

International Islamic University Chittagong (IIUC)

Department of Economics & Banking

Final-term Examination: Spring-2019

Program: BSS (Honours)

Course Code: ECON-4810

Course Title: Resources and Environmental Economics

Time: 2.5 Hours

Full Marks: 50

Answer any FIVE of the following questions. All parts of a question must be answered sequentially. Figures in the right margin indicate full marks.

1. (a) Explain the strong criteria of sustainability. In what sense it is more relevant than the weak criteria? 03
- (b) Suggest some broader policies for sustainability. Which is the more applicable for our country? 04
- (c) Is efficient amount of recycling taken in our society? Explain with necessary graph.
2. (a) Explain the Noa's ark model of bio-diversity valuation. 03
- (b) Suppose, there is no traditional market that exists for the Nilgai of Sundarban. Now, how can you measure the value of Nilgai in Bangladesh by a hypothetical questionnaire? 04
- (c) Can you apply the travel cost method in this regard? Explain. 03
3. (a) How can a central environmental authority efficiently distribute the emission right of CO₂ of two hypothetical firms? Mention some benefits of emission trading program. 06
- (b) Out of command-control regulation and incentive based solution, which one is superior and why? 04
4. (a) Differentiate between a biological growth function and a critically defencated growth function of fishery. 02
- (b) Reveal how the optimum choice level is determined in Hilsha fish collecting from Padma. 05
- (c) Specify some policies to ensuring efficient level of Hilsha fish from an open access resource. 03
5. (a) Natural gas is an important natural resource of Bangladesh. What pricing policy of natural gas do you propose to ensure efficient allocation among different periods? Give the logic behind your answer. 05
- (b) What is the choke price? How can you transit for the different alternative source of energy? 03
- (c) Specify some water rights. 02
6. (a) Make a list of modern problem which you have faced to solve the problem of externalities. 03
- (b) How does the government solves the market failure by enforcing property rights and regulations? 04
- (c) State any three environmental law of Bangladesh. 3
7. Explain the following: 10
 - i) Recycling policy
 - ii) Optimal rotation period of timber
 - iii) Price structure for domestic water using