

**2 0 1 4**

( May )

**ECONOMICS**

( Major )

Course : 602

**( Environmental Economics )**

Full Marks : 80

Pass Marks : 32

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

1. Answer/Choose the correct answer from the following : 1×8=8

- (a) Mention one property of public good.
- (b) According to the materials balance model
- (i) flow of materials and energy drawn from nature = flow of residuals in the long-run
  - (ii) during energy conversion some of the energy becomes unusable
  - (iii) households and firms release wastes in the environment
  - (iv) All of the above

- (c) Marginal Social Cost (MSC) equals
- (i)  $MPC + MEC$
  - (ii)  $MPC + MPB$
  - (iii)  $MSB - MPC$
  - (iv) None of the above
- (d) Kyoto protocol is associated with
- (i) reduction of greenhouse gas
  - (ii) carbon trading
  - (iii) Both (i) and (ii)
  - (iv) Neither (i) nor (ii)
- (e) Name the economist who advocated the assignment of property rights for efficient outcomes.
- (f) Write the Brundtland Commission's definition of sustainable development.
- (g) Mention one local environmental problem of your area.
- (h) Mention one man-made pollutant responsible for ozone layer depletion.
2. Write short notes on any *four* of the following  
(**within 150 words** each) : 4×4=16
- (a) Resources and residuals
  - (b) Internalisation of externality through Government intervention



- (c) Carbon trading
- (d) Strong and weak sustainability
- (e) Loss of biodiversity
- (f) Environment and development

Write the answers of the following (**within 500 words** each) :

3. (a) Define environmental economics. Illustrate with examples, the environment as economic and social assets. 2+5+5=12

Or

- (b) Explain the relationship between environmental economics and resource economics. Discuss the evolution of environmental economics as a subject. 5+7=12

4. (a) Explain the common sources of market failure. Do you think absence of property rights leads to market failure? Discuss. 6+5=11

Or

- (b) Define externalities. Explain environmental pollution as negative externality with the help of suitable diagrams. 11

5. (a) What are the command and control approaches for solving the environmental problems? Are the command and control approaches cost effective? Discuss. 5+6=11

Or

- (b) Explain any three incentive-based methods of pollution control. Do you think incentive-based instruments are more effective than command and control methods of pollution control? Discuss. 6+5=11

6. (a) Discuss the indicators of sustainable development with suitable examples. 11

Or

- (b) What is Environmental Impact Assessment? Discuss the steps involved in environmental impact assessment. Mention the problems of conducting environmental impact assessment in India. 2+6+3=11

7. (a) Explain the environmental problems in Assam with a special reference to solid waste management, deforestation and watershed management. 11

Or

- (b) Explain the major global environmental problems. Suggest a few practical solutions to the existing problems. 6+5=11

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