

January Examination Period 2022-23

ECN351 Environmental Economics

Duration: 2 hours

**YOU ARE NOT PERMITTED TO READ THE CONTENTS OF THIS QUESTION PAPER UNTIL
INSTRUCTED TO DO SO BY AN INVIGILATOR**

Answer FOUR questions out of FIVE

If you answer more questions than specified, only the first four answers will be marked. Cross out any answers that you do not wish to be marked.

You are permitted to bring 20 x A4 pages of notes into your examination (i.e. 10 double sided pieces of paper). These can be typed or handwritten and can include graphs and images. They can include material from any source.

Your notes must be stapled together and include your student ID number and the module code on the first page. You must submit your notes at the end of the examination with your answer booklet.

Calculators are not permitted in this examination. Complete all rough workings in the answer book and cross through any work that is not to be assessed.

Possession of unauthorised material at any time when under examination conditions is an assessment offence and can lead to expulsion from QMUL. Check now to ensure you do not have more than 20 pages of notes. You should also not have mobile phones, smartwatches or unauthorised electronic devices on your person. If you do, raise your hand and give them to an invigilator immediately.

It is also an offence to have any writing of any kind on your person, including on your body. If you are found to have hidden unauthorised material elsewhere, including toilets and cloakrooms, it will be treated as being found in your possession. Unauthorised material found on your mobile phone or other electronic device will be considered an assessment offence. A mobile phone that causes a disruption in the exam is also an assessment offence.

EXAM PAPERS MUST NOT BE REMOVED FROM THE EXAM ROOM

Examiner: Lucie Gadenne

Question 1

‘Economic development goes hand in hand with worsening environmental outcomes.’ Do you agree with this statement? Explain your reasoning with reference to some specific environmental externalities.

[25 marks]

Question 2

What evidence do we have regarding the effects of air pollution on human health? Refer to at least one specific scientific study, briefly explain their context, method and main findings.

[25 marks]

Question 3

‘Improving the incentives of agents monitoring pollution is key to designing successful environmental policy.’

3.1 Is there empirical evidence to support this statement?

[12.5 marks]

3.2 What do we learn from this evidence regarding how incentives can be improved, and how this affects pollution?

[12.5 marks]

Question 4

4.1 How do Emissions Trading Schemes (ETS) work?

[10 marks]

4.2 Do we know if any ETS has been successful at decreasing green-house gas emissions? Refer to empirical evidence in your answer.

[15 marks]

Question 5

5.1 What is the 'pollution haven' hypothesis?

[7 marks]

5.2 Why is this a cause for concern?

[7 marks]

5.3 Is there evidence of this hypothesis being correct? Refer to empirical evidence in your answer.

[11 marks]

End of Paper

End of Examination/ Lucie Gadenne