

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.) There are higher demand of water due to higher consumption of human. It causes by significantly increase of population over period and the demand amount of water will beyond the expectation. Also, the contaminant of water that can leads to health problem such as disease. The price of water can be a problem because there is an excess water using in agriculture with highly access in lower price of water. Additionally, the water pollution from flood or chemical can reduce the amount of useable water for human. If they consume, they will have disease that caused death.

2.) It is mainly caused by market allocation. First, the low quality of right that leads to highly social value of the land. This can allowing other to ^{access} direct in our land.

The positive social externality for people who doesn't pay any cost but receive the positive benefit from other. Also, the government intervention that cannot allocate the land to be most efficient that can cause many problems such as the cost of transportation and the unproper tax doesn't match with the value of that land.