Economics 353
Natural Resource Economics
Spring Semester 1985
Professor Chuck Howe

Note: Economics 353 is designed for non-economics majors. Economics majors cannot take 353, nor will credit be granted for both 353 and 453.

This course provides a broad survey of the major public policy issues related to natural resources and their management over time. Are we running out of natural resources? Are natural resources becoming scarcer? In what sense? Can markets allocate natural resources responsibly? Why might they fail? What does "conservation" mean? Do we need a new national energy policy? What are the problems with national forest policy? Could private ownership solve these problems? What are common-property resources and their problems? How can natural areas like wilderness areas be valued to be compared with development values?

Three tests and a final exam will be given. The lowest test grade will be dropped but no make-up tests will be given. All must take the final. Reading materials are available as Packet 1: Howe, Natural Resource Economics; and Packet 2: Outside Readings at Kinko’s.

Assignments

1. Overview of the Field.
   Howe, Chapter 1.
   Reading 1: "Population Growth, Resource Availability, and Environmental Quality".

2. Natural Resources Concern Is Not New.
   Howe, Chapter 3.

3. What Is Conservation?
   Reading 2: "What Is Conservation?"

   (handouts will be provided)

5. Will Competitive Markets Allocate Resources Efficiently Over Time?

6. Are We Running Out of Natural Resources?
   Howe, 6.1-6.4
   Reading 3: "Scarcity and Growth Revisited"

7. Factors Mitigating NR Scarcity
   Howe, Chapter 7
   Reading 4: "Innovative Responses to Materials Shortages"
8. Social, Political, Environmental, and Economic Factors Involved in Making Long-Term Decisions
Reading 5: "Conservation Reconsidered"

9. Energy Issues
Howe, 9.1-9.4
Reading 6: "The Faustian Bargain"

(handouts will be provided)

11. The Tragedy of the Commons: A Case of Mistaken Identity?
Howe, Chapter 12
Readings 7 and 8

12. Renewable Resources Management: The Case of the Fisheries.
Reading 9: "The Economic Theory of ... the Fishery"
Reading 10: "The Economics of Overexploitation".

13. Preservation versus Development: the Values of Natural Areas

14. Towards A Responsible Natural Resources Policy
Howe, Chapter 16.