

ANDHRA CHRISTIAN COLLEGE GUNTUR
Department of Economics
Certificate Course
ENVIRONMENTAL ECONOMICS
2022-2023

Syllabus:

- Fundamentals of Environmental Economics
- Policy Instruments and Economic Analysis
- Climate Change, Energy, and Justice
- Biodiversity, Natural Resources.

Coordinator
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ENVIRONMENTAL ECONOMICS
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QUESTION PAPER

TIME: 1 Hour

ANSWER ALL QUESTIONS

Maximum Marks: 20

20 x 1 = 20

1. What does environmental economics focus on?

- A) Maximizing profits B) Trade agreements C) Setting tax rates ✓
D) Balancing economic growth and environmental protection

2. What type of resource is not owned or managed by anyone?

- A) Private goods B) Common-pool resources C) Public goods D) Club goods ✓

3. Which method estimates value based on willingness to pay?

- A) Travel cost method B) Hedonic pricing C) Contingent valuation ✓ D) Benefit transfer ✓

4. What does the travel cost method value?

- A) Air quality B) Natural park beauty ✓ C) Ecosystem services D) Water purification ✓

5. What is a market-based environmental policy tool?

- A) Emission standards B) Carbon tax ✓ C) Technology mandates D) Pollution permits ✓

6. What is the goal of tradable permits?

- A) Directly regulate pollution B) Create a market for pollution rights ✓
C) Increase revenue D) Provide subsidies ✓

7. What does cost-benefit analysis compare?

- A) Costs of policy vs. benefits ✓ B) Market prices of goods ✓
C) Government revenue D) Policy compliance costs

8. What is discounting used for in analysis?

- A) Adjusting future values to present terms ✓ B) Estimating risk ✓
C) Sensitivity analysis D) Cost estimation

9. What is a key strategy to mitigate climate change?

- A) Increase fossil fuel subsidies B) Reduce deforestation ✓
C) Expand urban sprawl D) Promote single-use plastics

10. What is a primary benefit of renewable energy?

- A) Increase fossil fuel use
C) Discourage energy efficiency
- B) Lower greenhouse gas emissions
D) Regulate energy prices

11. What does environmental justice ensure?

- A) Equal access to a healthy environment for all communities
C) Increased property values
- B) Industrial growth
D) Trade agreements

12. What is an example of addressing environmental equity?

- A) Tax credits for solar panels
C) Car manufacturer subsidies
- B) Avoiding hazardous industries near low-income areas
D) Reducing corporate carbon footprints

13. What does ecosystem service valuation quantify?

- A) Natural resource prices
C) Government conservation subsidies
- B) Economic benefits from ecosystems
D) Market prices for services

14. Which is a renewable resource?

- A) Oil
B) Coal
- C) Solar energy
D) Natural gas

15. What is optimal extraction of non-renewable resources?

- A) Maximize short-term profits
C) Limit all extraction
- B) Balance current benefits with future availability
D) Exploit without future concern

16. What does the term "sustainable development" emphasize?

- A) Immediate economic gains
- B) Development that meets current needs without compromising future generations
C) Industrial expansion
D) Reducing government regulations

17. Which method involves assessing the impact of environmental changes on property values?

- A) Contingent valuation
B) Hedonic pricing
C) Travel cost method
D) Benefit transfer.

18. What is the main goal of emission standards?

- A) To create a market for pollution permits
- B) To directly limit the amount of pollutants that can be emitted
C) To provide subsidies for renewable energy
D) To promote technological innovation

19. What is a carbon footprint?

- A) The total amount of carbon stored in natural reservoirs
- B) The total amount of carbon dioxide emissions associated with a person's or organization's activities
C) The footprint left by carbon emissions on the environment
D) The process of carbon sequestration in forests

20. What does the term "carrying capacity" refer to in natural resource management?

- A) The maximum amount of resources that can be extracted without affecting future availability
B) The total volume of natural resources in an area
C) The number of species an ecosystem can sustain
- D) The maximum number of people an ecosystem can support sustainably