



01-5-013

DOON UNIVERSITY, DEHRADUN
Semester Final Examination, Second Semester, 2013
School of Environmental Science and Natural Resources

MSc Environmental Science, EVS & NRM
Course:EES 556: Environmental Economics

Time Allowed: 3 hrs.

Max. Marks: 50

Note: Attempt All Questions from Sections A,B,C.

SECTION : A

All questions are compulsory and carry equal marks.

(Marks: 5x2=10)

1. What do you mean by allocative efficiency?
2. State the law of supply.
3. Define market failure.
4. How does Marginal Social Cost differ from Marginal Private Cost?
5. Is it possible to eliminate pollution to 100 percent? Explain.

SECTION : B

Answer any FOUR.

(Marks: 4x5=20)

1. Explain consumer surplus and producer surplus using suitable diagrams.
2. Define market demand for a private good. How does market demand for a public good differ from that of a private good? Explain.
3. How does positive externality differ from negative externality? Explain your answer with examples.
4. Define economic growth. How does economic growth differ from economic development? Explain.
5. Define a common property resource. Explain how a common property resource differs from a public good. Give examples.

SECTION : C

Answer any TWO.

(Marks: 2x10=20)

1. Explain in short the important aspects of sustainability in relation to the environment.
2. Discuss the three stages of transformation in agriculture.
3. Explain the difference between competitive equilibrium and allocative efficient equilibrium. Use suitable economic models and diagrams to explain your answer.