

*University of London*

**EXAMINATION FOR INTERNAL STUDENTS**

*For The Following Qualification:-*

*M.Sc.*

**ESGM4: Methods of Economic Analysis, Appraisal and Evaluation**

COURSE CODE : ENVSGM04

DATE : 31-MAR-03

TIME : 10.00

TIME ALLOWED : 3 Hours

**DURATION: 3 Hours.**

**This paper consists of ten questions. Answer THREE questions only. All questions carry equal marks.**

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1. "The core objective of economic development in a city should be the raising of the incomes of local households". Discuss.
2. In the city economy how do governments seek to reconcile private rights and interests of individuals and businesses with the rights and interests of the wider society?
3. Comment on the range of issues which may face the economic analyst using statistical data that relate to the production and consumption sides of the urban economy.
4. Explain the idea of the project cycle in relation to the investment activity of a city government.
5. You have been asked to advise on a public sector project in an North African country to build a factory that will manufacture irrigation equipment. Set out the arguments for and against accepting (a) aid from a donor nation in the form of foreign exchange; (b) aid from a donor nation in the form of equipment; or (c) a loan from the World Bank. What would be the advantages of the alternative of partnership with a large multinational corporation?
6. Consider the usefulness or otherwise of the idea of the social rate of time preference in relation to the planning of public sector investment projects in the city of a developing country.
7. Outline the problems involved in identifying the indirect external impacts of a public sector project in a poor nation to construct a new airport for an urban centre that acts as a regional centre.
8. In a social cost benefit analysis of the alternative options for a city government of investing in an extension to a suburban railway line or in a new radial (non-toll) four lane highway (with the same end points), how would you include values for (i) safety considerations, for (ii) improved access to the central business district, and for (iii) the impact of noise on the communities through which the new transport routes would run.
9. "The hypothetical nature of the issues posed in a Contingent Valuation Analysis for a proposal to invest in the repair and preservation of important historical archeological remains severely weaken its utility to the decision maker". Discuss.
10. Compare the issues that would arise for the analyst in undertaking the ex-post evaluation of (a) the construction and commissioning of a new city sports stadium and (b) the introduction of a policy to close a number of city centre shopping streets to motorised traffic.

**END OF PAPER**