

Course title

C2a – Economics for Environment and Development

Instructors

Bejoy K Thomas (coordinator), Durba Biswas

Objectives

The course will cover

- basic principles of micro- and macro-economics
- key concepts in environmental and ecological economics
- key concepts in development economics and human development
- major tenets of political economic analysis

At the end of the course, the students will have

- a) a flavour of how economic thought has evolved, what questions the discipline tries to answer and with what assumptions and methods
- b) a basic understanding of micro- and macro-economic concepts, especially how economic agents make decisions and the effects economic policies can have
- c) an idea of how environmental issues challenge some of the core assumptions of neoclassical economics, how economics has responded to these challenges and how the field of ecological economics pushes beyond the neoclassical ideas
- d) an understanding of how issues of growth, development, poverty and inequality are dealt with in development economics as well as the critique and extensions from heterodox streams of economic analysis.

It is expected that the course will equip students to follow and critically assess research, discussions and debates in conservation, environment and development, which draws upon economic theories and tools.

Prerequisites and approach

No prerequisites required for the course. Basic mathematical training is desirable, not essential. The course is mostly lecture based with a few discussion sessions in the latter half. A combination of select portions from textbooks and journal articles will be used.

Credits and contact hours

3 credits, 48 hours

Grading

3 Quizzes 30%/1 Assignment 20%

Final exam 50% (a minimum of 85% attendance is needed to appear for the final examination)

Schedule (any change will be announced at least 5 days in advance)

Time: 12.00-12.50 until 4 November, 12.00-12.50 & 2.00-2.50 thereafter

Days: Mondays, Wednesdays and Fridays

Overview and topics

Module 1

- 1.1 The economic problem
- 2.2 The circular flow of economic activity

Module 2

- 2.1 Demand analysis
- 2.2 Production and costs
- 2.3 Market and market structures
- 2.4 The concept of efficiency

Module 3

- 3.1 Market failure and externalities
- 3.2 Economics of renewable and non-renewable resources
- 3.3 Benefit cost analysis and valuation techniques
- 3.4 Ecological economics, critiques of circular flow
- 3.5 Natural capital and ecosystem services

Module 4

- 4.1 Elements of macro-economics, employment and national income accounting
- 4.2 Growth and economics of development
- 4.3 Poverty and inequality
- 4.4 Human development and multidimensional indicators

Module 5

- 5.1 Political economy
- 5.2 Marxian economics

Course Schedule

Session	Date	Topic	Instructor
1	14-08-2019	The economic problem	BT + DB
2	16-08-2019	Micro and macro economics	BT
3	19-08-2019	Demand, supply and market I	BT
4	21-08-2019	Demand, supply and market II	BT
5	23-08-2019	Elasticity of demand	BT
6	26-08-2019	Utility theory I	BT
7	28-08-2019	Utility theory II	BT
8	30-08-2019	Consumers surplus	BT
9	04-09-2019	Theory of production	DB
10	06-09-2019	Law of diminishing returns	DB
11	09-09-2019	QUIZ 1 (until session 8)	BT + DB
12	11-09-2019	Short run, long run and returns to scale	DB
13	13-09-2019	Cost analysis I	DB
14	16-09-2019	Cost analysis II	DB
14	16-09-2019	QUIZ 1 RESULTS	
15	18-09-2019	Opportunity cost	DB
16	20-09-2019	Market structure	DB
17	23-09-2019	Perfect competition	DB
18	25-09-2019	Imperfect competition	DB
19	27-09-2019	Monopoly	DB
20	30-09-2019	Oligopoly	DB

21	04-10-2019	Monopolistic competition	DB
22	09-10-2019	Welfare theory	DB
23	11-10-2019	Efficiency and equity	DB
24 A	14-10-2019	QUIZ 2 (until session 21)	DB
24 B	14-10-2019	ASSIGNMENT GUIDELINES	DB
25	16-10-2019	Cost benefit analysis	DB
26 FN	18-10-2019	Environmental economics	DB
27AF	18-10-2019	Market failure and externalities	DB
27	18-10-2019	QUIZ 2 RESULTS	
28	21-10-2019	Environmental valuation I	DB
29	23-10-2019	Environmental valuation II	DB
30 FN	25-10-2019	Ecological economics I	DB
31AF	25-10-2019	Ecological economics II	DB
32 FN	28-10-2019	Ecosystem services	DB
33 AN	28-10-2019	National income accounting	BT
34	30-10-2019	Employment	BT
35 FN	04-11-2019	Growth	BT
36 AN	04-11-2019	Growth theories I	BT
37	06-11-2019	Growth theories II	BT
38 FN	08-11-2019	QUIZ 3 (until session 34)	DB + BT
39 AN	08-11-2019	Poverty and inequality	BT
40 FN	11-11-2019	Development economics – discussion	BT
41 AN	11-11-2019	Human development I	BT

42	13-11-2019	Human development II	BT
43 FN	15-11-2019	Multidimensional poverty	BT
44 AN	15-11-2019	Human development – discussion	BT
44	15-11-2019	QUIZ 3 RESULTS	
44	15-11-2019	ASSIGNMENT DUE	By email to DB
45	18-11-2019	Political economy – basics	BT
46	20-11-2019	Marxian economics	BT
47 FN	22-11-2019	Political economy of the environment	BT
48 AN	22-11-2019	Political economy – discussion	BT
	29-11-2019	ASSIGNMENT RESULTS	
Written exam 29-11-2019, 10am-1pm			

BT: Bejoy K Thomas, DB: Durba Biswas

Core text books (select chapters will be used)

- Samuelson, P. A. and W. Nordhaus (2009) Economics, Tata McGraw-Hill (SAM)
- Hanley, N., J. F. Shogren and B. White (2004) Introduction to environmental economics, Oxford University Press (HAN)
- Daly, H. E and J. Farley (2004) Ecological Economics: Principles and Applications, Island Press (DAL)
- Todaro, M. P and S. C. Smith (2009) Economic Development, Pearson Education Limited (TOD)
- Deneulin, S and L Shahani (eds) (2009) An Introduction to the Human Development and Capability Approach: Freedom and Agency, Earthscan (DEN)

For some sessions, journal articles and book chapters will be used.