

Write the following information in the first page of Answer Script before starting answer

ODD SEMESTER EXAMINATION: 2020-21

Exam ID Number _____

Course _____ Semester _____

Paper Code _____ Paper Title _____

Type of Exam: _____ (Regular/Back/Improvement)

Important Instruction for students:

1. Student should write objective and descriptive answer on plain white paper.
2. Give page number in each page starting from 1st page.
3. After completion of examination, Scan all pages, convert into a single PDF, rename the file with Class Roll No. **(2019MBA15)** and upload to the Google classroom as attachment.
4. Exam timing from 10am – 1pm (for morning shift).
5. Question Paper will be uploaded before 10 mins from the schedule time.
6. Additional 20 mins time will be given for scanning and uploading the single PDF file.
7. Student will be marked as ABSENT if failed to upload the PDF answer script due to any reason.

**MA ECONOMICS
THIRD SEMESTER
ENVIRONMENTAL ECONOMICS
MEC-305(MDC)**

(Use separate answer scripts for Objective & Descriptive)

Duration : 3 hrs.

Full Marks: 70

[PART-A : Objective]

Time : 20 min.

Marks : 20

Choose the correct answer from the following:

1X20=20

1. Estimation of influence of environmental values on the price of a property is term as
 - a. Hedonic method
 - b. Contingent method
 - c. Travel cost method
 - d. None of the above

2. Common goods have the characteristic of
 - a. Non Excludability
 - b. Non Rivalry
 - c. Excludability
 - d. Both a and b

3. Are you willing to pay a Rs 500 , if no how much less than Rs 500
 - a. Open ended format
 - b. Dichotomous choice formant
 - c. Double- bounded Dichotomous choice formant
 - d. Willingness to Pay

4. Desire to perverse the environment for some relative or friends is called
 - a. Pure existence value
 - b. Bequest existence value
 - c. Option value
 - d. Direct use value

5. Which of the following is not a reason for market failure
 - a. Externalities
 - b. Public goods
 - c. Common property
 - d. Property right

6. Under HPM valuation method 'public transport links' comes under
 - a. Site characteristics
 - b. Neighbourhood characteristics
 - c. Environmental characteristics
 - d. None of the above

7. When a respondent have justified reason for not willing to pay than it is called
 - a. Protest bidder
 - b. Genuine Zero
 - c. Positive bidders
 - d. None of the above

8. Coase theorem is related to
- a. Tax
 - b. Subsidy
 - c. Both a and b
 - d. Bargaining
9. Dose-response model is used in
- a. Travel cost method
 - b. Contingent valuation methods
 - c. Production function approaches
 - d. All the above
10. A hypothetical market is created in case of
- a. Contingent valuation
 - b. Cost- benefit analysis
 - c. Hedonic valuation
 - d. Travel cost methods
11. When the value of the good can be used at some future point of time
- a. Existence value
 - b. Option value
 - c. Bequest value
 - d. Pure existence value
12. _____ is also known as characteristics theory of value
- a. contingent valuation
 - b. travel cost method
 - c. choice experiment method
 - d. production function method
13. In case of positive externality
- a. social value curve is above private cost curve
 - b. social value curve is below private cost curve
 - c. social value curve is equal to private cost curve
 - d. none of the above
14. one tone of carbon is equal to
- a. Two Permit
 - b. Three permit
 - c. Differ from country to country
 - d. One
15. The optimal amount of public good is produced when:
- a. marginal benefit is maximized.
 - b. aggregate marginal benefit is equal to aggregate marginal cost.
 - c. marginal cost is equal to marginal benefit.
 - d. aggregate marginal benefit is equal to marginal cost.
16. If some one pollute more than permitted then they have to pay
- a. product charge
 - b. ambient charge
 - c. pollution charge
 - d. performance bond
17. Performance bond is also known as
- a. pollution fees
 - b. deposit refund system

- c. ambient charge
- d. contract charge
18. An externality occurs because:
- a. here are no property rights.
 - b. people do not understand the Coase theorem.
 - c. the courts are biased.
 - d. property rights are clearly defined.
19. Congestion on highways is an example of:
- a. pure public good.
 - b. a negative externality.
 - c. a transaction cost.
 - d. All the above
20. The most efficient pollution control system would ensure that ?
- a. the regulators decide how much each polluter should reduce its pollution.
 - b. no pollution of the environment is tolerated
 - c. each polluter reduces its pollution an equal amount
 - d. the polluters with the lowest cost of reducing pollution reduce their pollution the greatest amount

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[PART-B : Descriptive]

Duration: 2 Hrs. 40 Mins.

Marks: 50

[Answer question no. One (1) & any four (4) from the rest]

1. Define the term carbon sequestered? Explain the working of Kyoto protocol. 3+7=10
2. What are the different forms of capital explain them. 10
3. Define the term sustainability? Explain the term weak and strong sustainability. 4+6=10
4. What are WTP and WTA? Explain the hedonic valuation method 4+6=10
5. Explain the concept of green marketing. 10
6. What is food security? Explain the component that determine the food security. 2+8=10
7. Explain the choice experiment method with an example. 10
8. What is externality? How did Coase theorem addressed to the problem of externality. 3+7=10

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