

**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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