SET A

MA ECONOMICS
THIRD SEMESTER
ENVIRONMENTAL ECONOMICS
MEC – 305 [MDC]

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs. **Full Marks: 70**

Objective

Time: 30 mins. **Marks: 20**

Choose the correct answer from the following: ***1×20=20***

1. The environment Kuznets curve is......................
   a. Inverted U shape
   b. Related to trade and environment
   c. Related to deforestation
   d. All of the above

2. Which items from the list below is a positive externality?
   a. Public Immunization
   b. Traffic jams
   c. A neighbor's barking dog
   d. All of the above

3. Kyoto Protocol dealt about......................
   a. Greenhouse gas
   b. Carbon sinks
   c. Emission trading
   d. All of them

4. Common pool resources are characterized as......................
   a. Finite in supply but non-rival in nature
   b. The user rights are shared among the community members
   c. Due to large size or open access, they are costly and difficult to regulate
   d. All of the above

5. Pollution heavens are......................
   a. Developed countries
   b. EU countries
   c. Developing countries
   d. Countries having no strict environmental regulations

6. The carbon storage ability of forest ecosystems is an example of......................
   a. Direct use value
   b. Indirect use value
   c. Option value
   d. Bequest value

7. Causes of market failure are......................
   a. Not well defined property rights
   b. Common property
   c. Asymmetric information
   d. All of the above

8. Common pool resources are the......................
   a. Public goods managed sustainably through municipality arrangements
   b. Common goods managed sustainably through some social/institutional arrangements
   c. Public goods which are commonly distributed in the society
   d. Both a and c

9. Non-use value of ecosystem services comprises......................
   a. Option Value
   b. Bequest value
   c. Existence value
   d. All of the Above

10. "Property rights" is the underlying principle of......................
   a. Benefit cost theory
   b. Coase theorem
   c. Hotellings theory
   d. Lindahls equilibrium

11. Which of the following measures is/are valid for sustaining ecosystem services?
   a. Internalizing the externalities
   b. Community participation
   c. Tradable pollution permits
   d. All of the above

12. Modern concept of sustainable development focuses more on......................
   a. Economic development
   b. Social development
   c. Environmental protection
   d. All of the above

13. Which one of the following is a renewable resource?
   a. Petroleum
   b. Biological species
   c. Mineral ores
   d. Soil fertility

14. Benefits of social forestry are......................
   a. Betterment of environment
   b. Reduction of pollution
   c. Protection from wind, conservation of moisture
   d. All of the above

15. Which type of farming cause more amount of deforestation?
   a. Subsistence farming
   b. Commercial farming
   c. Mixed farming
   d. Dairy farming

16. Social forestry means:
   a. It is forestry of people by the people and for the people
   b. The forestry in which the efforts aimed at raising and managing trees for the benefits of rural people
   c. Both (a) & (b)
   d. None of these

17. In which year did the word 'sustainable development' come into existence?
   a. 1992
   b. 1978
   c. 1980
   d. 1987

18. The first pilot Environmental Performance Index (EPI) was published in..............
   a. 1992
   b. 1996
   c. 2002
   d. 2006

19. Green marketing is a part of.....................
   a. Social marketing
   b. Service marketing
   c. Relationship marketing
   d. Rural marketing

20. Willingness to Pay refers the.....................

a. Amount of money an individual is willing to pay for foregoing the environmental benefits

b. Amount of money an individual is willing to pay for tolerating the environmental cost

c. Amount of money an individual is willing to pay for maintaining high standard of living

d. Amount of money an individual is willing to pay for the improvement in the environment or avoiding a loss

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Descriptive

Time : 2 Hr. 30 Mins. Marks : 50

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

1. What are Sustainable Development Goals (SDGs)? Explain the importance of SDGs in tackling global challenges, using relevant examples. 2+8=10

2. a) What is meant by market failure? 2+8=10
   b) Explain different types of market failure.

3. a) Explain the inter relationship between environment and economics. 2+2+6=10
   b) Define property rights.
   c) Explain the characteristics of a well defined property rights.

4. Describe the Coase theorem in the context of environmental economics and discuss its criticisms. 8+2=10

5. How does deforestation harm the environment? Explain how social forestry can help address these issues. 5+5=10

6. Define sustainable development. Explain the need of sustainable development in a country like India? 2+8=10

7. Provide a critical explanation of the cost benefit approach of environmental valuation. 10

8. What is green marketing? Explain its role in protecting the environment. 2+8=10

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