

Course syllabus

Grunderna för ekonomi och ekonomisk utvärdering av miljöförändring

Fundamentals of Economics and Economic Evaluation of Environmental Change

IMEN03, 5 credits, A (Second Cycle)

Valid for: 2018-2019 XAMIS

Decided by: PLED W

Date of Decision: 2018-03-22

General Information

Main field: Environmental Management and Policy. **Depth of study relative to the degree requirements:** Second cycle, has only first-cycle course/s as entry requirements.

Compulsory for: XA_EMP1

Language of instruction: The course will be given in English

Aim

The aim of this course is to provide students with fundamental concepts and analytical tools in economics of relevance to the fields of environmental economics and environmental policy analysis. The course seeks to provide students with a fundamental understanding of neoclassical economic theory, and familiarise students with relevant alternative economic schools. The course also seeks to equip students with a critical understanding of various methods for economic valuation of environmental change of relevance for policy and project assessment.

Learning outcomes

Knowledge and understanding

For a passing grade the student must

- be able to apply and critically reflect upon fundamental principles and concepts of economic theory, including the basic theory of supply and demand, markets, efficiency and market failures.
- be able to explain environmental problems by the use of analytical concepts from economics.
- be able to describe key features of relevance to environmental policy of different economic schools including neoclassical, behavioural, institutional, environmental and ecological economics.
- be able to describe and critically discuss the basic principles of national accounting, GDP and welfare-related measures.
- be able to explain and contrast the rationale, scope and applicability embedded in different economic valuation methods, including cost benefit analysis.

Competences and skills

For a passing grade the student must

- be able to use graphs for analytical purposes, including basic partial equilibrium analysis and basic welfare economic analysis
- be able to use academic sources in an appropriate way in written text
- be able to plan and execute course assignments within given time limits, using relevant methods for

completing the assignment.

Judgement and approach

For a passing grade the student must

- be able to reflect upon the merits and shortcomings of different methods for economic valuation of environmental change, as well as of the general practice of such valuation

Contents

The course is based on active participation by the students, both in lectures, exercises and seminars. The fundamentals of economic theory are taught through assigned reading and other forms of preparation, lectures and exercises. Through a seminar, the aspect of GDP and alternative welfare indicators is critically discussed by the students. The seminar is prepared through group work. In order to get acquainted with economic valuation methods, the students are confronted with real life examples of their application. Lectures and assigned reading will provide students with the tools to critically analyse the valuations.

Examination details

Grading scale: TH - (U,3,4,5) - (Fail, Three, Four, Five)

Assessment: Active participation in seminars is a requirement to pass the course. The final grade is based on an in-class exam (25%), and a take home exam (75%).

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

Admission

Admission requirements:

- Students should have been admitted to the MSc Programme in Environmental Management and Policy

The number of participants is limited to: No

The course overlaps following course/s: IMEN15

Reading list

- According to a literature list that will be available at the latest eight weeks before start of the course on the course web page.

Contact and other information

Course coordinator: Nora Smedby, nora.smedby@iiece.lu.se

Course homepage: <http://www.iiece.lu.se/education/emp/curriculum>