



## Department of Economics Course Outline

|                      |  |                   |  |
|----------------------|--|-------------------|--|
| <b>Course:</b>       | Economics 655<br>[Cost Benefit Analysis] | <b>Term:</b>      | Fall 2012  |
| <b>Time:</b>         | MWF 10:00 – 10:50                        | <b>Section:</b>   | 01   |
| <b>Instructor:</b>   | T.M. Horbulyk, PhD                       | <b>Place:</b>     | SS423 (subject to change)                                      |
| <b>Office:</b>       | SS540                                    | <b>Telephone:</b> | 403-220-4604   |
| <b>Office Hours:</b> | MWF 14:00 – 15:00                        | <b>E-mail:</b>    | <a href="mailto:horbulyk@ucalgary.ca">horbulyk@ucalgary.ca</a> |

### Course Content:

The course will cover theoretical and applied aspects of the use of cost-benefit techniques in the evaluation of investment projects and public policies.

### Textbooks:

- Perkins, Frances C., *Practical Cost Benefit Analysis: Basic Concepts and Applications*. Melbourne: Macmillan Education Australia, First Edition, 1994. [This book is now out of print. By special arrangement with the author, you can purchase a photocopy of the entire book for about \$20.00 from the “Bound and Copied” shop in Mac Hall (MSC 105). Ask at the counter for the Econ 655 course pack, and they will print one on request.], *and*:
- Pearce, David, Giles Atkinson and Susana Mourato, *Cost-Benefit Analysis and the Environment: Recent Developments*, 2006. Paris: Organisation for Economic Cooperation and Development. This book can be downloaded free of charge from the link to this title in the UofC Library On-line Catalogue [HC79.E5 INTERNET]. The bookstore will NOT be supplying copies of either of these books.

### Book(s) on Reserve:

A list of specific topics and required readings, including a list of Books on Reserve, will be provided in the first week of lectures.

### Grade Determination and Final Examination Details:

The final grade that each student receives will be based on the following weighting scheme:

|                             |            |
|-----------------------------|------------|
| Assignment(s)               | 15%        |
| Midterm Examination         | 15%        |
| Term Paper and Presentation | 30%        |
| Final Examination           | <u>40%</u> |
|                             | 100%       |

(a) Assignment(s)

There will be one or two assignments, each of which is to be submitted at the *beginning* of class on the date due. In exceptional cases they may be handed in *before* that date to the instructor personally. Answers to assignments will be discussed in class shortly after each assignment falls due. For this reason late assignments will be given a score of zero, although you may still wish to have the work corrected and returned without a score being recorded.

Students are encouraged to discuss the assignments with their classmates, but each must write up his or her own answers. Copying or misrepresenting someone else's work as your own is a serious offence which will *not* be tolerated. Your attention is directed to the "Statement of Intellectual Honesty" in the *2012-2013 Graduate Calendar*.

(b) Examinations

The midterm examination will be held in class on a date to be announced. There will be a scheduled Final Examination that lasts two hours. It will be a comprehensive examination of all material covered in the course. All examinations will be closed-book. Students will be not allowed the use of calculators or other aids during any examination. Exams will not employ multiple choice questions.

Deferred examinations will not be given *except in the case of the Final Examination, where this possibility is provided for in the university's Academic Regulations*. Examinations will not be given *before* the indicated examination date. For further information see the *2012-2013 Calendar*.

(c) Term Paper and Presentation

Students are encouraged to choose a specific and well-defined topic of interest to them and to prepare a relatively short and concise paper, according to one of the formats suggested below. The topic for the paper must be cleared with the Instructor **before October 15**, and the paper will be due **November 23**. This will ensure that the papers are then ready for presentation by the authors in class during the final weeks. The paper should be no more than 20 pages in length, double spaced and word processed. A portion (5/30) of the paper's score will reflect the author's presentation and ability to respond to questions from the group.

Suggested formats for the term paper

(i) *A state of the art review* of a specific *theory* topic within this subject area - This paper should provide a broad survey of past developments, describe the current state of the art (what we know and what we don't), and discuss potentially fruitful avenues for future research.

(ii) *A critical review of a cost-benefit study* done in Canada or abroad – Such a review should provide a brief overview of the project under study and should then assess the analytical methodology employed and results obtained. You may wish to

suggest refinements to the analysis which (feasibly) could have been undertaken by the original authors, and comment on how these refinements could have influenced the study's conclusions. It is not necessary for your paper to review all of the theory underlying the analysis, nor is it necessary for you to assess the accuracy of the original data and conformity with other published results.

(d) Course Grades

A numerical score will be determined for each item of work submitted and a final (weighted) percentage score will be determined. A course letter grade will be assigned based upon the following conversion chart for final percentage scores:

|    |          |    |         |    |         |
|----|----------|----|---------|----|---------|
| A+ | 90 – 100 | B  | 73 – 76 | C– | 60 – 62 |
| A  | 85 – 89  | B– | 70 – 72 | D+ | 57 – 59 |
| A– | 80 – 84  | C+ | 67 – 69 | D  | 50 – 56 |
| B+ | 77 – 79  | C  | 63 – 66 | F  | 0 – 49  |

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Students seeking reappraisal of a piece of graded term work (including the midterm exam) should discuss their work with the instructor *within fifteen days* of it being returned to class. Re-graded work stands an equal chance of having a higher or lower score assigned. Any term work which is *not returned* during regular class time may be collected from the instructor during office hours.

(e) Academic Accommodations

It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 403-220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen days after the start of this course

(f) Blackboard website

This course will make use of Blackboard – students who are registered in the course can log on at <http://blackboard.ucalgary.ca/>

I welcome any comments you may have about the course during the term. When something is not clear during a lecture, do not hesitate to ask questions or to come see me during office hours.

**Other Resources:**

Office of the Student Ombudsperson  
Robert Clegg, JD, LL.M  
Room A166  
Phone. 403-220-6420  
Email: [ombuds@ucalgary.ca](mailto:ombuds@ucalgary.ca)

The Graduate Students' Association  
MSC 350  
Phone: 403-220-5997  
E:mail: [ask@gsa.ucalgary.ca](mailto:ask@gsa.ucalgary.ca)

Students' participation in this course, including the receipt and delivery of course material is regulated by provisions of Alberta's [Freedom of Information and Protection of Privacy Act](#).

In case of emergency evacuation of the classroom, SS423, the designated assembly point is the Food Court in the Professional Faculties Building.

Safewalk/Campus Security: 403-220-5333

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2012-07-09