The objective of the course is to introduce students to the economics of natural resource use and management.

Canada, and British Columbia in particular, benefit from a rich endowment of natural resources, and yet most sectors are plagued with management issues. We are reminded on a daily basis that not all is well with the management of those resources when we read about battles over pipeline construction, the large scale infestation of interior forests by the deadly mountain pine beetle, the dramatic collapse of some salmon stocks, the conflicts over the logging of old coastal growth forest; or when we hear our policy makers debate the merit of the moratorium on coastal drilling, fracking for natural gas, or the rising conflict with urban deer populations.

Many other, perhaps not as obvious, issues also fall under the general umbrella of resource economics, from the economic ramifications of the carbon cycle and the management of endangered species; to the development of antibiotic resistance, the use or disposal of ivory reserves, poaching, the design of efficient management institutions and regulations, bushmeat hunting, water extraction and transfers, etc… etc… etc… The list is long.

Environmental resource economics and natural resource economics are overlapping fields, but two elements often distinguish them. 1) While environmental economics is mostly concerned with negative externalities, resource economics is primarily concerned with the management of valuable natural assets. 2) Fish and other animals reproduce over time, trees grow, and we should expect the value of hydrocarbons and minerals to change as reserves are discovered and depleted. For this reason, actions taken today affect tomorrow’s opportunities and constraints in ways that can rarely be neglected. Hence, while environmental economics typically employs a static framework, the study of natural resource use cannot avoid confronting intertemporal allocation questions.

Our study of natural resource economics will begin with a review of basic concepts from principles courses. We will then build a framework for optimal allocation of natural resources by discussing key principles of benefit cost analysis, resource valuation, and discounting. This will provide the foundations necessary to discuss the management and use of forests, minerals, oil and gas, fish, water and wildlife. Topics covered include the economic classification of natural resources; scarcity, growth and sustainability; ownership, access systems and rent dissipation; and principles of optimal depletion and use over time. Policies and mechanisms to foster greater economic efficiency in economic systems dependent on natural resources are examined. By the end of the course, students should have gained a broad understanding of resource issues and analysis methods relevant to the analysis of optimal resource management.
Textbook
Supplementary readings are examinable content of the course. I will update this supplementary reading as the semester progresses.

In a previous version of this course, I used the following textbook:


I also anticipate referring to a newer textbook:


Lecture Topics
The course is divided into three sections.
Section 1 – Introduction, review of principles, and a conceptual framework of analysis
Section 2 – Non-renewable resources
Section 3 – Fisheries and wildlife
Section 4 – Forestry

Grading:
Grading will be from two midterms and a final.

Only the best of the two midterms will count towards the final grade. There will NOT be a make up exam for the first midterm. Students who miss both mid-terms without documenting that they qualify for an academic concession (e.g. doctor’s note) for BOTH midterms will write a final worth 100% of the course grade.

Students who miss both midterms for properly documented reasons that qualify for an academic concession can choose to have their final grade count for 100% of the course grade, OR, can write a make up exam of the second midterm. Students who wish to write the make up exam for the second midterm MUST DOCUMENT THEIR ABSENCES FOR BOTH MIDTERMS.

Best of two midterms (February 11, March 18) 40%
Final Examination (cumulative): 60%

Students who have questions or concerns regarding their grade should come to office hours. All concerns must be brought to my attention no later than one week after the graded material was returned. After one week, any assigned grade is final.

Failed exams cannot be retaken and no extra work can be done to improve your grade.
Other Matters

All Departmental, Faculty and University Policies applicable to undergraduate courses and students apply to this course and to you. The following are excerpts of some key elements of policy, that in no way limit the applicability of the entire policies. Students are all expected to know and abide by all applicable policies. The policies can be found on the Econ Department website at: http://www.uvic.ca/socialsciences/economics/undergraduate/home/course%20policies/index.php

I also have more specific policies. In case of conflict with the policies on the Department page, the course-specific policies below take precedence:

Use of Electronic devices
Electronic devices are great, but their proliferation has resulted in an increasing number of classroom disruptions. Be considerate. Get into the habit of turning the bells and whistles off, even the vibrating modes, when you arrive on campus. That all important message is only a little over one hour away – at most!

No electronic device other than a basic non-scientific calculator will be allowed during exams.

E-mail correspondence
As per Department of Economics guidelines: Emails should be limited to critical matters, such as inability to attend class, 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”). Text message lingo should not be used.

Academic Integrity
Academic integrity requires commitment to the values of honesty, trust, fairness, respect, and responsibility. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. A student who is found to have engaged in unethical academic behavior, including the practices described in the Policy on Academic Integrity (see http://web.uvic.ca/calendar/FACS/UnIn/UARE/PoAcI.html) in the University Calendar, is subject to penalty by the University.