**B.COM**

**SEMESTER III**

**Economics of Resources (GE 4)**

(100 Marks, 60 Lectures)

**Objectives:**

1.To familiarize the students with concepts and issues in the realm environmental economics and sustainable development.

2. To introduce the students to economics of resources and their use against the background of growing global concerns over the future of the world economy due to the rapid depletion of natural resources

3. To help the students understand the significance of the management of environment and resources for business.

4. To introduce the students to the economics of human resource development

**Unit I Economics of the Environment (25 Marks, 15Lectures )**

Environmental Economics- definition and meaning; linkages between economy and environment, relevance of environmental economics for business, trade-off between conventional economic output and environmental quality (what is the trade-off, why it occurs, what can be done).Economic efficiency and markets-meaning of economic efficiency and social efficiency, relation between markets and economic and social efficiency, external costs, private and social cost, external benefits, externalities and market failure, over-use of open-access resources. The market approach to environmental problems- internalization of external cost, pollution charges, environmental subsidies, carbon credits(meaning of each, how they work through the market mechanism) Environmental Impact Assessment (EIA) of projects- meaning, benefits.

**Unit II Economics of Resources (20 Marks, 12 Lectures)**

Definition of resource, classification, meaning and importance of each, Economic development and resource use- optimist and pessimist models- their major conclusions, Sustainable development- definition and meaning.

**Unit III Economics of Energy and Water (25 Marks, 15 Lectures)**

Economics of energy: meaning of energy; Energy and economic growth, criticality of energy as a resource, energy security, dependence on imports, inflation; Energy availability at the global and national levels, demand-supply gaps, implications, measures to reduce the gap; energy pricing in India; energy audit- meaning, importance; current energy scenario in India .

 Economics of water: Economic importance of water; Demand for water- domestic and commercial ( industry, agriculture); Global water scarcity; Water scarcity in India- extent, causes, attempted solution; Pricing of water -importance, water pricing in India; Challenges in the water sector-scarcity, sharing of water, pollution, groundwater issues, pricing, water quality…..; National Water Policy- proposed measures to meet challenges.

**Unit IV Human Resource Economics (30Marks ,18 Lectures)**

Human resource development- role of education and health in human resource development; Link between education and economic growth and development (productivity, earnings, family size, family health, improved standards of living, adoption of new technology…); benefits of education-direct, indirect, private and social benefits; education as a merit good; expenditure on education in India and its composition (primary, secondary and higher education; public and private).

Link between health and economic growth and development (productivity, earnings, money saved can be spent elsewhere, saving and capital formation, better educational performance of children, smaller families….); determinants of health (income and social status, education, physical environment, health services…) ; health status indicators in India- birth rate, death rate, life expectancy, mortality (infant, child and maternal mortality rates), morbidity; recent trends in health status in India; economic dimension of healthcare - demand and supply of health care; challenges to public health in India; financing of health services - private and public expenditure on health; health insurance.

**References:**

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2. Field, Barry. C. 2001. Natural Resource Economics: An Introduction. McGraw Hill, Singapore.
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4. Bromley, D. W. 1986. Natural Resource Economics, Policy problems and Contemporary Analysis. Kluwer, Boston.ed.
5. Dorfman, M. R. 1972. Economics of the Environment. W.W. Norton & Co. New York.
6. Dutt, R. and Sundharam, K.P.M. (most recent edition). Indian Economy. Sultan Chand and Co. New Delhi.
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10. Karpagam, M. 2001. Environmental Economics. Sterling Publishers. New Delhi.
11. Merret, S. 1997. Introduction to the Economics of Water Resources: An International Perspective. UCL Press.
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13. Shankar, U. 2001. Environmental Economics. Oxford University Press. New Delhi.ed.
14. Singh, K. 1994. Managing Common Pool Resources: Principles and Case Studies. Oxford University Press. New Delhi.
15. Singh,K. &Shishodia, A. 2007. Environmental Economics: Theory and Applications. Sage. New Delhi.
16. Thompson, D. 2003. The Economics of Environmental Protection. Winthrop Publishers. Cambridge, Mass.
17. Tietenberg T. H. 1994. EnvironmentalEconomics& Policy. Harper Collins. New York.
18. Tietenberg T. H.2006. Environmental and Natural Resource Economics.Addison- Wesley. New York.7thed.
19. WHO. 2001. Macroeconomics ad Health: Investing in Health for Economic Development, Report of the Commission on Macroeconomics and Health, WHO.
20. [http://www.who.int/macrohealth/action/sintesis 15novingles.pdf](http://www.who.int/macrohealth/action/sintesis%2015novingles.pdf)
21. Winpenny, J. 1994. Managing Water as an Economic Resource, Routledge
22. The Hindu. Survey of Environment: Various issues.
23. World Resources Institute: World Resources, Annual Reports, Other publications.

**Useful websites:**

World Water Council: <http://www.worldwater> council.org

Water Resources Ministry: http:// wrmin.nic.in

World Health Organization: http:// www. who.int