

Environmental Economics

MA ECON AM MAM ENVIRECON



Content and learning outcome

Content

The course covers the basic principles of environmental economics and discusses specific environmental problems. It also addresses the question, how the problems can be solved by policies and decision rules based on these principles.

The first part of the course introduces the economic theory of environmental policy. It starts with individual preferences for the environment, which have to be aggregated to a welfare function, taking account of the interrelationship between environment and economy. This welfare function then allows for the design of an optimal regulatory policy for environmental protection, which particularly deals with negative externalities in form of air, water and land pollution.

In the second part, a wide range of environmental policy instruments are analyzed from an economic point of view. Possible instruments include prescriptive regulations (technology and performance standards) as well as economic incentives (e.g., pricing emissions). The complexity of optimal environmental policy is shown by the dimensions space and time, that is, pollution often takes place across borders and can affect many generations of individuals.

- Learning outcome**
- Students can describe the basic interrelationships between economics and environment.
 - Given practical examples, they are able to explain negative externalities imposed on consumers and producers.
 - They learn how to apply economic theory and statistical methods to solve specific environmental regulatory problems.
 - Students can calculate benefit-cost analyses for regulatory policies against pollution.
 - They can evaluate policy recommendations by environmental associations and interest groups.
 - They are able to develop long-term economic incentive schemes and prescriptive regulations for solving specific problems of air pollution.

Teaching and learning methods

Type of course/ learning methods	Topic	Language of instruction	Group size	Contact time	Workload [h]
Lecture	Environmental Economics	English	30	4 hours	60
Self-study					165

Prerequisites

obligatory	none
recommended	<i>Basic Module Microeconomics</i>

Degree program allocation

Study Program/Study Field/Module Number/Lecture Number	obligatory/ elective	Semester
Economics (M.Sc.)/Management and Applied Microeconomics / 332123032/332023032	elective	2 nd
Export*/332192332/332023032		

Requirements for the awarding of credit points (ECTS)

		Credits
Prerequisites for participation	none	7,5 CP
Types of Assessment	Written or oral exam or term paper (graded, 100%)	
Examination language	English	

Course Cycle	Workload	Duration
Winter term <input type="checkbox"/> Winter and Summer term <input checked="" type="checkbox"/> Summer term <input type="checkbox"/>	225 h	1 Term

Module coordination	
Teaching person	See https://basis.uni-bonn.de
Module coordinator	Prof. Dr. Matthias Kräkel
Institute/Department	Department of Economics
Further Information	
Literature	The recommended literature will be announced at the beginning of the course.

** export into other study programs is only possible if contract between faculties exists*