

Markets and the Economics of Natural Resources (BREM 3001)

Syllabus

winter term 2020/21

Weekly hours:	4
ECTS-Credits:	5
Workload:	150 hours, 60 hours contact and 90 hours self-study
Time:	Wednesday, 11:30 – 13:00 (T2.2.10) Fridays, 13:45 – 15:15 (W3.2.01)
Begin:	7.10.2020
Study Programme:	BREM6
Level:	advanced
Prerequisites:	semester 1 and 2 completed (not more than 10 credits missing)

Outline of the course

1. Introduction
2. Natural Resource - Microeconomics
3. Natural Resources - Macroeconomics
4. Market Deficits and Natural Resources
5. Introduction to specific Natural Resources
6. Specific Resource Markets and Market instruments – non-renewable resources
7. Specific Resource Markets and Market instruments – renewable resources

Time table

Chapter	Week
1	41/42
2	42/43
3	43/44
4	45-49
5	50-52
6	1/2
7	3

Basic literature:

Baker, R. P. (2010): *The Trade Lifecycle: Behind the Scenes of the Trading Process* (Wiley Finance)

Clark, E. et al. (2001): *International Commodity Trading: Physical and Derivative Markets* (Wiley Trade Series)

Conrad, J. (2011): *Resource Economics*. Cambridge University Press

OECD (2012): *Sustainable Materials Management: Making Better Use of Resources*, Paris

Perman, R. et al. (2011): *Natural Resource and Environmental Economics*, Pearson.

More detailed information about the literature for every chapter will be given during the lecture.

Learning Objectives:

- Understand the economic motivation why we have to care about natural resources that are essential in production
- Understand how important resource markets function and how this is related to findings from resource economics
- Understand developments (e.g. prices or volatility) on important resource markets
- Understand particular instruments in resource trading (e.g. options and future contracts)

Course contributions to bachelor programs' common learning goals:

LO	Learning Objective / Outcome	Contributions to learning objectives	Assessment
	Expert knowledge		
1.1	Students show that they have sound basic knowledge in Business Administration.	Role and importance of developments on resource market as a framework condition for enterprises. Market instruments available for optimizing production possibilities.	Discussions within class, written exam
1.2	... in Economics.	Understanding resource economics and their implications for developments on resource markets. Effects of such developments on enterprises and the macroeconomy in general.	
1.3	... in Business Law.	Understanding of trading instruments on resource markets	
1.4	... in Quantitative Methods.	Assessing developments on resource markets quantitatively. Applying general statistic methods to resources.	
	Use of information technology		
2.1	Students demonstrate proficiency in using computer programs to solve business problems.	X	
2.2	Students are able to use information systems effectively in real world business settings.		
3.	Critical thinking and analytical competence Students are able to apply analytical and critical thinking skills to complex problems.	Critical discussion of causes / consequences and benefits / risks of developments on resource markets and availability of resources. Discussion of current economic topics.	Discussions within class, written exam
4.	Ethical awareness Students are able to develop business ethics strategies and apply them to typical business decision-making problems.	Resource scarcity and economic implications.	Discussions within class
	Communication skills		
5.1	Students are able to express complex problems effectively in writing	X	
5.2	Students demonstrate their oral communication skills in presentations and papers.		
6.	Capacity for teamwork Students show that they are able to work successfully in a team by performing practical tasks.	X	

Teaching and Learning Approach:

The course is organized as a lecture. However, your contribution and discussions are very welcome. We will discuss a considerable number of issues related to resources used for production. We will use theoretical models, quantitative methods and we will look at empirical observations. Throughout the course, we will go beyond pure theory and will apply economic and statistical methods to contemporary problems in resource economics. The materials will be distributed via the e-learning platform.

Grading:

The grading will be based upon a written exam at the end of the semester.

Availability of the lecturer:

Prof. Dr. Jürgen Antony

Office: W4.1.02

Office hours: Friday, 12:00 – 13:30 or by appointment

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