

### COLLEGE OF MANAGEMENT AND ECONOMICS Department of Economics and Finance

# ECON\*2100 ECONOMIC GROWTH AND ENVIRONMENTAL QUALITY **FALL 2013**

#### PROFESSOR ROSS McKITRICK

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Class Time: MWF 9:30-10:30, location MacK 031

Office Hour: Wednesday 11-12

FINAL EXAM: Dec. 11<sup>th</sup>, 2:30-4:30 pm

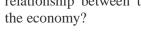
It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of class assignments, what to do when you cannot meet a course requirement, the drop date for this semester, etc. To understand these policies, visit: http://www.uoguelph.ca/economics/node/1115.

### **SYNOPSIS**

This course examines the process of economic development from a global perspective and focuses on its interaction with the environment. We will examine the historical record of economic development around the world, pollution emissions, resource depletion and other such indicators. We will examine questions

such as: is economic growth bad for the environment? Why are some countries rich and others poor? Are we running out of resources? What does "sustainability" mean? And what kinds of policies can help us best manage the

relationship between the environment and





Assignments and class work will focus on giving you practice at accessing useful data sources, using economic theory to work through issues in a systematic way, and entering constructively into debates on important topics.

## COURSE TEXTBOOK



You need to obtain a copy of *Environmental Economics* by Barry Field and Nancy Olewiler. You also need to obtain the package of course readings. The rest of the material you will need will consist of data sets available on the internet.

### LAPTOPS, IPADS, SMARTPHONES, GOOGLE GLASS, ETC.



You many **not** use any of these items in class. If you have a laptop or a smartphone with you when you arrive it must be powered down completely. Google Glass is also strictly prohibited: if I observe you wearing such a unit I will ask you to leave immediately and you will not be permitted to re-enter the classroom until you have given me a declaration in writing that you will not bring any such devices into the classroom.

# **COPYING AND PLAGIARISM**

You are expected to know the University rules on academic misconduct. A synopsis is online at <a href="http://www.uoguelph.ca/economics/node/1115">http://www.uoguelph.ca/economics/node/1115</a>. Due to repeated problems I have encountered in recent years, rather than me simply tell you what the rules are, I now require all students to certify their understanding of the rules by signing the last page of this course outline and returning it to me. I will not grade any of your work until I have a signed copy of the form from you.

# **COURSE EVALUATION**

You will be asked to complete an evaluation of this course at some point during the last two weeks of the semester. The Department of Economics policy regarding the conduct and use of these evaluations can be found at: <a href="http://www.uoguelph.ca/economics/academics/courses/course-evaluation">http://www.uoguelph.ca/economics/academics/courses/course-evaluation</a>. At any time during the course you may also provide feedback directly to me by writing your comment on a twenty dollar bill and slipping it under my door.

# **PREREQUISITES**

You are expected to have completed the following pre-requisites: ECON\*1050 or FARE\*1040.

# COURSE WORK AND EVALUATION

There will be one midterm (10%), three assignments (worth, respectively, 15%, 15% and 20%) and a final exam (40%). The final exam is on Dec. 11, 2013 from 2:30-4:30 pm.

#### ASSIGNMENTS

- 1. (15%) The first assignment will be distributed via Course Link in the first week of the course. It will require you to access and use data from a variety of sources to prepare a set of graphs describing the historical and contemporary progress of economic development and environmental change.
- 2. (15%) The second assignment will be distributed via Course Link partway into the course. It will require you to write a one-page essay on a given topic.
- 3. (20%) The third assignment will involve participation in a mock tribunal on a topic related to the course. You will serve on a team either as witnesses or panelists. Groups will be announced near the end of September, and you will have the opportunity to indicate your preferences as to which role you wish to take in the debates, though I cannot guarantee you your first choice. The topics being adjudicated will be:
  - A. Will economic growth be good for Canada in the 21<sup>st</sup> century?
  - B. Can developing countries achieve western-style living standards without causing ecological ruin?
  - C. Have Americans been good stewards of their environment over the past 100 years?



If you are a panelist your task will be to issue terms of reference outlining the questions of fact and argumentation that need to be addressed for you to be able to make a ruling, then you will review the briefs and prepare questions for examining the witnesses, and after the hearings you will issue your findings.

If you are a witness you will prepare a brief for your side, make a 15-minute presentation and answer questions from the panel and the audience.

#### CONTRIBUTIONS TO DEPARTMENTAL LEARNING OBJECTIVES

**Skills** Written Communication Ability to write with clarity, to provide a coherent account of

the work done and the findings, and to edit and correct one's

own writing.

Real world problem-solving Ability to obtain relevant data, perform simple analyses and

present a written report arguing for valid conclusions.

Group work Ability to coordinate effort in pairs or small groups and

make an effective contribution.

Computing skills Ability to use data and spreadsheet software to compute

valid results and presentable graphics.

**Knowledge** Statistical and Econometric Methodology

Historical and Global Context Economic Policy and Regulation

# COURSE SEQUENCE AND READINGS

Week	Dates	Section	Topic	Readings
1	Sept 9-13	Growth	Importance & History	V-1, V-2
2	Sept 16-20		Population, Costs, Inequality	V-7, V-13
3	Sept 23-27 Debate teams	announced: Sept 27	Limits, Environmental Issues	V-14, M-1
4	Sept 30-Oct 4 Assign	Economic Theory ment 1 due: Sept 30	Microeconomics, Efficiency	F-3, F-4
5	Oct 7-11		Damages, Cost-Benefit Analysis	F-5, F-6
6	Oct 14-18	idterm exam: Oct 14	Measuring Benefits & Costs	F-7, F-8
7	<b>Oct 21-25</b> Panel Terms of Re	eference due: Oct 21	Policy evaluation; Standards	F-9, F-11
8	Oct 28-Nov 1 Assig	nment 2 due: Oct 28	Taxes and Tradable Permits	F-12, F-13
9	Nov 4-8	Global Issues	Climate Change: Science	CS
10	Nov 11-15 Team Hearin	g Briefs due: Nov 15	Climate Change: Policy	СР
11	Nov 18-22	Debates		
12	Nov 25-29 Panel de	Global Issues ecisions due: Nov 25 Review: Nov 29	Agriculture	A

#### Readings:

V – Vandenberg, *Economic Growth and Development* (in course pack)

M – McKitrick, *Economic Analysis of Environmental Policy* (in course pack)

F – Field and Olewiler; CCS – Climate Change Science readings (in course pack); CP – Climate Policy readings (in course pack); A – Agriculture readings in Course Pack

#### Agreement Concerning Plagiarism and Academic Misconduct Rules

I hereby acknowledge that I have reviewed Departmental and University policy on Academic Misconduct and plagiarism as outlined at the following links:

- <a href="http://www.uoguelph.ca/economics/node/1115">http://www.uoguelph.ca/economics/node/1115</a>
- $\bullet \ \underline{http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c01/index.shtml}$
- <a href="http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml">http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml</a>

I acknowledge that I may not copy text, images or other material from internet sources, other students, or elsewhere, and present it as my own work. Any amount of text taken word-for-word from another source must either be presented as a quotation and its source acknowledged, or re-written in my own words. Failure to do so constitutes plagiarism and is an Academic Offence.

I acknowledge that rewriting must constitute a comprehensive rephrasing of source material. It is not sufficient merely to make trivial changes while retaining the original wording. For example, comparing the following two sentences:

Academic misconduct is behaviour that erodes the basis of mutual trust on which scholarly exchanges commonly rest, undermines the University's exercise of its responsibility to evaluate students' academic achievements, or restricts the University's ability to accomplish its learning objectives.

Academic misconduct is behaviour that generally erodes the basis of trust on which scholarly exchanges commonly rest. It also undermines the University's exercise of its responsibility to evaluate all students' academic achievements, or it restricts the University's ability to accomplish all of its learning objectives.

the second is a trivial modification of the first. I acknowledge that presenting one's own work after only a trivial modification of the original source is plagiarism.

I further acknowledge that it is the policy of the Department of Economics and Finance that all cases of suspected Academic Misconduct must be referred to the Dean's Office, and that no special arrangements for reduced penalties can be negotiated between faculty and students. It is my responsibility, if I am unsure whether I am in compliance with University rules on plagiarism, to seek advice from the faculty prior to submitting the work in question.

SIGNED:	
Name and student ID (print):	
Date:	