Syllabus: Economics of natural resources 2

Basic data for the course	
Academic unit:	Faculty of Economics
Title of the course:	Economics of natural resources 2
Level:	Master
Status of the course:	Elective
Year of studies:	2
Number of hours per week:	2
ECTS credits:	5
Time/location:	Thu, 17:00 – 18:30
Tutor:	Associate professor Petrit Gashi
Tutor's contact details:	Faculty of economics, UP, office 84, floor 7 email: petrit.gashi@uni-pr.edu Office hours: 24/7
Content of the course:	This subject applies theoretical and empirical economic tools to a number of natural resource related issues. The broad concepts discussed include externalities, public goods, property rights, market failure, and social cost-benefit analysis. These concepts are applied to a number of areas of interest, specifically non-renewable resources such as minerals and energy resources. The economics of mineral and energy resources is particularly relevant for Kosovo. Special emphasis is devoted to analysing the optimal role for public policy in addressing the efficient use of natural resources.
Course objectives:	The major objectives are to: - Learn basic economic principles governing the allocation of various categories of scarce natural/environmental resources among competing uses; and - Gain experience with basic analytical tools useful for applying these principles to real world allocation problems.
The expected outcomes:	Students are expected to: 1. Develop skills in using economic concepts to analyse critically resource scarcity and resource allocation problems. 2. Understand the role of natural resources in the economy, especially in relation to sustainable growth. 3. Understand the methodology of valuation of natural resources, particularly the cost-benefit analysis and other decision-making metrics 4. Explain the economic approach to sustainable development and the incorporation of sustainability criteria in economic policy.

The students' workload (hours per semester, ECTS)			
Activity	Hours	Days/weeks	Total
Lectures	2	13	26
Tutorials (theoretical and practical)			
Case studies			
Direct contact with tutor	1	13	13
Field research			
Colloquiums	1	12	12
Homework			

Individual study (at library or home)	2	15	30
Final preparation for the exam	3	5	15
Evaluation	3	3	9
Projects, presentations, etc.			
Total	12	61	105

Teaching methods:	At the beginning students are informed in detail about the subject, including the responsibilities of both students and the professor. Students are encouraged to participate actively in lectures by discussing the topics and issues at hand. Students are encouraged also to conduct independent work, as well as to be active in the class tutorials.
Assessment methods:	Students are expected to attend all lectures. They will also be required to write one short paper and to take a test at the end of semester. The test will contain a combination of multiple choice and essay type questions. In addition to the success the student showed in the test and the paper, the final mark takes into account how active the student was in lectures. Below you can find the procedures for evaluation during and after the semester is finished:

Activities	Grades during the teaching process	Grades after the teaching process
Exam	/	75%[1)]
Test	55%	All activities during the semester provide maximum of 25% of the final mark
Paper	25%	
Participation	10%	
Total	100%	100%

Note:
1) Students that undergo only the final exam – while not engaging with eny of the activities during the semester – can reach maximum mark 8.

Percentages correspond to the following marks:

Mark10	⇨	Over 90%
Mark 9	⇨	80 – 89%
Mark 8	⇨	70 – 79%
Mark 7	⇨	60 – 69%
Mark 6	⇨	50 – 59%

The paper will be a maximum of seven (7) double-spaced pages in length and will be due on the final lecture of the semester. The topic will be as follows:

Identify an Urgent Problem in the Context of Natural Resources and/or Environment Today, and Provide

	Some Thoughts About its Origins and Possible Solution In this paper, you will be expected to choose some contemporary problem related to natural resources and/or environment and evaluate alternative policy solutions, taking account of both economic and political dimensions of the issue. The choice of problem is up to you. The focus of the paper should be on the comparative effectiveness and feasibility of alternative possible policies, and should address the following questions: 1) What is the problem, what are its origins, and why is it important? 2) What solutions might be proposed, and what are their strengths and weaknesses? 3) Is any one policy solution clearly superior as a way to solve the problem, or does the problem require a combination of solutions? The aim of the paper is comparative analysis, not mere description. That means that you must try to do three things: a) identify the key issues involved in the problem you choose to discuss; b) identify and evaluate alternative possible solutions; and c) make a case for your own preferred policy choice. In making a case, it is not enough simply to state your opinion; you must also say, to the extent possible, why what you believe is better than any other choice available. In other words, you must compare and contrast relevant possibilities, weighing and evaluating the strengths and weaknesses of each as best you can.
Literature	
Basic literature:	White, B. J. (2016), Economics of Natural Resources: An Introduction 3rd ed., Long Grove: Waveland Press
Secondary literature:	Tietenberg, T. and Lewis, L. (2018). Environmental and Natural Resource Economics. 11th ed. New York: Routledge. Other materials provided by the tutor.

Detailed work plan:	
Weeks	Topics
Week 1	Introduction to natural resource economics
Week 2	Natural resources and the economy I: economic growth
Week 3	Natural resources and the economy II: globalisation
Week 4	Cost-benefit analysis: measuring benefits
Week 5	Cost-benefit analysis: measuring costs

Week 6	Markets and efficiency
Week 7	Natural resources and the environment
Week 8	Mineral resources I: basics
Week 9	Mineral resources II: renewability of depletable resources
Week 10	Energy resources I: basics
Week 11	Energy resources II: the transition from depletable to renewable resources
Week 12	Other resources: common pool resources
Week 13	Public policy for natural resources

Academic policies and conduct:
Students are expected to actively participate in lectures and exercises. Final mark will largely depend on the active participation of students in the class.