Economics 406  Fall 2015  Property and Monopoly in the Fishing and Energy Industries
Prof. Levis A. Kochin
Class  MW 12:30-2:20PM SAV  156

Office Hours Thursday  2PM-4PM  and by Appointment
Office: Savery 334  lakochin@u.washington.edu  (206) 543-5845
Cass Website: https://catalyst.uw.edu/sharespaces/space/lakochin/21922
Revised August 20, 2015

Required Texts

1) A collection of readings are available on the class website (address above)
a. To access the readings, log on to Catalyst—you will see a link to ECON 406 which will take you to a list of documents—or type the above link into your address bar.
b. If you do not see the link to 406 on your Catalyst dashboard, email me
c. Catalyst is closing in November and I will arrange for the readings to be posted elsewhere or Emailed to the students
2) Daniel Yergin The Prize: The Epic Quest for Oil, Money and Power be sure to get the Paperback Edition of 2008 with new Epilogue
3) Rognvaldur Hannesson The Privatization of the Oceans MIT

Paul Jaskow gave a course on Energy Economics which MIT has posted online at http://ocw.mit.edu/courses/economics/14-44-energy-economics-spring-2007/
This is a great source for references (up to 2007) if you are doing a term paper on oil and gas

Key Dates
Monday October 19  Term Paper Proposal
Monday November 9  Preliminary Term Paper
Tuesday December 15 5PM Final Term Paper Due at Econ. Dept. Office

Thursday, December 17, 2015,830-1020AM, SAV 156 Final Exam
Term Paper W Awarded
1) Proposal Due October 19
   a. A term paper proposal of 1 page with 3 references No Grade
      i. At least 1 reference to an article on this assignment list
      ii. At least 1 reference to an article NOT on this assignment list

2) Preliminary Term Paper Due Monday November 9 10% of Course Grade
   Approved Proposal must be resubmitted with Preliminary Paper
   Preliminary Term Paper must have at least five pages with at least five references

3) Final Term Paper Term Paper of 13-17 pages is due Tuesday December 15 5PM to the Receptionist at the Economics Dept. Office in Savery 40% Term Grade
   Graded Preliminary Term Paper must be resubmitted with Final Paper

Grading:
Quizzes and Exams 50%
   Quizzes (Best 3 of 5) 20% (Unscheduled)
   Final Exam Thursday, December 17, 2015, 830-1020, SAV 156

SCHEDULE OF ASSIGNMENTS
   Readings available on Catalyst Site Marked * Page numbers are as in original source Required

Wednesday September 30 The Tragedy of the Commons
   *Hardin: “The Tragedy of the Commons”
      https://www.sciencemag.org/content/162/3859/1243.full
   “The Tragedy of the Commons” Wikipedia
   *Rognvaldur Hannesson The Privatization of the Oceans MIT Intro. and Chapter 1

Monday October 5 No Class
Wednesday October 7  Competition and Monopoly
• *Chapters 7 & 8 Jack Hirshleifer *Price Theory and Applications* Prentice Hall 1984

The Basics of Fisheries Economics
Monday October 12 and Wednesday October 14
• *Gardner Brown “The Economics of Renewable Resources: Fishing ” University of Washington 1994
• Rognvaldur Hannesson *The Privatization of the Oceans* MIT Chapter 3
• *Wikipedia* articles on “Fisheries Management”, “Individual Fishing Quota“ and “Common Fisheries Policy” (European Union)

*Kochin, Riley, Plesha and Kujundzic. “Analysis of an Incentive-Based Chinook Salmon Bycatch Avoidance Proposal for the Bering Sea Pollock Fishery” Not required

Monday October 19
The Privatization of Fishing
Rognvaldur Hannesson *The Privatization of the Oceans* MIT Chapters 3-6 Not
• *Levis Kochin and Christopher C. Riley “The Political Economy of Fishing: Efficient and Expedient Regulation under ITQ and Open Access” University of Washington 199

Wednesday October 21
Privatization of Fish, Oil and Water
• *Ana Kudjundzic, Chris Riley, Joe Plesha and Levis Kochin “Analysis of the Use of Processing and Harvesting History in the Allocation of the Pacific Whiting Quota” Pacific Seafood, Trident Seafoods and the Univ. of Washington December 11, 2013
Monday October 26 and Wednesday October 28  Fishing Privatization off the COW Coast and off Alaska
Rognvaldur Hannesson  *The Privatization of the Oceans* MIT Press 2004 Chapter 7


**Monday November 2 and Wednesday November 4**

*The Economics of Oil and Gas*


Daniel Yergin *The Prize: The Epic Quest for Oil, Money and Power*  Skim the book Chapters will be assigned later

- Claire Brunel “Oil Prices and Production: A Remodeling” NBER Digest November 2014 [http://www.nber.org/digest/dec14/w20280.html](http://www.nber.org/digest/dec14/w20280.html)


**Monday November 9 and Monday November 16**

*Monopoly, Monopsony Cartels*

- *Dennis W. Carleton and Jeffrey M. Perloff* *Modern Industrial Organization*, Fourth Edition 2005 Chapter 3, 4 and 5

**No Class Wednesday November 11 Veteran’s Day**
Monday November 16 Oligopoly and Oligopsony

- *Richard Posner “Price Fixing and the Oligopoly Problem” Ch. 3 Antitrust Law 2nd Edition
  Posted on Catalyst as “Anti Trust Law”

Wednesday November 18

The Standard Oil Monopoly

- *Daniel L. Yergin The Prize Ch. 2 “‘Our Plan: John D. Rockefeller and the Combination of American Oil” Simon and Shuster New York 1991

Monday November 23 Unitization, Cartelization and Oil Import Quotas  1933 to 1972

- *Yoram Barzel and Christopher D Hall The Political Economy of the Oil Import Quota Chapters 1-3 pp.-30 Hoover Institution Press 1977

Wednesday November 25

OPEC and Oil After WWII

- Wikipedia Article on “The Organization of Petroleum Exporting Countries”


**Monday December 7 Wednesday December 9**

Anti–Trust in the West Coast and Alaska Fisheries

Gunnar Knapp "Reflections on the Bristol Bay Salmon Suit" Not available in PDF may be obtained by going to: [http://www.iser.uaa.alaska.edu/people/colt/personal/econ435_s06/Knapp_Bristol_Bay_Lawsuit_20feb2006.pdf](http://www.iser.uaa.alaska.edu/people/colt/personal/econ435_s06/Knapp_Bristol_Bay_Lawsuit_20feb2006.pdf)

- * Wilen Declaration in Whaley et.al vs. Pacific Seafood Group et. al. 2011