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(University of Choice)

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN

**UNIVERSITY EXAMINATIONS
2023/2024 ACADEMIC YEAR**

FOURTH YEAR FIRST SEMESTER EXAMINATIONS

FOR

BSC ECONOMICS AND BCS MATHEMATICS AND STATISTICS

COURSE CODE: ECO407

COURSE TITLE: ENVIRONMENTAL ECONOMICS

DATE: WEDNESDAY, 13-12-2023

TIME: 8:00 -10:00

INSTRUCTIONS TO CANDIDATES

ATTEMPT QUESTION ONE AND ANY OTHER TWO

TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over

QUESTION ONE

- a. Discuss, using practical examples, the implications of the following concepts to environmental policy in a developing country:
- i. Environmental management
 - ii. The free-rider attitude in the use of environmental goods
 - iii. Blue economy
 - iv. The resource curse (20 marks)
- b. Explain, using a clear diagram, the trade-off between economic production and environmental conservation. (5 marks)
- c. Describe the various climate financing instruments available for emerging economies (5 marks)

QUESTION TWO

- a) Discuss, using examples, the prevailing climate change challenges in coastal areas of Kenya and outline the various international and domestic interventions to combat this problem. (14 marks)
- b) Highlight the vulnerable persons or communities that are adversely affected by climate change. (6 marks)

QUESTION THREE

- a. Transboundary resource conflict is common global problem Describe examples of resource conflicts across borders and suggest appropriate mechanisms to resolve them. (15 marks)
- b. Critically evaluate Adam Smith's social welfare theory in a transitioning economy. (5 marks)

QUESTION FOUR

- a. The government is planning for an irrigation dam in your area. As an Expert Assessor, state the necessity of an environmental impact assessment and prepare an impact matrix for this project. (12 marks)
- b. Identify the various stakeholders that can be consulted in the impact assessment.(8 marks)

QUESTION FIVE

- a) King Company has established a waste disposal plant in a residential area causing adverse effects on the environment. As a Policy Officer, describe the various legal and market interventions that can be used to solve this problem. (10 marks)
- b) Justify the necessity of public participation in the planning of any private and public development project. (10 marks)