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MASENO UNIVERSITY

UNIVERSITY EXAMINATIONS 2012/2013

SECOND YEAR SECOND SEMESTER EXAMINATIONS FOR THE DEGREE OF BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCE WITH INFORMATION TECHNOLOGY (MAIN CAMPUS)

NES 210: ECONOMICS OF NATURAL RESOURCE MANAGEMENT

Date: 16th July, 2013

Time: 11.00 a.m.- 1.00 p.m.

INSTRUCTIONS:

Answer Question ONE and any other TWO questions.

- 1a. Examine the concept of scarcity in line with natural resource and environmental management. (10 Marks)
- b. Describe the economic criteria of optimally allocating land as a natural resource to any two competing human activities under the following headings:
- i) Production possibility frontier (7 Marks)
 - ii) Optimal production (7 Marks)
 - iii) Consumer's and producer's surplus (6 Marks)
- 2 Examine the FIVE main types of natural resources that drive the world economic systems. (20 marks)
- 3a. Explain the characteristics of Public goods. (10 Marks)
- b. Explain the reasons for the continued use of fossil fuels in spite of the accruing high environmental costs. (10 Marks)
4. Describe the different classifications of natural resources. (20 Marks)
- 5a. Examine the concept of externalities. (10 Marks)
- b. Explain the linkages between market failure and externalities in natural resource management. (10 Marks)
- 6a. Explain the ecological and economic functions of natural resources. (10 Marks)
- b. Explain the characteristics of ideal property rights as applied in the protection of and conservation of natural resources. (10 Marks)