



GTA -- 34

B.A. (Semester – V) Examination, October/November 2018
ECONOMICS (Paper – XI)
Environmental Economics – I

Duration : 2 Hours

Total Marks : 80

- Instructions :**
- i) **All questions are compulsory, however internal choice is available.**
 - ii) **Answer sub-questions in Question 1 and Question 2 in not more than 100 words each.**
 - iii) **Answer Question 3 to Question 6 each in not more than 400 words.**
 - iv) **Figures to the right indicate maximum marks to the question/sub-question.**
 - v) **Paper carries maximum of 80 marks.**

1. Answer **any four** of the following : 16
 - a) Distinguish between renewable and non-renewable resources.
 - b) Why is recycling important in resource conservation ?
 - c) Highlight the differences between cumulative and non-cumulative pollutants.
 - d) What are the causes of biodiversity loss ?
 - e) Explain the meaning of sustainable development.
 - f) What are abatement costs ?
 2. Answer **any four** of the following : 16
 - a) Why do the damage functions move upward ?
 - b) Illustrate how can you determine the efficient level of emissions ?
 - c) Give any two steps of measuring damages directly.
 - d) State any four effects of pollution on production.
 - e) What are enforcement costs ?
 - f) Highlight the problems faced in benefit estimation of improving the environmental quality.
 3. A) Describe how various economic activities create the problem of residuals. Suggest measures to reduce the residuals. 12
- OR
- B) Explain the trade off between conventional economic activity and the environmental quality. 12



4. A) What is economic efficiency ? Illustrate how socially efficient rate of output is achieved. 12
- OR
- B) Explain the concept of external costs. Illustrate the effects of external costs on the quantity of output and the environment. 12
5. A) Discuss the procedure of arriving at Aggregate Marginal Abatement costs ? 12
- OR
- B) Justify the significance of equi-marginal principle for reducing emissions. 12
6. A) State and explain the benefits of improving the environmental quality. 12
- OR
- B) Highlight the steps involved in measuring the emissions damage function. 12