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**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGLORE-27**

**SEMESTER EXAMINATION- APRIL-2018**

**M.A ECONOMICS: IV SEMESTER**

**EC 0216: Environmental Economics**

**This question paper has 1 printed page and 3 parts**

**Time-2 Hrs 30 Minutes Max Marks-70**

**Part-A: Answer any TEN of the following 2X10=20**

1. Why do we need environmental economics as a separate branch of economics?
2. Explain the concept of externality with examples.
3. Give the meaning of market failure.
4. Explain the concept of carrying capacity.
5. Give the meaning of tragedy of commons?
6. What is Green GDP? How it is calculated.
7. Define the concept of sustainability.
8. Distinguish between use value and existence value.
9. Explain the hedonic price method of valuation of environmental resources.
10. Write the types of property rights and problem associated to common property
11. What is carbon trading?
12. Explain the concept of transboundary pollution.

 **Part-B: Answer any TWO of the following. 10X2=20**

1. Elucidate the material balance model with the help of a labeled diagram.
2. Illustrate the Pigouvian tax/subsidy approach graphically.
3. State the limitations of Contingent Valuation method.

**Part-C: Answer any TWO of the following 15x2=30**

1. Critically examine the Coasian and a Pigouvian solution to the problem of pollution? Which type of solution do you prefer, and why?
2. Discuss the relationship between income and quality of environment through environmental Kuznets curve with some empirical evidences.
3. Analyze the various instruments of environmental regulation. Which instrument you suggest for India.

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