COURSE DESCRIPTION: This course uses the tools of standard microeconomic theory (especially Econ 11, Intermediate Micro) to analyze and understand environmental and natural resources issues and potential policy prescriptions. Issues include (to name some) pollution, policy response to pollution, optimal rate of depletion of exhaustible resources such as oil and minerals, renewable resources and the "tragedy of the commons" such as fisheries and forests, economics of recycling, water topics including potential water markets and the California drought, and global climate change issues. Empirical studies to be provided.

TEXTBOOK AND STUDY QUESTIONS: There is no required textbook. I will be posting study questions throughout the quarter and can be found at TBA

EXAMS: There will be three midterm exams and a comprehensive final exam. The approximate weighting of the exams is as follows:
First Exam (July 11, Wednesday)- 45%.
Second Exam (August 1, Wednesday)-55%.
ALL exams must be taken at the scheduled time. Exams will consist of essay/problem questions

POLICY ON MISSED EXAMS: If a student has a valid medical excuse and can provide documentation of such an excuse, or if the student has received prior permission (at least one week in advance of the exam) to miss an exam from the instructor, then additional weight will be placed on the final exam. Prior permission to miss an exam is only granted for serious and compelling reasons. A student who misses an exam without a valid medical excuse or without receiving prior permission will receive a zero.

DISABLED STUDENTS and the OFFICE of STUDENT DISABILITIES (OSD): Any student with a pre-existing illness or condition who requests special arrangements must (a) qualify under OSD rules for such special arrangements and (b) must take the exam with OSD. Any such arrangements with OSD must be made the first week of classes. The instructor must be informed of any such arrangement in the first week of classes. For additional information and the qualification conditions of the Office of Student Disabilities (OSD), please visit their website at http://www.osd.ucla.edu/Index.htm, All other students must take the exam at the scheduled time under the same time constraints. It is the responsibility of all students who request special arrangements with OSD to be familiar with all of their rules as well as the rules of this class.

ACADEMIC DISHONESTY
Any cases of cheating will be reported to the Office of the Dean of Students. For more details please refer to the Office of the Dean of Students website at http://www.studentgroups.ucla.edu/dos/
ORDER OF TOPICS

1. Introduction and a note on methodology. How economists see the environment.


4. Regulating Pollution: emission taxes (Pigouvian tax), standards, mandated technologies; tradeable emission permits; Policy under uncertainty—taxes vs. standards.

5. Non-renewable resources (example: oil). Hotelling rule, optimal extraction and use of non-renewable resources. Extensions of basic model. Economics of recycling.


7. Economics of water institutions and (potential) water markets: Recent California drought. Surface water and ground water economics.
