

① The problems in water resource management include water scarcity, limited access to clean water, water quality and the increasing demand for water. For water scarcity it could be caused by the increasing demand for both ground and surface water, or caused by the use of water in the shared places such as the Mekong river. If one doesn't limit their usage, scarcity of water will arise. Next there are less clean water for people in poverty, it is a problem because it causes death & diseases. Lastly water quality is also a problem because business & companies dump pollution into water without control. These could contribute to some water stress and floods if water is not managed properly.

② A source of inefficient allocation of land is the market problems. The market problem sometimes has the lack of property rights. Some of the land in developing countries could be in the first come first get type, where they don't care about the net benefit. This is inefficient because if the land is used for something that has low use, the highest net benefit should get the land. Another inefficiency is incompatible land uses. The owner of the land may not consider the land best fits what activity. Therefore, it creates externalities such as pollution to the society which is inefficient. Also when the government fails to regulate or set policies. For example they could be using the land for agriculture which gives highest benefit, but government decides to build highway on the land and causes inefficiency to the allocation of land. Last source is also the public sector problems.