

Natural Resource
as input



Economic Activities
Production
Consumption



Pollution and waste
as output

- ⊖ Forest products (sources of medical plants)
- ⊖ Flooding land
- ⊖ Drinking water
- ⊖ Fish (source of protein)
- ⊖ soil quality, crops & vegetable

- Migration to forest area
- local loss income from fishing & farming
- higher cost of living
- well-being reduced.
- Culture loss
- unreliable hydro power

Government failure

- └ Underestimate impacts on economy & environment
- └ compensation < losses
- └ No plans to support local e.g. new skills
- └ select unsuitable geographical areas (lack of mountain, cover large land areas)

- Emissions ↑ (CO₂, methane) from dead vegetable
→ carbon footprint of a dam = fossil fuel plant

Negative externalities

- └ costs not reflected in costs of building a dam.

Economic Benefits of building a dam

- 1) cheap source of electricity
- 2) improve economic growth & trade
- 3) Get international funds

