



KARNATAK UNIVERSITY, DHARWAD  
ACADEMIC (S&T) SECTION  
ಕರ್ನಾಟಕ ವಿಶ್ವವಿದ್ಯಾಲಯ, ಧಾರವಾಡ  
ವಿದ್ಯಾಮಂಡಲ (ಎಸ್&ಟಿ) ವಿಭಾಗ



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'A' Grade 2014

website: kud.ac.in

No. KU/Aca(S&T)/MGJ-348/BOS in Eco(PG)/ 2021-22/109

Date: 30 APR 2022

NOTIFICATION

Sub: Regarding the replacement of paper of PG Managerial Economics by Environmental Economics for the 4<sup>th</sup> Semester w.e.f. 2022-23 & onwards.

- Ref: 1. BOS Res. No. 07(a), dt. 22.12.2021.  
2. Faculty Res. No. 07, dt. 25.01.2022.  
3. Academic Council Res. No. 08, dt. 04.03.2022.  
4. Vice-Chancellor's order dated 29-4-2022

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With reference to subject cited above, it is hereby notified to the Chairman, P.G. Dept. of Economics, K.U.Dharwad that the replacement of paper of PG Managerial Economics by Environmental Economics for the 4<sup>th</sup> Semester w.e.f. 2022-23 & onwards.

Hence, the contents of this notification may please be brought to the notice of the students and all the concerned. The prescribed syllabus is obtained through Academic Folder, K.U.website ([www.kud.ac.in](http://www.kud.ac.in)).

REGISTRAR

To,

1. The Chairman, BOS Economics, (PG), Dept. of Economics, K.U.Dharwad.
2. The Chairman, Dept. of Economics, K.U.Dharwad. (The same may be sent through e-mail)
3. The Registrar (Evaluation), K.U.Dharwad.

Copy fives to:

1. Dr. (Smt) S.C.Shettar, Dean, Faculty of Social Science, Dept. of Sociology, K.U.Dharwad.
2. The Director, IT Section, Examination Section, K.U.Dharwad for information and to upload on K.U.Website ([www.kud.ac.in](http://www.kud.ac.in)).

Copy to:

1. PS to Vice-Chancellor, K.U.Dharwad.
2. S.A. to Registrar, K.U.Dharwad.
3. O.S., Exam PG / Confl / QP / GAD Section, K.U.Dharwad.
4. The System Analyst, Computer Unit Exam Section, K.U.Dharwad.

## **CORE COURSE SEMESTER IV -404 ECONOMICS OF ENVIRONMENT**

(This course will have FOUR credits)

### **PREAMBLE:**

Environmental economics has emerged as an important sub-discipline of economics in recent times as humanity struggles to respond to the environmental crisis that challenges the very existence of human beings. Environmental Economics focuses on the relationship between human behavior, economic systems as well as mechanisms and environmental quality. It attempts to explore fundamental questions of how the economic system shapes economic incentives in ways that lead to environmental degradation as well as improvement. It focuses on the nature of environment as a social good and the relationship between environment and economic development. Environmental economics explores economic principles, economic theories and various analytical tools of economics for environmental protection, regulation and policy making. This curriculum introduces post graduate students of economics to the field of environmental economics and equips them with analytical tools to comprehend various environmental issues.

### **Course Objectives:**

- To develop an understanding of the economics of environment in the theoretical as well as practical context.
- To discuss various analytical tools to comprehend various environmental issues.

### **Programme Outcome:**

- Ability to analyze and evaluate the subject with reference to various aspects of the economics of environment.
- Ability to develop an understanding of the economics of environment and various analytical tools to comprehend environmental issues

### **Module-1: Basic Concepts (9 Hours)**

Elements of Ecology - Meaning, Nature and Scope of Environmental Economics – Relationship between Environment and Development –Environmental Kuznets Curve – Meaning and Evidence – The Laws of Thermodynamics - The Material Balance Principle and the Entropy Law - Sustainable Development – Meaning and Indicators

### **Module –2: Natural Resource Economics (12 Hours)**

Resource Taxonomy – Renewable and nonrenewable resources– Economic Theory of Depletable Resources- Optimal Use of Renewable Resources- Resource Scarcity and Economic Growth – Limits to Growth Model –Tragedy of Commons and common property Resources – Resource Pricing and Resource Conservation

### **Module-3: Theory of Environmental Regulation(15 Hours)**

Need for Environmental Regulation - Market Failures -Externalities – Meaning and Types - Divergence between Social Cost and Private Cost – Internalization of Externalities - Pigouvian Solution - Coase's Theorem and Its Critique - Property Rights and Collective Action —Public Goods and Externalities - Free Rider Problem – Command and Control Approach – Market Based (Economic) Instruments – Hybrid Instruments – Environmental Laws in India

#### **Module-4: Pollution and its Abatement in India (12 Hours)**

Types of Pollution - Causes and Consequences of Different Types of Pollution: Air Pollution, Water Pollution, Noise Pollution, Chemical Pollution and Degradation of Land and Habitat – Climate Change – Causes, Consequences and Mitigation and Adaptation Measures

#### **Module-5: Global Environmental Issues (12 Hours)**

Issues in International Trade and Environment– Income Effects and Environmental Kuznets Curves – Race to the Bottom and Pollution Haven Hypothesis - Porter Hypothesis - Economics of Climate Change- Extent and Impact; Adaptation and Mitigation – Global Summits and Major Treaties- Loss of Bio-diversity

#### **Reading List:**

1. Baumol, W.J. & Oates, W.E. (1997), The Theory of Environmental Policy, Prentice Hall, Englewood-cliffs
2. Bhattacharya, R. N. (2006), Environmental Economics: An Indian Perspective, Oxford University Press, New Delhi
3. Field, Barry & Field, Martha (2016), Environmental Economics: An Introduction, McGraw-Hill Education, New York.
4. Hanley, Nick; Shogren, Jason & White, Ben (2004), Environmental Economics in Theory and Practice, McMillan India Limited, Delhi
5. Managi, Shunsuke & Kuriyama, Koichi (2017), Environmental Economics, Routledge, London and New York
6. Singh, Katar & Shishodia, Anil (2010), Environmental Economics: Theory and Applications, Sage Publications, New Delhi
7. Smith, Stephen (2011), Environmental Economics: A Very Short Introduction, Oxford University Press, New York
8. Ulaganathan, Sankar (2006), Environmental Economics, OUP, New Delhi