## Critical Thinking Questions

29.

Suppose you want to put a dollar value on the external costs of carbon emissions from a power plant. What information or data would you obtain to measure the external [not social] cost?

30.

Would environmentalists favor command-and-control policies as a way to reduce pollution? Why or why not?

31.

Consider two ways of protecting elephants from poachers in African countries. In one approach, the government sets up enormous national parks that have sufficient habitat for elephants to thrive and forbids all local people to enter the parks or to injure either the elephants or their habitat in any way. In a second approach, the government sets up national parks and designates 10 villages around the edges of the park as official tourist centers that become places where tourists can stay and bases for guided tours inside the national park. Consider the different incentives of local villagers—who often are living in poverty—in each of these plans. Which plan seems more likely to help the elephant population?

32.

Will a system of marketable permits work with thousands of firms? Why or why not?

33.

Is zero pollution possible under a marketable permits system? Why or why not?

34.

Is zero pollution an optimal goal? Why or why not?

35.

From an economic perspective, is it sound policy to pursue a goal of zero pollution? Why or why not?

36.

Recycling is a relatively inexpensive solution to much of the environmental contamination from plastics, glass, and other waste materials. Is it a sound policy to make it mandatory for everybody to recycle?

37.

Can extreme levels of pollution hurt the economic development of a high-income country? Why or why not?

38.

How can high-income countries benefit from covering much of the cost of reducing pollution created by low-income countries?

39.

Technological innovations shift the production possibility curve. Look at graph you sketched for [Exercise 12.13](http://openstax.org/books/principles-microeconomics-3e/pages/12-self-check-questions#fs-idm84125904). Which types of technologies should a country promote? Should “clean” technologies be promoted over other technologies? Why or why not?