

## Quiz 2

(5 points)

Time: 22 September 2021 at 15:00-15:30 (30 minutes)

There are 2 questions. You need to answer all two questions. Please **submit** your answers in a PDF file with a file name “**Quiz2\_StudentID\_FirstName Surname**” via BE Moodle class before **15:40**.

Write a paragraph to answer two questions below:

**Question 1: What are the problems in water resource management?** (2.5 points)

**Question 2: What could be a source of inefficient allocation of land?** (2.5 points)

## 1) -Water scarcity

↳ Physical water scarcity : Too much using water

This is from failure management of using water leads to water shortage in the future.

- Access to clean water → Drinking water : Avoiding chemical  
↳ Water stress : damage ecosystem by lack of water in some areas / some area are flooding  
high cost of water

- Growing up in water demand negative shock of water  
↳ Too much demand for water beyond the water resources.

- Water quality and pollution  
↳ Some water has chemical so it will affect human's body. At the end , Price of drinking water will increase and excess demand for water

2) **Market Problems** : consists of

- 2.1) **Insecure property rights** : Law can affect the investors because they might use the land for business without think of natural. So this rights might leads to decrease in investment leads to market failure.
- 2.2) **Undervaluing environmental** : This leads to destruction in land land owner received too less benefits than they should.
- 2.3) **Incompatible land uses** : depends on the purpose. Some land cannot be used such as farming in sour soil , building house in settle area.

**Public sector problems** : some public area has bad management so as a result , it is less value.

**Government failure** : Some government have bad policy and management such as deforestation for capitalist or intervene preserved land or natural area.