

GRANDE PRAIRIE REGIONAL COLLEGE
DEPARTMENT OF SCIENCE
Bachelor of Applied Forest Resource Management

FOREST ECONOMICS: FO3190 (Fall 2003) 3 units (3-0-0)

Pre-requisites: Introduction to Microeconomics - EC 1010

Calendar description: Examination of economic aspects that influence forest operations, production, marketing, finance and policy. Topics include: forestry factors, theory of interest, economic rent, trade and external influences, and intangible factors. Opportunities in forestry for both timber and other uses (e.g. recreation) are considered.

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Lectures: Tues., Thurs. 10:00 – 11:20 Room: B304

Course objectives: Forestry economics is a very broadly based field including all facets of the production, distribution and consumption of timber and non-timbered products. It is not the intention of this course to provide an overview of the whole field of forestry economics, nor is it intended to educate specialists in forestry economics. Rather the course is aimed at professional foresters and will focus on the practical application of economics in the management of forests and forest policy analysis.

On completion of the course, the student should be able to:

1. Appreciate the management of forests as an economic activity;
2. To apply some of the concepts and tools of economic analysis to the management of forest resources;
3. To analyze and critically appraise important forest policy issues from an economic perspective.

Text:

Pearse, Peter H. (1990). Introduction to Forestry Economics. UBC Press. Vancouver, BC. 226 pp.

References:

Other material distributed in class or "over internet". Articles identified as additional reading will be made available through the library reserve.

Evaluation: Evaluation for this course is based on four items.

Assignments/quizzes (~5)	20%
Project (oral + written)	15%
Mid-term examination (1)	25%
Final exam (1)	40%

Assignments are to be handed in on time. Late assignments will be accepted; but will be subjected to an automatic deduction of 10% per day that the assignment is late.

SCHEDULE OF COURSE MATERIAL

TOPIC 0: Micro and Macro economic review [Sept. 1, Sept. 8, Sept. 15]

TOPIC 1: Introduction to forestry economics, characteristics of forest resources important for economic analysis [Sept. 15]

READINGS:

Text-Ch. 1

TOPIC 2: Efficiency and market failure [Sept. 22]

READINGS:

Text-Ch. 2

TOPIC 3: The timber market [Sept. 29]

Text: Ch. 3

TOPIC 4: Valuing non-market items [Oct. 6]

Text: Ch. 4

MIDTERM: [Oct. 13]

TOPIC 5: Multiple use of forest land [Oct. 20]

Text: Ch. 5

TOPIC 6: Time value of money [Oct. 27]

Text: Ch. 6

TOPIC 7: Optimal rotation [Nov. 3]

Text: Ch. 7

TOPIC 8: Regulating the forest [Nov. 10]

Text: Ch.8

TOPIC 9: Property rights and land tenure [Nov. 17]

Text: Ch. 9

TOPIC 10: Taxation and other distortions [Nov. 24]

Text: Ch. 10

TOPIC 11: Review/Presentation [Dec. 1]