

2021

ECONOMICS — HONOURS

Paper : DSE-B(2)-1

(Environmental Economics)

Full Marks : 65

*Candidates are required to give their answers in their own words
as far as practicable.*

The figures in the margin indicate full marks.

Group - A

1. Answer **any ten** questions : 2×10
- (a) How does economics relate to environmental issues?
 - (b) What are emission rights?
 - (c) What is Carbon Footprint?
 - (d) What do you mean by Climate Change?
 - (e) How are the laws of thermodynamics related to Environmental Economics?
 - (f) What are Pigovian Taxes?
 - (g) What is Environmental Sink?
 - (h) What is the difference between Public Goods and Private Goods?
 - (i) What is meant by Transboundary Pollution?
 - (j) How do you explain Willingness to Pay (WTP)?
 - (k) What are Tradeable Pollution Permits?
 - (l) What is meant by Tragedy of the Commons?
 - (m) What is Market Failure and what are the causes of it?
 - (n) What is Acid Rain?
 - (o) What is Pollution Offset System?

Group - B

Answer **any three** questions.

5×3

- 2. What are the two fundamental theorems of Welfare Economics?
- 3. How do we use the Contingent Valuation Method?
- 4. What are the importances of Montreal Protocol and Kyoto Treaty?

Please Turn Over

5. Are the pollution taxes always equivalent to environmental subsidies? Explain your answer graphically.
6. Is the optimal level of pollution zero? Explain your answer.

Group - C

Answer *any three* questions.

7. Why is the Coase Theorem important in environmental economics? Explain graphically. What are the assumptions of the theorem? 3+4+3
 8. What are the Environmental Valuation Methods? Explain with a possible taxonomy of different valuation techniques. 5+5
 9. In your opinion, does society take an Anthropocentric or an Ecocentric view of Environment when deciding on policies for preservation? Explain which view you think we should take and why. 5+5
 10. How can you relate International Trade with Environment? Explain Pollution Havens Hypothesis in this context. 5+5
 11. What is Hedonic Pricing Method? What are the advantages and disadvantages of this Method? 5+5
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