APPLIES TO ACADEMIC YEAR 2013/2014

# GRA 6665 Environmental Economics

**Programme**
Master of Science in Business

**Responsible for the course**
Tom-Reiel Heggedal

**Department**
Department of Economics

**Term**
According to study plan

**ECTS Credits**
6

**Language of instruction**
English

**Introduction**
This course offers an introduction to environmental economics at graduate level. Topics include theories of environmental policy instruments, valuation of environmental goods, dynamic aspects of environmental issues, and international aspects of environmental issues. Particular emphasis will be given to the climate change problem.

**Learning outcome**
The main objective of the course is to teach students the core topics in environmental economics, focusing on systematic analysis using microeconomic theory. Students are given a thorough introduction to analyses of pollution, welfare effects, and policy instruments. Situations with uncertainty and/or asymmetric information are emphasized. Students are introduced to basic stock pollutant problems in a climate change context, and game theory is used to analyze international cooperation on environmental issues.

**Prerequisites**
GRA 6031 Microeconomics or equivalent.

**Compulsory reading**
**Books:**
Perman, Roger ... [et al.]. 2011. Natural resource and environmental economics. 4th ed. Pearson

**Other:**
During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

**Recommended reading**

**Course outline**
- Static pollution problems and welfare effects
- Pollution targets and policy instruments
- Environmental and technology polices
- Valuation of environmental goods
- Stock pollutant problems
- International environmental problems
- Climate change and climate policy

**Computer-based tools**
It's learning.

**Learning process and workload**
A course of 6 ECTS credits corresponds to a workload of 160-180 hours. Students are expected to participate actively during the lectures.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning or text book.

**Examination**
Three hours written exam.

**Examination code(s)**
GRA 66651 (three hours written exam) accounts for 100% of the grade in GRA 6665

**Examination support materials**
Berck, Peter og Knut Sydsæter. 1993. Economists' Mathematical Manual. 2nd ed. Berlin: Springer Verlag.
BI approved exam calculator. A bilingual dictionary.

Exam aids at written examiniations are explained under exam information in the student portal @bi. Please note use of calculator and dictionary in the section on examaids

**Re-sit examination**
It is only possible to retake an examination when the course is next taught.
The assessment in some courses is based on more than one exam code.
Where this is the case, you may retake only the assessed components of one of these exam codes.
Where this is not the case, all of the assessed components of the course must be retaken.
All retaken examinations will incur an additional fee.

**Additional information**
**Honour Code**
Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honour code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honour code system, to which the faculty are also deeply committed.

Any violation of the honour code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honour code and academic integrity. If you have any questions about your responsibilities under the honour code, please ask.