

Economics 260A  
Natural Resource Economics  
Fall 2011

1. The rise of ITQ policies for managing fisheries is one of the success stories in natural resource economics. Review the literature that examines the efficiency properties and possible limitations of ITQs. Why have ITQs been adopted in some fisheries but not others?
2. The practice of setting aside regions of the oceans as marine reserves, with all harvesting and some other activities prohibited, is a policy favored by many marine scientists. Review the economic literature on the role for marine reserves in fisheries management and marine resource management more broadly.
3. Several fisheries are now being managed by regimes that allocate quantitative catch rights to groups rather than individuals, to manage as the collective sees fit (within regulatory guidelines.) These sometimes take the form of sectoral allocations or harvester cooperatives. Review the literature on such assignments as a method for managing fisheries, including both theoretical and empirical treatments.
4. Methods of experimental economics are increasingly used to test basic propositions in natural resource economics, e.g., about the behavior of those who exploit common pool resources. Provide a general review of this literature and develop a proposal for applying this approach to address a previously unexamined question.
5. One of the arguments offered for protecting biodiversity is that its genetic information may prove highly valuable in developing new pharmaceuticals. Review and evaluate the literature on pharmaceutical values of biodiversity.
6. Deforestation is regarded as an environmental problem due to effects on atmospheric carbon and because natural forests provide habitat for species. Review the literature on the economic causes of deforestation and possible policy responses. Evaluate recent evidence on the pace and pattern of deforestation as part of your review.
7. Reducing GHG emissions from deforestation and forest degradation (called REDD) is thought by many to be a low cost way of reducing emissions of greenhouse gasses and this topic is becoming one of the more active areas of forest economics. Evaluate the theoretical and empirical evidence on this topic, including the problem of establishing a baseline for evaluating emission reductions.
8. The forest products industry in North America and worldwide is making a transition from harvesting 'wild' trees from natural forests to growing forest products in high yield plantations, sometimes using high-yield exotics. Review the literature on the recent history of this transition and on likely implications for natural habitats.
9. A prominent policy for preventing species extinction is the Convention in International Trade in Endangered Species (CITES), an agreement that prohibits on trade in products derived endangered species. Review the literature on the efficacy of CITES in this role.
10. What policies other than prohibitions on trade in products derived endangered species have economists proposed for protecting species? Review the literature on such policies.
11. The Endangered Species Act is the most important piece of federal regulation related to protecting species from extinction in the US. Review the literature on the effectiveness of ESA as a regulatory approach for controlling species extinction.
12. Several authors have concluded that natural resource abundance is a 'curse' for the nations where these resources are found, leading to slow growth and failed governance.

- Review the literature on the 'resource curse' and the debate on whether or not it is a real phenomenon.
13. The most dramatic event in natural resource markets in recent times was the spike in oil prices in 2008. Evaluate the theoretical and empirical literature on this topic. In your evaluation, consider the use of asset pricing theory as an approach for understanding this event.
  14. What does the literature on OPEC's behavior conclude? Does it act as a monopoly, a competitive industry, cartel that cheats, dominant firm? Do you regard the empirical evidence as conclusive? Can you think of other approaches to this question?