



MASENO UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

**FOURTH YEAR FIRST SEMESTER EXAMINATION FOR
THE DEGREE OF BACHELOR OF ARTS IN ECONOMICS,
BACHELOR OF SCIENCE IN MATHEMATICS AND
ECONOMICS WITH INFORMATION TECHNOLOGY**

MAIN CAMPUS

AEC 413: ENVIRONMENTAL AND NATURAL RESOURCE ECONOMICS

Date: 16th February, 2018

Time: 8.30 - 11.30am

INSTRUCTIONS:

- Answer Question ONE (Compulsory) and any other THREE
- Marks will be awarded for being neat, clear and use of relevant illustrations



QUESTION ONE

- (a) Distinguish between renewable and no-renewable resources, giving examples in each case. (10marks)
- (b) Comment on the logistic growth of renewable resource and pure compensation growth curve. (5marks)
- (c) Explain the signs of environmental unsustainability in Kenya. (10marks)

QUESTION TWO

- (a) What is the role of population in resource depletion in developing countries? (10marks)
- (b) Explain the objectives of sustainable development. (5marks)

QUESTION THREE

- (a) Explain environmental externalities and environmental public goods policy. (10marks)
- (b) What is meant by maximum sustainable yield? (5marks)

QUESTION FOUR

- (a) Explain problems of public goods. (10marks)
- (b) What are the characteristics of common property resources?

QUESTION FIVE

- (a) Discuss the functions of environment in an economy. (10marks)
- (b) Explain two categories of value. (5marks)

QUESTION SIX,

- (a) Explain the criteria for identifying significant impact on the environment. (8marks)
- (b) What are the three broad classes of issues which require an international solution? (7marks)