

( 2 )

- (ii) proportional relationship between any pollutant and per capita income
  - (iii) a U relationship between any pollutant and per capita income
  - (iv) None of the above
- (b) Which one of the following is not a source of market failure?
- (i) Public goods
  - (ii) Product is both rival and excludable
  - (iii) Presence of externalities
  - (iv) Asymmetric information
- (c) The optimum level of economic activity and associated pollution from society's point of view occur where
- (i) marginal private benefit = marginal private cost
  - (ii) marginal social benefit = marginal social cost
  - (iii) marginal social benefit = zero
  - (iv) None of the above
- (d) Interdependence between living organisms and environment is called
- (i) ecology

22P/832

( 3 )

- (ii) economy
  - (iii) environment
  - (iv) None of the above
- (e) Environmental quality is a
- (i) private good
  - (ii) public good
  - (iii) merit good
  - (iv) None of the above
- (f) Write the Brundtland Commission's definition of sustainable development.
- (g) Kyoto Protocol is associated with
- (i) reduction of greenhouse gases
  - (ii) carbon trading
  - (iii) Both (i) and (ii)
  - (iv) Neither (i) nor (ii)
- (h) The compound responsible for causing ozone layer depletion is
- (i)  $\text{CO}_2$
  - (ii) methane
  - (iii) nitrous oxide
  - (iv) CFCs

( Continued ) 22P/832

( Turn Over )