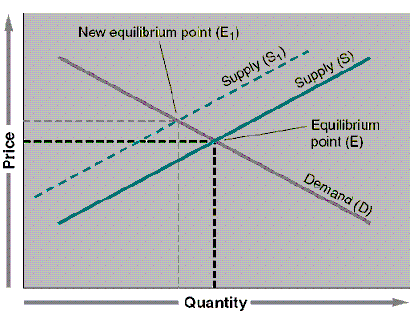
Chapter 20 Review

1. The overall state of being happy, healthy and prosperous is known as :
   1. Well-being
   2. Minimalism
   3. Socialism
   4. Environmental stewardship
2. The intersection point on a supply and demand curve indicates:
   1. The real cost
   2. The market equilibrium point for some item
   3. The reduction point
   4. An externality
   5. Transaction costs
3. Which of the following agreements was designed to increase economic development, but may have partially sacrificed social well-being and environmental health
   1. Montreal Protocol
   2. North American Free Trade Agreement
   3. Convention on the International Trade of Endangered Species
   4. Copenhagen climate conference
   5. Kyoto Protocol



1. Use the above figure. The original supply curve for a good is S, and the supply curve after the inclusion of an externality is S1 . What happens to the price and quantity of a good when an externality is taken into account?
   1. The price increases, and the quantity decreases
   2. The price decreases, and the quantity increases
   3. The price and the quantity both increase
   4. The price and the quantity both decrease
   5. The price and the quantity remain the same
2. If supply is down in the face of increasing demand, we would expect to witness:
   1. Boycotts
   2. A product shortage
   3. A product surplus
   4. Embargo pressure
   5. Decreased interest rates
3. Which of the following examples would be considered an external cost associated with the purchase of electricity from a coal-fired power plant?
   1. The cost of constructing a plant
   2. The cost of labor
   3. The medical expenses incurred by exposer to the plant’s pollution
   4. The cost of advertising the facility
   5. The cost of the coal being burned in the plant
4. The measure of all the goods and services produced within the borders of a nation in a year is defined as the:
   1. Gross domestic product
   2. Genuine progress indicator
   3. Market equilibrium
   4. Transaction cost
   5. Externality
5. Types of spending that increase the gross domestic product include all of the following EXCEPT:
   1. Consumer spending
   2. Exports
   3. Government spending
   4. Imports
   5. National investments
6. In most cases, which of the following are true of a country whose GDP is increasing?

I per capita wealth increases

II. Population growth rate decreases

III. Per capita solid wasted generation decrease

1. I only
2. I and II
3. II and III
4. I and III
5. II only
6. A Scale designed to measure the overall wealth of a nation by including the production as well as health of the population is known as:
   1. Gross domestic product
   2. Gross national product
   3. Genuine progress indicator
   4. Human satisfaction scale
   5. National progress initiative
7. All of the following are considered examples of natural capital EXCEPT:
   1. Copper ore
   2. Potable water
   3. Wind
   4. Plastic bottles
   5. Soil
8. In moving from our current economic system to a more sustainable system, which of the following inputs is likely to increase?
   1. Water
   2. Ecosystem services
   3. Consumption
   4. Energy
   5. Resources extraction
9. Which of the following would be a functional component of an economy founded on sustainability?
   1. Recycling of water for future use
   2. Continued exploration of new oil reserves
   3. Clear cut forestry for timber harvest
   4. Resource extraction in excess of demand
   5. Landfilling heavy metals
10. A timber company harvests tress by using a process of selective cutting. They subsequently replant areas disturbed by logging roads to minimize soil erosion. These actions are an example of :
    1. Stewardship
    2. Anthropocentric world view
    3. Remediation
    4. Planetary management
    5. Ecosystem services
11. An outbreak of malaria has occurred in a latitude that is farther north of the equator than is normally observe. This is likely the result of increased global temperatures. The agency that would be called upon to investigate this outbreak would be:
    1. The World Bank
    2. The United Nations Development Program
    3. The World Health Organization
    4. The Environmental Protection Agency
    5. The Federal Emergency Response Agency
12. A developer is interested in placing a strip mall in a rural area that has a significant acreage of wetlands on it. The federal agency that would be responsible for ensuring that all appropriate regulations are met would be:
    1. Natural Resource Conservation Service
    2. Environmental Protection Agency
    3. Department of Energy
    4. Occupational Safety and Health Administration
    5. Department of Environmental Quality
13. The continued decline of sulfur emissions into the 1990s is likely a result of :
    1. Cap-and-trade legislation initiated by the Clean Air Act
    2. Banning of all sulfur emissions by the US government
    3. The sulfur emission act passed in 1992
    4. Rising coal prices causing lower demand for the fuel
    5. A clean source of coal discovered by new technology
14. An example of environmental injustice is best represented by which of the following?
    1. US auto makers are mandated to increase emission standards
    2. Public schools are required to annually test for certain indoor air quality standards
    3. The EPA requires localities to meet certain water quality standards
    4. Exotic species are targeted for elimination in affected areas
    5. A disproportionate number of minorities live near landfills
15. Which piece of legislation established the use of Environmental Impact Assessments?
    1. Clean Air Act
    2. Clean Water Act
    3. Resource Conservation and Recovery Act
    4. Endangered Species Act
    5. National Environmental Policy Act