

OLLSCOIL NA hÉIREANN, GAILLIMH
NATIONAL UNIVERSITY OF IRELAND, GALWAY

SUMMER, 2000

AGRICULTURAL ECONOMICS II (EC373)
3rd B.Comm. & 3rd B. Arts

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Time allowed: **TWO** hours.

Instructions:

- Answer **TWO** of the following **THREE** questions.
 - The **TWO** questions are weighed equally.
 - Spend approximately **ONE HOUR** on each question.
 - Only the first **TWO** questions attempted will be marked.
1. In the reading Property Rights and Presumptive Policy Entitlements, Bromley and Hodge ask us to consider 'A model of alternative property rights use.' Explain this alternative model. Explain, possibly using a diagram, how the alternative property rights structure results in a different outcome. How do you explain the existence of two 'efficient' outcomes? What fundamental point is being made by suggesting this alternative property rights structure?
 2. Why are pollution subsidies not given serious attention as environmental policy instruments? Why, on the other hand, are subsidies so common in the agri-environmental setting? Is this an acceptable solution? Why or why not?
 3. What is Regulation EEC 2078/92 and how does it work. Use example to illustrate cases where it appears to be successful and cases where it is not. What are the fundamental issues in determining the potential effectiveness of the regulation?