

COURSE SYLLABUS
ECNS 432: Benefit-Cost Analysis
Fall 2017

Class Schedule: 9:25am to 10:40am on Tuesday and Thursday (Wilson Hall 1116)

Professor: Dr. Mark Anderson

Email and course webpage: dwight.anderson@montana.edu; www.dmarkanderson.com

Office Hours: Tuesday 3:00 pm to 5:00 pm (307E Linfield Hall)

Course prerequisites: ECNS 301 (Intermediate Microeconomics)

Required textbooks: -Boardman et al., *Cost-Benefit Analysis, 4th Edition* (Book is out of print and unavailable at the MSU bookstore. It can be purchased online and older editions are cheap. I will be posting pdf scans of each chapter on the class webpage.)

Grades: Quizzes: 15% (**We will generally have weekly quizzes on Tuesdays**)

Midterm: 15% (**In-class midterm on October 5th**)

Final: 15% (**12-1:50pm December 15th**)

Group Presentation of Journal Article: 10%

Term Paper: 45% (5% for research proposal; 5% for in-class presentation and attendance of classmates' presentations; 5% for peer review of classmate's paper; 30% for final paper)

-Research paper proposal due on September 28th

-First draft of term paper due to peer reviewer on November 16th

-Reviewer reports due on November 21st

-In-class individual presentations will be held during the last two weeks of the semester

-Term paper due on December 7th

Material we will cover:

Fundamentals of CBA

- Introduction to CBA and Microeconomic Foundations (Ch. 1, 2, and 3 of Boardman et al.)
- Valuing Benefits and Costs in Primary and Secondary Markets (Ch. 4 and 5 of Boardman et al.)
- Discounting Benefits and Costs; Uncertainty (Ch. 6 and 7 Boardman et al.)
- Option Price and Value; Existence Value (Ch. 8 and 9 Boardman et al.)
- Social Discount Rate; Predicting and Monetizing Impacts (Ch. 10 and 11 Boardman et al.)
-Depending on time constraints, we may skip these two chapters.

Valuation of Impacts

- Valuing Impacts from Observed Behavior: Experiments/Quasi-Experiments (Ch. 12 of Boardman et al.)
- Valuing Impacts from Observed Behavior: Direct Est. of Demand Curves (Ch. 13 of Boardman et al.)
- Valuing Impacts from Observed Behavior: Indirect Market Methods (Ch. 14 of Boardman et al.)
- Contingent Valuation: Using Surveys to Elicit Information (Ch. 15 of Boardman et al.)
- Shadow Prices from Secondary Sources (Ch. 16 of Boardman et al.)
-Depending on time constraints, we may skip this chapter.

Other Notes:

- Undergrad study rooms: There is an undergrad econ study room in Linfield Hall 404 and a computer room in Linfield Hall 409A. They are open Monday-Friday from 8am-5pm.