



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2018/2019 ACADEMIC YEAR
THIRD YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND
ECONOMICS
BACHELOR OF AGRICULTURAL
ECONOMICS AND RESOURCE
MANAGEMENT**

**COURSE CODE: ARE 3207
COURSE TITLE: NATURAL RESOURCE
MANAGEMENT**

**DATE: 16TH APRIL, 2019
1300HRS**

TIME: 1100 -

INSTRUCTIONS TO CANDIDATES

Answer Question **ONE** and any other **THREE** questions

QUESTION ONE

- a) Define Natural resource management in terms of
- i).Government stewardship.
(2marks)
 - ii).Community based natural resource management.
(3marks)
- b) Explain eight benefits of sustainable utilization of natural resources.

(4 marks)

- c) Describe four key approaches of natural resource management.
(8 marks)
- d) Using a diagram of supply and demand for environmental goods and services under static efficiency in resource allocation. Indicate and explain area representing;
- i) Producer surplus
(2 marks)
 - ii)Consumer surplus
(2marks)
- e) In the economic production theory, land represents all natural resources used in the production process. Using circular flow diagram show how natural resources are linked and give two major implications. **(4 marks)**

QUESTION TWO

- a) Explain any three sources of Market failure in supply and demand of environmental resource.
(6 marks)
- b) Define environmental sustainability and explain its objectives and rules.

(9 marks)

QUESTION THREE

- a) Discuss any four reasons why we need environmental valuation. **(4 marks)**

- b) Explain three common methods of environmental valuation.
(6 marks)
- c) By relevant example, explain the difference between Non-market and market environmental resources.
(2 marks)
- d) Discuss six difficulties in measuring environmental value.
(3 marks)

QUESTION FOUR

Write short notes on the following criteria for evaluating environmental policies

- i. Decentralized policies
(4marks)
- ii. Command - and - control strategies
(6 marks)
- iii. Incentive based strategies
(5 marks)

QUESTION FIVE

- a) Distinguish between sustainable development and environmental accounting.
(4 marks)
- b) Discuss the costs associated with environmental degradation? And explain how might they detract from economic growth?
(7 marks)
- c) Explain the developmental implications of environmental degradation.
(4marks)

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