



FACULTY	AGRICULTURE, ENGINEERING AND NATURAL SCIENCES		
DEPARTMENT	DEPARTMENT OF ENVIRONMENTAL SCIENCE		
SUBJECT	NATURAL RESOURCE ECONOMICS		
SUBJECT CODE	EBL 5962		
DATE	NOVEMBER 2021		
DURATION	2 HOURS	MARKS	90

REGULAR EXAMINATION

Examiner: Mr. I. Shipanga (University of Namibia)

Moderator: Prof C. Chimimba (University of Pretoria)

This **MEMOMRANDUM** consists of TWO (2) pages including the cover page.

Instructions

This paper is divided into TWO sections and students are required to answer questions from both sections.

- Section A comprises of FOUR short-answer questions and you are required to answer ALL questions
- Section B comprises FOUR essay-type questions and you are required to answer TWO.

Where necessary, students should provide examples and to illustrate with diagrams.

UNIVERSITY OF NAMIBIA EXAMINATIONS

Section A

Answer ALL questions in this section. (40 marks)

1. Discuss the property rights structure that can produce efficient allocations in a well-functioning market economy. (10 marks)
2. Discuss important characteristics of land which need to be incorporated into a market-based decision-making model. (10 marks)
3. Discuss 'stakeholder' approaches and elaborate why these are applied in relation to natural resource management issues. (10 marks)
4. Discuss the terms 'strong sustainability' and 'weak sustainability' with reference to natural capital stock. (10 marks)

Sub-total marks (Section A) = 40

Section B

Answer TWO questions in this section [50 marks]

1. Discuss the 'biological growth function' fisheries model. (25 marks)
2. Discuss some of the main policy instruments available to achieve a 'socially optimal' management of a forestry resource. (25 marks)
3. Discuss 'discount rate' in relation to exhaustible resources. (25 marks)
4. With reference to a natural resource of your choice, discuss what is meant by term transaction cost. Indicate how the existence of transaction costs might affect the conclusions reached using the orthodox neo-classical model for that natural resource. (25 marks)

Sub-total marks (Section B) = 50

Grand Total Marks = 90

***END OF PAPER ***