

UNIVERSITY OF KABIANGA

SCHOOL OF BUSINESS

SEMESTER II (2015/16)

ECO 319: ENVIRONMENTAL ECONOMICS

Instructions to candidates

Attempt question one (compulsory) and any other three questions.

QUESTION ONE: COMPULSORY (25MRKS)

- a) Explain the meaning of the following terms as they apply in environmental economics:
- (i) Sustainable development. (2mrks)
 - (ii) Environmental accounting. (2mrks)
 - (iii) Pigou's tax – subsidiary solution. (2mrks)
 - (iv) Debt for environment relief. (2mrks)
- b) Discuss the impact of agricultural activities on environmental degradation. (7marks)
- c) (i) State ~~two~~⁴ objective of environmental education in Kenya. (8mrks)
- (ii) Explain what is meant by environmental health. (2mrks)

QUESTION TWO (15 MRKS)

- a) Discuss the effect of environmental degradation on both rural and urban areas. (8mrks)
- b) Outline approaches through which population can be controlled in order to offer respite to environmental degradation. (7mrks)

QUESTION THREE (15MRKS)

- a) Discuss policy options for developing countries in their efforts to ensure environmental preservation. (8mrks)
- b) Explain two methods of dealing with trans frontier externalities. (7mrks)

QUESTION FOUR (15MRKS)

- a) Discuss environmental pollution controls under the following:-
- (i) Pollution taxes. (4mrks)
 - (ii) Direct controls. (4)
 - (iii) Tradable – emission allowances (4mrks)
- b) State the causes of unsustainability (in development) which necessitates environmental degradation. (3mrks)

QUESTION FIVE (15MRKS)

Describe the nature and importance of externalities in the global environmental. (5mrks)

) Discuss the Kenyan rapid loss of :

(i) Bio-diversity (5mrks)

(ii) How can the above situation in (i) ~~above~~ be abated? (5mrks)