

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

**SET  
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

Marks: 20

**(Objective)**

*Choose the correct answer from the following:*

**1 × 20 = 20**

1. What is the primary difference between renewable resources and non-renewable resources?
  - a. How easily they are discovered.
  - b. How fast they are being used up
  - c. The length of time it takes for them to be replenished
  - d. None of the above
2. Modern concept of sustainable development focuses more on
  - a. Economic development
  - b. Social development
  - c. Environmental protection
  - d. All of the above
3. Which one of the following is a renewable resource?
  - a. Petroleum
  - b. Biological species
  - c. Mineral ores
  - d. Soil fertility
4. 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
5. Which type of farming cause more amount of deforestation?
  - a. Subsistence farming
  - b. Commercial farming
  - c. Mixed farming
  - d. Dairy farming
6. 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
7. In which year did the word 'sustainable development' come into existence?
  - a. 1992
  - b. 1978
  - c. 1980
  - d. 1987
8. Which of the following options is correct when we only accomplish two out of three pillars of sustainable development?
  - a. Economic + Environmental sustainability = Viable
  - b. Social + Environmental sustainability = Bearable
  - c. Social + Economic sustainability = Equitable
  - d. All of the above

9. Green marketing is a part of
  - a. Social marketing
  - b. Service marketing
  - c. Relationship marketing
  - d. Rural marketing
10. Identify the correct one
  - a. A carbon bank is the central bank of UN
  - b. A carbon bank is an independent body, separate from political influence, responsible for oversight and management of the carbon market.
  - c. A carbon bank is the statutory organisation
  - d. A carbon bank is the branch of world bank to monitor carbon emission
11. The environment Kuznets curve is -
  - a. Inverted U shape
  - b. Related to trade and environment
  - c. Related to deforestation
  - d. All of the above
12. Which items from list below is a positive externality?
  - a. Public Immunization.
  - b. Traffic jams
  - c. A neighbor's barking dog.
  - d. All of the above
13. Kyoto Protocol dealt about\_
  - a. Greenhouse gas
  - b. Carbon sinks
  - c. Emission trading
  - d. All of them
14. Kyoto protocol failed because----
  - a. Developing nations not agreed to terms
  - b. Developed nations were not ready to compensate the LDC's
  - c. Both a and b correct
  - d. Cannot say
15. Pollution heavens are
  - a. Developed countries
  - b. EU countries
  - c. Developing countries
  - d. Countries having no strict environmental regulations
16. What kind of market failure is it, if a company producing medicines also pollutes the air?
  - a. Asymmetric Information.
  - b. Monopolies
  - c. Negative Externality.
  - d. Open access property problem
17. Causes of market failure are\_
  - a. Not well defined property rights
  - b. Common property
  - c. Asymmetric information
  - d. All of the above
18. A well defined property right is\_
  - a. Exclusive
  - b. Transferable
  - c. Secure
  - d. All of the above
19. Pure public good is\_
  - a. Non excludable only
  - b. Non rival only
  - c. Both non excludable and non rival
  - d. Either non excludable and non rival but not both

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

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**(Descriptive)**

Time : 2 Hr. 30 Mins.

Marks : 50

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

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| 1. Explain Coase theorem of environment. Explain its criticisms.   | 8+2=10   |
| 2. a) What is mean by market failure?<br>b) Explain different types of market failure.   | 2+8=10   |
| 3. Define sustainable development. Explain The need of sustainable development in a country like India.  | 2+8=10   |
| 4. What is green marketing? Explain its role in protecting the environment.  | 2+8=10   |
| 5. Critically explain the cost benefit approach of environmental valuation.  | 10       |
| 6. a) Explain the inter relationship between environment and economics.<br>b) Define property rights.<br>c) Explain the characteristics of a well defined property rights. | 2+2+6=10 |
| 7. How deforestation is harming the environment, elucidate. Explain the advantages of social forestry in this regard.  | 5+5=10   |
| 8. Explain the core concepts of Sustainable development and their inter linkages.  | 2+8=10   |

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