biodiversity – Text Ch19
- 7. Economics of outdoor recreation** – Text Ch17*

* time permitting

Policies:

Approach to the course and class participation: Students are expected to attend all classes and be present in class on time. Students are expected to prepare for each week of lectures by reading the assigned chapters of the text in advance. The course will be primarily lecture based and lectures will be based on the required textbook for the course. However, other readings may also be assigned, and students are responsible for all material presented in class. While lectures will be mostly theoretical, we will introduce real world examples and the concepts and theory introduced in class will be reinforced through assignments throughout the term. These assignments will also give you an indication of what to expect on the examinations. Therefore, the work you do outside of class on these assignments will go a long way in determining your outcome in the course.

Email Policy: I am happy to answer questions about the course via email, and will try to respond within a day or two. However, students should try to limit emails to critical matters such as inability to attend class or an exam or prolonged illness, and should include the course name and number in the subject line. Questions on course material should be asked during office hours or in class. The standard format for writing a letter must be used. This means it should start off with a salutation (e.g. Dear...), include full sentences and conclude with a signature that includes your name (e.g. “Sincerely, *your full name*”).

Missed midterm exams: There will be no make-up midterm exams. If you miss a midterm exam and provide evidence of an illness, accident or family affliction, then the weight of that midterm will be placed on the final. Students may not miss both midterms. In the event of an illness or family affliction, students should immediately consult with a physician, a counsellor, or another health professional to obtain official documentation. This documentation must specifically cover the date of the missed examination.

Travel Plans: Students are advised not to make travel plans until after the examination timetable has been finalized. Students who wish to finalize their travel plans at an earlier date should book flights that depart after the end of the examination period. *There will be no special accommodation if travel plans conflict with the examination.*

Plagiarism and Cheating: Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. Students who are found to have engaged in unethical academic behavior, including the practices described on page 13-14 of the Calendar or available online at www.sites.stfx.ca/registrars_office/academic_integrity, are subject to penalty by the University.

Statement on equitable learning environment:

Everyone learns more effectively in a respectful, safe and equitable learning environment, free from discrimination and harassment. I invite you to work with me to create a classroom space—both real and virtual—that fosters and promotes values of human dignity, equity, non-discrimination and respect for diversity. These values and practices are in accord with the *StFX Discrimination and Harassment Policy* which can be found at <http://www.mystfx.ca/campus/stu-serv/equity/>.

Please feel free to talk to me about your questions or concerns about equity in our classroom or in the StFX community in general. If I cannot answer your questions or help you address your concerns, I encourage you to talk to the Chair/Coordinator of the Department/Program or the Human Rights and Equity Advisor, Marie Brunelle at mbrunell@stfx.ca