

**ECON 3535 – Natural Resource Economics**  
**University of Colorado Boulder**  
**Fall 2021**

Instructor: Matthew Burgess

Email: [matthew.g.burgess@colorado.edu](mailto:matthew.g.burgess@colorado.edu)

**Office hours:** Fridays 3:00pm-5:00pm on Zoom (see Canvas for link)

TA: Ashley Dancer

Email: [asda9467@colorado.edu](mailto:asda9467@colorado.edu)

**Office hours:** Thursdays 12:30pm-2:00pm on Zoom (see Canvas for link)

**Lectures:** Tuesdays and Thursdays 2:20pm-3:35pm Hellems Arts & Sciences Building 201 AND on Zoom (see Canvas for link)

**Course Description:** This course in natural resource economics will introduce students to the interlinkages between natural resources and the economic system. Classic allocation problems for renewable and nonrenewable resources will be examined. This course will also consider the fundamental role of institutions in shaping natural resource use. Understanding the incentives faced by users of natural resources will allow us to consider market failures and the important question of whether or not market interventions are justified on economic grounds. Because natural resources play a central role in many current energy and environmental policy debates, this course will also address policy issues related to climate change, renewable energy, transportation, and sustainability. The first half of the course will focus on the theory of natural resource economics. The second half of the course will focus on application to natural resource, energy and environmental policy.

**Course Organization:** This course will be hybrid—a mix of in-person and online learning. **All lectures will occur simultaneously in person (HLMS 201) and online (Zoom).** You may choose how you attend each class. **However, please stay home if you are sick** (and you may attend on Zoom if you are able).

All lectures will be recorded and posted to Canvas after class. Lectures are a mix of lecture and discussion. **Please participate in the discussion, via the chat or raise-hand function, if you are attending online.** If there is a reason you cannot attend lectures (e.g. attending from a different time zone), please let us know. **Please follow all public health mandates from the campus and City of Boulder (see below).**

**Textbook:** The OPTIONAL textbook for this course is:

Tom Tietenberg and Lynne Lewis, *Environmental and Natural Resource Economics* 9<sup>th</sup> ed (or 10<sup>th</sup> ed), Prentice Hall, 2011 (2014).

**Grading:**

Class Participation	5%
Assignments	30%
Midterm Exams	30%
Final Exam	35%

**Class Participation:** Students are expected to come to class and be prepared to discuss and answer questions regarding the lecture material. You may participate either in person or on Zoom (your choice will not affect your grade).

**Assignments:** There will be an assignment at the end of each of Units 1-7. Assignments will include a mix of mathematical problems and short answer questions. For each student, we will drop the lowest grade among the seven assignments and count each of the others for 5% of the final grade. Because we are dropping the lowest grade, we will not accept late assignments without a valid reason (e.g., illness, caring for an ailing relative, etc.). We will provide more details when the first assignment is assigned.

**Exams:** The exams will include a mix of multiple-choice questions, mathematical problems, and short answer questions. We will provide example questions from past exams as study aides prior to the test date. The Midterm Exams will be **take-home**, assigned at the start of a class period (in which Ashley and I will make ourselves available to answer questions about the exam via Zoom) and due one week later. For each student, **the highest score among the two will count for 30%**. Because the lowest midterm grade is being dropped, we will only allow make-ups with a valid reason, and, if possible, make-up exams will have to be taken before the rest of the class. The Final Exam date will be announced as soon as it is available. It will cover all units, but will more heavily weight Units 7 and 8, which are not covered by the midterms. It will also be a take-home exam.

These take-home exams are open-book, but they must be completed individually. This our third semester of online instruction, and we know all of the commonly-used cheating tricks. If you cheat, we will catch you, give you zero on your exam, and report you to the Honor Code office.

### **Tentative Schedule**

The eight units for the class are listed below, along with recommended (but optional) readings from the textbook, with page numbers listed in roughly the order in which they will be covered in lecture. We expect to spend approximately 1-3 weeks on each unit, depending on the volume of the material and general class interest in the unit. For each unit, tentative topics are also listed.

#### 1. Introduction and key concepts

Topics: market failures, discounting

Readings: 9<sup>th</sup> ed: pp. 16-27, 46-53. 10<sup>th</sup> ed: pp. 15-26, 46-53.

#### 2. Non-renewable resources

Topics: minerals, oil and gas, groundwater

Readings: 9<sup>th</sup> ed and 10<sup>th</sup> ed: Ch. 6, 7, 9.

#### 3. Renewable resources

Topics: fisheries, forestry, agriculture

Readings: 9<sup>th</sup> ed: pp. 320-331, 351-358, 293-306, 314-319, 262-278, 290-292.

10<sup>th</sup> ed: pp. 278-290, 309-315, 254-267, 274-277, 234-253.

#### Midterm 1 (Units 1-3) **Date TBD (approximately late September)**

#### 4. Property rights and institutions

Topics: open access, common property, the Resource Curse

Readings: 9<sup>th</sup> ed: pp. 28-45, 551-563. 10<sup>th</sup> ed: pp. 27-45, 520-530.

#### 5. Natural resource policy

Topics: regulating externalities, property rights approaches

Readings: 9<sup>th</sup> ed: pp. 359-396, 397-423, 249-261, 307-314, 332-350.

10<sup>th</sup> ed: pp. 359-377, 378-398, 247-251, 267-273, 290-308.

## 6. Climate change

Topics: costs of climate change, climate policies, technological innovation

Readings: 9<sup>th</sup> ed: pp. 424-430, 431-441. 10<sup>th</sup> ed: 399-406, 407-419.

## Midterm 2 (Units 4-6) **Date TBD (approximately late October or early November)**

## 7. Renewable energy

Topics: power sector, transportation sector

Readings: 9<sup>th</sup> ed: pp. 163-176, 442-470. 10<sup>th</sup> ed: pp. 160-169, 420-444.

## 8. Visions of the future

Topics: sustainability concepts, environmental Kuznets curve, future of growth

Readings: Papers, which will be posted on Canvas

## Final Exam (Covers all Units)

### **Classroom Behavior**

Both students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote or online. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. For more information, see the policies on [classroom behavior](#) and the [Student Conduct & Conflict Resolution policies](#).

### **Requirements for COVID-19**

As a matter of public health and safety due to the pandemic, all members of the CU Boulder community and all visitors to campus must follow university, department and building requirements and all public health orders in place to reduce the risk of spreading infectious disease. Students who fail to adhere to these requirements will be asked to leave class, and students who do not leave class when asked or who refuse to comply with these requirements will be referred to [Student Conduct and Conflict Resolution](#). For more information, see the policy on [classroom behavior](#) and the [Student Code of Conduct](#). If you require accommodation because a disability prevents you from fulfilling these safety measures, please follow the steps in the “Accommodation for Disabilities” statement on this syllabus.

As of Aug. 13, 2021, CU Boulder has returned to requiring masks in classrooms and laboratories regardless of vaccination status. This requirement is a temporary precaution during the delta surge to supplement CU Boulder’s COVID-19 vaccine requirement. Exemptions include individuals who cannot medically tolerate a face covering, as well as those who are hearing-impaired or otherwise disabled or who are communicating with someone who is hearing-impaired or otherwise disabled and where the ability to see the mouth is essential to communication. If you qualify for a mask-related accommodation, please follow the steps in the “Accommodation for Disabilities” statement on this syllabus. In addition, vaccinated instructional faculty who are engaged in an indoor instructional activity and are separated by at least 6 feet from the nearest person are exempt from wearing masks if they so choose.

**Students who have tested positive for COVID-19, have symptoms of COVID-19, or have had close contact with someone who has tested positive for or had symptoms of COVID-19 must stay home.** In this class, if you are sick or quarantined, please contact Ashley or Matt, and we will work to accommodate your absence.

### **Accommodation for Disabilities**

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or [dsinfo@colorado.edu](mailto:dsinfo@colorado.edu) for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

### **Preferred Student Names and Pronouns**

CU Boulder recognizes that students' legal information doesn't always align with how they identify. Students may update their preferred names and pronouns via the student portal; those preferred names and pronouns are listed on instructors' class rosters. In the absence of such updates, the name that appears on the class roster is the student's legal name.

### **Honor Code**

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code ([honor@colorado.edu](mailto:honor@colorado.edu)); 303-492-5550). Students found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found at the [Honor Code Office website](#).

### **Sexual Misconduct, Discrimination, Harassment, and/or Related Retaliation**

The University of Colorado Boulder (CU Boulder) is committed to fostering an inclusive and welcoming learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct (harassment, exploitation, and assault), intimate partner violence (dating or domestic violence), stalking, or protected-class discrimination or harassment by members of our community. Individuals who believe they have been subject to misconduct or retaliatory actions for reporting a concern should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127 or [cureport@colorado.edu](mailto:cureport@colorado.edu). Information about the OIEC, university policies, [anonymous reporting](#), and the campus resources can be found on the [OIEC website](#).

Please know that faculty and graduate instructors have a responsibility to inform OIEC when made aware of incidents of sexual misconduct, dating and domestic violence, stalking, discrimination, harassment and/or related retaliation, to ensure that individuals impacted receive information about options for reporting and support resources.

### **Religious Holidays**

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please contact Ashley or Matt if you have a religious observance that requires you to miss class time or affects any assignments.

See the [campus policy regarding religious observances](#) for full details.