

Environmental Economics I (B.Sc.)

Course requirements	Students should have knowledge of intermediate level mathematics, microeconomics, and empirical methods.
Short comment	This course is the first in a two-part series on Environmental Economics. In part I, students will acquire familiarity with normative environmental economics. Part II deals with positive environmental economics.
Comment	From food waste to global warming, economic drivers are at the heart of virtually all environmental problems. But economics is also an indispensable ingredient to their solution. Before harnessing economics to solve environmental problems, however, we need to have an idea about what society wants policy to accomplish. In a world of scarcity, there are trade-off between all the good things associated with environmental quality and all the other things that society desires (transportation, food, etc.). How can economics inform decisions about these trade-offs? This is the focus of part I of the course sequence on environmental economics.
Content,	<p>This is a course on the normative economics of the environment. It is concerned with three key themes:</p> <ol style="list-style-type: none"> (1) What are the economic roots of environmental problems and environmental policy? (2) How can environmental goods and services be valued in comparison to other goods? (3) How can we optimally trade-off environmental quality and other goods and services? <p>This lecture course offers an introduction to these key themes and provides in-depth coverage of the welfare-theoretic foundations of environmental policy. The course starts with the normative welfare economics of the environment. From there, it develops the economic foundations of modern environmental policy-making as a solution to the externality problem. In particular, we touch on how to value environmental goods and services and how to take into account risk and uncertainty.</p> <p>The key textbook for this course is:</p> <p>Kolstad, C.D.: <i>Intermediate Environmental Economics</i>. Oxford University Press, 2011.</p>
Examination rules	The course assessment examined in a 90-minute closed book final exam.
Language	This course runs in English.