

Syllabus
Economics 347: Economics of Climate Change
WINTER 2011

Instructor: Isabel Galiana
Office: L321E
email: isabel.galiana@mcgill.ca

Time and Location: T &Th 1:05 - 2:25, Trottier Building 2100.

Office Hours: Thursday 2:45- 4:00 or by appointment

T.A.: Naureen Fatema

Course Prerequisite: For Faculties of Arts, A&ES, and Management: Economics 208 and 209 (or equivalent) or Econ 230D or 250D. (In the Faculty of Management, equivalents of 208 and 209 are MGMT 293 and ECON 295.) For the Faculty of Science or McGill School of Environment, the prerequisite is 208; for Faculty of Engineering MIME 310 can replace Economics prerequisites.

Textbook and Materials: There is no required text. The required reading will draw material from different sources. Parts of the course will use documents prepared by the IPCC (Intergovernmental Panel on Climate Change). Those can be accessed online at <http://www.ipcc.ch/>. Some sources will be announced later in the course on WebCT. Journal articles and research papers which are required or suggested reading will be made accessible on the course webpage during the semester. You should check the course WebCT for updates of the reading list. Part of the class will cover an introduction to environmental economics.

Grading: There will be two midterms, a 10 page (maximum) research paper (with outline) and for some an (optional) presentation of their paper. They will count toward the final grade as follows.

Midterm 1	30%
Midterm 2	30%
Research Paper Outline	5%
Research Paper	30% or 35%
Presentation	5% or 0%

Exams and Due dates: The first midterm exam will be on Thursday, February 15. The second midterm will be on Tuesday, March 29th. The research paper outline is due on the 25th of January and the paper is due on or before Thursday the 31st of March at 1:00pm (i.e. before class). Papers received after March 31st, will NOT be accepted. A grade of 0 will be entered for 35% of the course mark for those who do not submit their paper on time. Term papers will be returned April 7th in class. The final three lectures will be reserved for student presentations (attendance is mandatory).

Course Objectives

Climate change issues and climate policy have received increasing attention over the last years. This course is an in-depth survey of the main issues, particularly economic and energy ones, arising out of predictions that GHG emissions from fossil fuels combustion and land use change are affecting and will affect the global climate. The focus is on the economic implications of, and problems posed by, predictions of global warming due to anthropogenic emissions of greenhouse gases. Starting with an introduction into the scientific basis of climate change, we will discuss basic concepts of environmental economics such as efficiency, externalities, and environmental policy instruments. We will face questions of intertemporal decisions, deal with uncertainties about the predicted socio-economic and environmental impacts of climate change and costs of mitigation and adaptation, and with problems of international cooperation. Attention is given to economic policies such as carbon taxes and tradable emission permits and to the problems of displacing fossil fuels with new energy technologies. The course attempts to steer away from increasingly sterile debates about emission targets, and toward examination of the real issue: what it will take to stabilize climate; i.e., to stabilize the atmospheric concentration of carbon dioxide and other greenhouse gases. Discussions of current policy initiatives and newspaper reports will be used to complement the theory.

In accordance with a McGill University Senate resolution approved January 29, 2003, the following statement is included in the course outline.

“McGill University values academic integrity. Therefore all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see www.mcgill.ca/integrity)

In accord with McGill University’s Charter of Student Rights, students in this course have the right to submit in English or in French any written work that is to be graded.