

Mid-West University
Examinations Management Office
Birendranagar, Surkhet
End Semester - Examination, 2081

Subject: DE 451-Environmental Economics

FM: 60

Level/program: Bachelor (B.A)

Semester: V

Time: 3 Hours

PM: 30

Candidates are required to answer the questions in their own words as far as practicable.

Attempt ALL of the following Very Short Answer Questions.

10x1=10

1. How does environmental economics relate to microeconomics?
2. Define welfare economics and its relevance to environmental economics.
3. What is the concept of Pareto optimality?
4. What role do property rights play in addressing externalities?
5. What are tradable permits and how do they function in environmental policy?
6. Discuss the economics of climate change.
7. How does trade affect the environment?
8. Define non-market values in the context of environmental economics.
9. What is risk assessment and its role in environmental economics?
10. How does sustainable development relate to the environment?

Attempt any Three of the Following Long Questions.

3x8 =24

11. Define environmental economics. How does it differ from traditional economics?
12. Compare and contrast effluent fees and tradable permits as policy instruments for addressing environmental issues.
13. What are the key economic arguments regarding climate change? Explain.
14. Discuss the significance of risk assessment and perception in determining the benefits of environmental improvements.

Attempt any TWO of the Following Long Questions.

2x13 =26

15. How do externalities contribute to market failure, and what role do property rights play in addressing them?
16. Explain the Coase theorem and its implications for resolving externalities without government intervention.
17. How are environmental policies formulated and implemented? Explain the factors influence their effectiveness?
