Reg. No.: ....

Name: ....

Y7630

University of Kerala

Fourth Semester FYUGP Degree Examination, May 2026

Discipline Specific Elective

ECONOMICS

UK4DSEECO200 - Environmental Economics

Academic Level: 200-299

2024 Admission

Time: 2 Hours(120 Mins) **Max. Marks: 56**

Part A. 6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each, Answer all questions

Qn No.	Question	CL	CO
1	Material Balance model was put forward by Options : A)Adam Smith B)Alfred Marshal C)J M Keynes D)Allen Kneese and R.V. Ayres	RE	1
2	Cost-benefit analysis requires: Options : A)Ignoring externalities B)Monetizing costs and benefits C)Only qualitative analysis D)Government approval	RE	1
3	Paris Agreement aims to Options : A)Increase temperature B)Reduce emissions C)Increase trade D)Reduce population	UN	4
4	Externalities occur when: Options : A)Markets clear efficiently B)Costs or benefits affect third parties C)Government intervenes D)Prices are stable	UN	2
5	Meeting the needs of the present without compromising the ability of future generations to meet their own needs defines Options : A)Economic Growth B)Sustainable Development C)The Law of Entropy D)Environmental Externality	UN	4
6	Revealed preference method uses	UN	2

Qn No.	Question	CL	CO
	Options : A)Hypothetical data B)Actual behavior C)Assumptions D)Experiments		

Part B. 10 Marks.Time:20 Minutes (Cognitive Level:Understand(UN)/Apply(AP))Two-three sentences.2 marks each.Answer all questions

Qn No.	Question	CL	CO
7	List the four main types of Market-Based Instruments (MBIs) used in environmental protection.	UN	2
8	Explain the relationship between environment and economy with an example.	UN	1
9	Explain the major indicators of sustainable development	AP	4
10	How do taxes reduce environmental damage?	AP	2
11	Illustrate the role of SDGs in addressing climate change and environmental degradation	AP	4

Part C. 16 Marks.Time:35 Minutes.(Cognitive Level :Apply(AP)/Analyse(AN))Short Answer.4 marks each, Answer all 4 questions,choosing among options * within each question

Qn No.	Question	CL	CO
12	A) Sketch the major principles of Coase theorem and its relevance in protecting the environment OR B) Explain the role of collective action in environmental conservation.	AP	2, 2
13	A) Suppose a government wants to value the benefits of a new public park. Explain how the Travel Cost Method would be applied in this scenario. OR B) Illustrate how a Pigouvian Tax acts as a corrective measure for a negative production externality.	AP	3, 3
14	A)	AN	2, 2

Qn No.	Question	CL	CO
	Analyze the extent to which GDP reflects sustainable development. What are its key limitations in capturing environmental and social dimensions? OR B) Analyse the causes and impacts of climate change.		
15	A) Analyse the relationship between economic development and environmental degradation OR B) Analyse the factors that limits economic growth	AN	2, 2

Part D. 24 Marks.Time: 60 Minutes.(Cognitive Level :Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each.Answer all 4 questions choosing among options * within each question

Qn No.	Question	CL	CO
16	A) Examine the impact of climate change on agriculture, water resources, and biodiversity. OR B) Analyse sustainable development goals and propose strategies to achieve them in developing countries.	AN	4, 4
17	A) Critically assess the role of environmental policies and legal frameworks in controlling environmental degradation in India OR B) Critically evaluate the effectiveness of market-based and non-market-based corrective measures in addressing environmental externalities.	EV	2, 2
18	A) Evaluate the effectiveness of cost-benefit analysis in environmental projects. OR B) Evaluate the role of quantity-based instruments in correcting environmental externalities.	EV	3, 5

Qn No.	Question	CL	CO
19	A) Formulate strategies to balance economic growth and environmental protection. OR B) Propose innovative solutions to resolve environmental-development conflicts.	CR	3, 3