PEOPLES' FRIENDSHIP UNIVERSITY OF RUSSIA

Faculty of Economics

Department of National Economy

Program and Description of the Course

Management of Sustainable Business Development

Master Program "International Business"

field 38.04.01 "Economy"

specialization "International Business"

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1. **Goals and objectives of discipline:**

The goal of the course: Management of Sustainable Business Development is to create knowledge and understanding of International Business Management by master students. This course provides students with the knowledge and tools to become a purpose-driven business leader.

The main objectives of the study subjects are:

- Understand and analyze the business models that drive change

- Communicate the competitive advantages of being a purpose-driven leader to management, leadership, and other key stakeholders

- Explore why collective efforts matter and how business can be a catalyst for system-level change in the face of significant global issues, such as sustainable development economy and income inequality

- Examine the broader environmental, political, and social landscape in which you operate, including the role of government, investors, and customers

- Determine what you can do in your career to become a purpose-driven leader

2. Place of discipline in the structure of the study plan:

This theoretical course is a core course of the economic block for master students with specialization in International Business. Prerequisites for the course of "Management of Sustainable Business Development" are: Macroeconomics, History of Economic Thought, Management, International Business Management.

3. Requirements for the results of the studying of disciplines are:

Student graduated with the qualification (degree) "Master" in Economics (38.04.01 Economics) must possess the following competencies:

Universal competencies (UC):
UC-1. Able to search for and critically analyze problem situations based on a systematic approach, and develop a strategy for action.

General professional competencies (GPC):
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GPC-3. Able to generalize and critically evaluate scientific research in Economics.

Professional competencies (PC):
PC-1. Able to analyze and forecast the main socio-economic indicators of the enterprise, industry, region and the economy as a whole
design and economic
PC-2. Able to develop design solutions, strategies for the behavior of economic agents and evaluate their effectiveness.
PC-3. Able to independently carry out research activities and critically evaluate the results obtained.

As a result, the student must:

know:

• *bases of the organization and the general regulations of the international business activity at the international and national level;*

• *scientific principles and practice of the organization and management of sustainable business development;*

• *specifics and features of the international practice of the organization and conducting business activity.*

be able to:

• *analyze interrelations of internationalization of economic life in various forms;*

• *reveal a role and mechanisms of the international organizations in regulation of the international business;*

• *in the analysis of concrete situations of the international companies to be able to prove the choice of the main competitive strategy in the global markets;*

• *reveal the main regional aspects of conducting the international business;*

• *analyze and interpret statistical data of international trade on the basis of the international and Russian statistics;*

Get skills:

• *of reading and the analysis of the academic literature on the international business*

• *to distinguish various forms of conducting the international business*

• to own methods and receptions of the analysis of economic events and processes by means of the main tools of the sustainable development business economy and management.

4. The work load of discipline and types of training activities

Credit hours for the discipline are **3 credit units (one module)**

Type of school work	Total hours	Module			
		1	**2**	**3**	**4**
	36			36	
Including:	-	-	-	-	-
Lectures	18			18	
Seminars (C)	18			18	
Self-study (total)	**72**			**72**	
Including:	-	-	-	-	-
Course project (individual project)					
Cash and graphics					
Review					
Other types of independent work:					
Preparation of 2 creative projects					
Independent study of recommended literature	40			40	
Preparation for the final certification	32			32	
Type of interim assessment (test, exam)					
The overall credit hours	**108**			**108**	
	3			**3**	

Topic 1. Sustainable development vs Business

Sustainable development a business definition. Implications for business. Practical considerations. Positive signs of change. Enhancing management systems. Analysis

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of economic, social and environmental conditions. Decision of top management. Policies and objectives. Strategic sustainable development objectives of the company. Risk Assessment - economic, social, Treatment Plans. Internal Audit and Management review & System improvement resolution.

Topic 2. Transformation of Business structure for Sustainable development

Human well-being and capabilities. Sustainable and just economies. Food systems and nutrition patterns. Energy decarbonization with universal access Urban and peri-urban development.
Global environmental commons. Governance Economy and finance Individual and collective action Science and technology.

Topic 3. The Global Goals and why they matter for business
The Global Goals for Sustainable Development. The Global Goals need business: business needs the Global Goals The 60 fastest-growing sustainable market opportunities. Opportunities by economic system. Progress on all the Global Goals is needed to deliver all the benefits. Pricing of externalities would increase the value of market opportunities. Geographic distribution of opportunities. The impact on jobs

Topic 4. Leading for better business and a better world
Sustainability is already good business. Innovative businesses are already capturing Global Goals Opportunities. Transforming the way business operates for better business and a better world. Gaining commitment from CEOs and boards. Incorporating the Global Goals into business strategy. Accelerating sectoral shifts to sustainable competition by working with peers. Shaping public policy.

Topic 5. Sustainable Business: Sustainable finance and Renewing the social contract

Simplifying reporting of environment, social and governance (ESG) performance. Unlocking infrastructure investment. Aligning regulation with investment. An uncertain outlook for employment. Providing decent work and more jobs. Providing training and skills Forging a new social contract. Actions for business. Actions for governments. Actions for civil society and Actions for sustainable business leaders.

Topic 6. The Future of Sustainable Business

The most significant challenges to sustainable business. Making progress in challenging operating contexts. Aligning purpose and strategy with a sustainable future. Engaging customers and consumers. Achieving long-term transition while delivering short-term results – reconciling profitability and sustainability. Aligning culture and fostering the necessary leadership and skills. Embedding sustainability across the business. Aligning organizational purpose, strategy and business models with system-level change. Embedding sustainability in practices and decisions. Engaging, collaborating and advocating for transformational change.

5.2 Thematic sections and interdisciplinary connection with other disciplines.

Discipline is taught in the second semester of the master's program and does not require follow-up training courses.

5.3. Workload composition

TOPIC	lectures (h)	seminars (h)
Topic 1. Sustainable development vs Business	2	2
Topic 2. Transformation of Business structure for Sustainable development	4	4
Topic 3. The Global Goals and why they matter for business	4	4

Topic 4. Leading for better business and a better world		2	2
Topic 5. Sustainable Business: Sustainable finance and Renewing the social contract		4	4
Topic 6. The Future of Sustainable Business		2	2
Total	36	18	18

6. Laboratory workshop. Not provided.

7. Practical exercises (seminars)

TOPIC	seminars (h)
Topic 1. Sustainable development vs Business	2
Topic 2. Transformation of Business structure for Sustainable development	4
Topic 3. The Global Goals and why they matter for business	4
Topic 4. Leading for better business and a better world	2
Topic 5. Sustainable Business: Sustainable finance and Renewing the social contract	4
Topic 6. The Future of Sustainable Business	2

8. Sample topics for discussion (research)

1. Corporate Responsibility and Corporate Sustainability

2. Economic Growth, Environment, and Sustainability

3. Global Responsibility

4.   Green Business Strategies

5. Greening Hotel and Restaurant Businesses

6. Green Consumer Behavior-

7. Greening the Building Industry

8. Social Entrepreneurs

9. Global Responsibility

10.- Governance for Sustainable Development

11.Partnerships for Sustainable Development -

12.The Relationship between 'Good Governance' and Regional Development

13. Economic Growth, Environment, and Sustainability–

14.Sustainable Business Strategies

15.- Sustainable Entrepreneurship –

16. The Role of Stakeholders in Sustainable Tourism

9. Methodical and informational support

BASIC SOURCES:

Better Business Better World The Report of The Business and Sustainable Development Commission, 2017

Jonathan T. Scott// The Sustainable Business, the European Foundation for Management Development, 2010

Additional reading:

David L. Rainey,. (2009) Sustainable Business Development: Inventing the Future

Through Strategy, Innovation, and Leadership., Cambridge University Press.

Sverker Alange and Mats Lundqvist (eds.) //Sustainable Business Development Frameworks for Idea Evaluation and Cases of Realized Ideas// Chalmers University Press, Gothenburg, Sweden 2014

10. Software

OC MS Windows (XP), MS Office 2010, Mentor, Leading business Games 2010-2012.

Logistical support discipline:
 − classrooms (rooms) at the workplace for lectures (depends on the number of students) and for seminars (the number of students in separate groups);
 − board;
 − desktop PC with Microsoft Office 2007;

- multimedia projector;

- portable equipment - a laptop and a projector;

- screen (stationary or portable floor).

№ aud.	Name-equipped classrooms	List of main equipment
17	Classroom	Multimedia Projector - 2 pcs., Sound Tribune - 1 pc., Screen - 2 pcs.
19	Computer Class	Computers Pentium 4-1700/256MB/cd/audio - 21 pcs., Multimedia projector PanasonicPT-LC75 - 1 pc., The screen is 1 unit.
103	Classroom	Multimedia Projector - 1 pc.,
105	Classroom	Multimedia Projector - 1 pc.,
1	Classroom	Multimedia Projector - 1 pc.,
2	Classroom	Multimedia Projector - 1 pc.,
Conference hall	Classroom	Multimedia Projector - 1 pc., Sound equipment
Hall 4 Library	Classroom	Multimedia Projector - 1 pc.,

There are 770 library workstations in the reading rooms of PFUR library. Reading and lending rooms of the Academic and Research Library are located in 5 university buildings. Some rooms are used for group work, 3 rooms are equipped with multimedia devices. Internet access is provided in the library via Wi-Fi.

There are more than 17000 Library readers. Library fund contains 1.800.000 books and is increased monthly. The funds are universal, they are formed by the discipline principle. It is increased due to departments' orders. The library staff counts 43, 36 of them have university degrees, 90% are computer competent.

Electronic catalogue has been compiled since 1990. Since 2010 PFUR e-library system has provided readers with information and full-text document access.

Book lending is done automatically. The free access room is equipped with self-service lending station applying RFIT-technology.

All PFUR computers provide access to PFUR e-library system and electronic sources.

The platform for information, service and resource access is available at the library website http://lib.rudn.ru/.

11. Guidelines on the organization of the discipline:

The implementation of the course includes interactive lectures, practical sessions (workshops) including multimedia equipment and an interactive tutorial, the independent creative works and their subsequent presentation, testing, group discussions on topics of the course.

EVALUATION FUND

Course « **Management of Sustainable Business Development »**

Sample of Homework Assignment and **Final** *Exam*

Homework Assignment

1. Presentation (ppt) on Multinational Co.

2. Take one company and make a presentation 'How To Develop A Sustainable Business'

" (Approx.Plan: general information on the company, main economic data,exports-imports, how to do business, national specific of business communication, so on..., list of references)

Sample of Test

1. How will imposing a Pigovian tax normally affect a market that produces a negative externality?

 a) Price and quantity will both increase

b) Price will increase and quantity will decrease

 c) Price and quantity will both decrease

 d) Price will decrease and quantity will increase

e) We can't determine the impacts in advance

2. Suppose Town A does not chop down the forest on the hillside above it. Town B does chop down its forested hillside, and a flood results in $1 million worth of damage to the town. Town C also chops down its forested hillside, but spends $500,000 in raising and strengthening its dikes and levees to guard itself from flood-damage. The value of the forest's services to Town A would be approach according to the approach.

a. $500,000, maintenance cost

b. $500,000, damage cost

c. $1 million, maintenance cost

d. $1 million, replacement cost

e. $1 million, opportunity cost

For Questions 3-4 refer to the following graph.
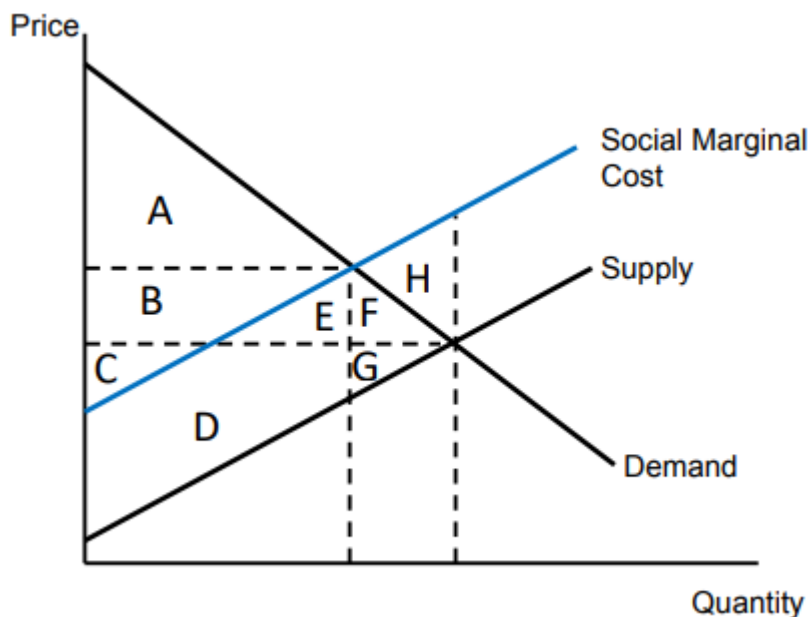
3. In the graph above, what area(s) represent the negative externality damage in an unregulated market (i.e., with no Pigovian taxes)?

a) D+E

b) D+E+F+G

c) H

d) F+G+H

e) D+E+F+G+H

4. In the graph above, what area(s) represent the tax revenue if a Pigovian tax is implemented which fully internalizes a negative externality?

a) B+E+F

b) C+D+G

c) C+D

d) D+E e) B+E+F+H

5. How can the social benefits from a positive externality be represented in a supply-anddemand graph? a) As an upward shift of the supply curve

 b) As an upward shift of the demand curve

c) As a downward shift of the supply curve

d) As a downward shift of the demand curve

e) None of the above

6. What is an upstream tax? a) A tax placed on consumer goods

b) A tax on pollution dumped into rivers

c) A tax placed on raw materials

d) A tax placed primarily on high income households

e) A tax placed primarily on low income households

7. About how much are environmental taxes in the United States, expressed as a percentage of total tax revenue?

a) 3%

b) 7%

c) 12%

d) 18%

e) 25%

8. Total economic value excludes which one of the following components?

a) Profits

b) Nonuse benefits

c) Ecosystem services

d) Recreation benefits

e) Intrinsic value

9. Which one of the following is not a nonmarket valuation technique?

a) Revenue-neutral methods

b) The cost of illness method

c) Replacement cost methods

d) Revealed preference methods

e) Stated preference methods

10. Suppose a household purchases a water purification system to avoid exposure to contaminated drinking water. Estimating the value of safe drinking water by measuring the cost of the purification system is an example of what valuation method?

a) The replacement cost method

b) The travel cost method

c) Contingent valuation

d) The defensive expenditures approach

e) Contingent ranking

11. Using a survey to elicit people's willingness to pay for a hypothetical scenario is known as …

a) contingent ranking.

b) contingent valuation.

c) replacement cost methods.

d) revealed preference methods.

e) the defensive expenditures approach.

12. Which of the following methods would be most likely to produce an accurate estimate of the recreation benefits of a National Park?

a) Replacement cost methods

b) Defensive expenditures approach

c) Travel cost models

d) Contingent valuation

e) Cost of illness method

13. What is considered to be the main advantage of contingent valuation?

a) Responses can be validated by comparison to market behavior

b) Results are unbiased c) Surveys can be done at low cost

d) Values can be obtained for any type of benefit

e) Results are easily replicated

14. The present value of a benefit of $50 that occurs 10 years from now, at a discount rate of 3%, is obtained by which of the following formulas?

 a) $50 * (1.03)10

b) $50 / (0.97)10

c) $50 / (1.03)10

d) $50 – (0.97)10

e) $50 – (1.03)10

15. Which one of the following statements is false?

a) The higher the discount rate, the lower the present value of a future benefit.

b) The further a benefit occurs in the future, the lower the present value.

c) The precautionary principle states that policies should err on the side of caution when there is a risk of a catastrophic outcome.

d) The value of a statistical life can be used in cost-benefit analysis to determine the benefits of policies that reduce environmentally-related deaths.

e) The accepted approach among economists for choosing a discount rate is to set it equal to the rate of return on U.S. corporate stocks.

 16. What is the main advantage of a pollution standard?

a) It can specify a definite result.

b) It is a cost-effective policy.

c) It encourages innovation.

d) The cost is known in advance.

e) Monitoring costs are minimized.

17. What is considered to be the main advantage of a technology-based regulation?

a) It is a market-based approach to regulation.

b) It encourages innovation.

c) It is a cost-effective policy.

d) Technology is always improving.

e) Monitoring costs are minimized.

18. Which one of the following statements is false?

a) The economic benefits of environmental laws in the U.S. are unknown because no federal regulations must be analyzed using cost-benefit analysis.

b) The benefits of the U.S. Clean Air Act significantly exceed the costs.

c) The European Union has implemented a tradable permit system for carbon emissions.

d) The United States has implemented a tradable permit system for sulfur dioxide emissions.

e) Environmental protection can be compatible with economic growth.

19. Which of the following statements describes the "strong" version of sustainability?

a. Two trees are planted to replace each tree cut in the production of timber.

b. Trees are cut for the production of timber, and the value of timber produced is estimated to be higher than the value of tree lost.

c. Trees are cut for producing timber, and the value of timber produced is estimated to be lower than the value of tree lost.

d. Both (a) and (b)

e. None of the above.

20. According to United Nations median projections published in 2017, global population is expected to:

a. Increase to 8 billion by 2050

b. Decrease to 6 billion by 2050

c. Remain approximately constant

d. Increase to nearly 10 billion by 2050

e. Increase to 11 billion by 2050

21. Which of the following resources are currently being depleted or at risk of depletion?

a. Fisheries

b. Forests

c. Clean water for drinking and agriculture

d. Minerals and fossil fuels

e. All of the above.

22. Which of the following statements about the level of air pollution is FALSE?

a. Air pollution has mostly increased in both developing countries and developed countries in recent years.

b. Air pollution in most major cities in developing countries exceed the World Health Organization's recommended levels.

c. The most common air pollutants in the U.S. have declined by 73% since the 1970s. d. Efforts to reduce pollution levels have generally been found to be cost-effective. e. None of the above.

23. Which of the following are not among the adverse effects of greenhouse gas emissions? a. Rising temperatures.

b. Rising sea-levels.

c. Ecological disruptions such as species extinction.

d. Increased frequency of severe weather events such as hurricanes, floods, and droughts.

e. Depletion of mineral resources.

24. Which of the following countries is the world's top emitter of carbon dioxide?

a. India

b. United States

c. Russia

d. Saudi Arabia

e. China

25. Which of the following was the conclusion of the 2006 British government report written by former World Bank chief economist Nicholas Stern?

a. The costs of climate change in the twenty-first century are estimated as equivalent to 5–20 percent of global GDP, while the most severe effects of climate change could be avoided at a cost of around only 1 percent of global GDP.

b. The costs of climate change in the twenty-first century are estimated as equivalent to 1 percent of global GDP, while the most severe effects of climate change could only be avoided at a cost of around 5 - 20 percent of global GDP.

c. It now appears that the benefits of current actions to minimize climate change significantly exceed the costs.

d. (a) and (c)

e. None of the above.

26. If nothing is done now to stem the effects of climate change, what group will face the most dangerous impacts from climate change?

a. Current generations

b. Future generations living several decades from now or later

 c. Developed countries

 d. Developing countries

 e. (b) and (d)

27. Why do some researchers suggest that when economic development increases, environmental damage (per capita) will decrease? a. Because the greater availability of wealth and technology allows nations to adopt cleaner production methods. b. Because as countries develop, they move to a service-based economy which does less harm to the environment.

c. Because as people become wealthier, they demand higher environmental quality standards.

d. All of the above.

e. None of the above.

28. The Environmental Kuznets Curve (EKC) hypothesis posits that:

 a. Environmental damage per capita increases in the early stages of economic development, reaches a maximum, and then diminishes as a nation attains higher levels of income.

 b. Environmental damage per capita falls in the early stages of economic development, reaches a minimum, and then rises as a nation attains higher levels of income.

c. Environmental damage per capita steadily rises during all stages of economic development.

d. Environmental damage per capita steadily falls during all stages of economic development.

e. There is no clear relationship between environmental damage per capita and economic development, as it depends on the country, the pollutant, and other contingencies.

29. The evidence for the Environmental Kuznets Curve (EKC) suggests that:

a. The EKC relationship does seem to hold for all pollutants.

b. The EKC relationship does not seem to hold for any pollutants.

c. The EKC relationship does seem to hold for some pollutants, such as per capita sulfur dioxide emissions and other air pollutants, but not for CO_2 emissions.

d. The EKC relationship does seem to hold for the environmental impacts of CO_2 emissions, but not for per capita sulfur dioxide emissions and other air pollutants.

e. The EKC relationship does seem to hold for some countries, but not others.

30. Which of the following is not a consequence of instituting carbon taxes on large emitters of CO_2?

a. reduction in overall levels of CO_2 emission

b. effective control on the overall level of emissions by the government

c. increase in tax revenue for the government

d. increased investment in renewable technology

e. higher utility bills for consumers

31. Which of the following statements about the 2015 Paris Climate Agreement is FALSE?

a. Each country is allowed set their own targets and participation is voluntary.

b. There are no enforceable penalties for failing to meet targets.

c. Most countries are on track to achieve the treaty's objective of limiting global warming to no more than 2∘C above preindustrial levels.

d. An overall evaluation of the treaty shows that it has resulted in a reduction in the expected increase in temperature levels.

e. None of the above

32. Which of the following is not a policy to promote environmental sustainability?

 a. Green taxes.

 b. Grants, subsidies and tax breaks to support recycling, renewable energy, and efficient transportation systems.

c. Tax cuts to stimulate consumption spending.

 d. Elimination of subsidies for environmental degrading activities.

e. Tradable pollution permits.

33. According to the macroeconomic model developed by the United Nations, an annual investment of 2% of the global GDP over 2010-2050 to fund sustainable technologies relative to the business-as-usual (BAU) scenario will:

a. initially reduce the global GDP per capita by about 1 percent.

 b. increase the global GDP per capita by 2% by 2030.

c. increase the global GDP per capita by 14% by 2050.

d. Reduce global energy demand by 40%. e. All of the above

34. Which of the following is not among the recommendations proposed by Tim Jackson in transitioning to a sustainable economy?

a. structural transition towards service-based activities

 b. investment in infrastructure development

 c. investment in ecological assets

d. a decline in working hours per week

e. Both (b) and (d)

35. Which of the following statements is FALSE?

a. Green taxes discourage energy-intensive economic activities.

b. Environmental taxes in industrial countries range from less than 3% to around 10%.

c. Green taxes are strongly supported by economic theory as a means of internalizing negative externalities.

 d. Environmental taxes as a percentage of overall taxes is higher in United States than it is in Spain, Germany, Sweden or United Kingdom.

e. None of the above.

36. Which of the following policies is not favorable for transitioning to a more sustainable economy?

a. Increase subsidies to the fossil fuel industry.

b. Increase investment in agriculture systems to encourage crop diversification.

c. Impose taxes on large emitters of CO2

d. Invest in renewable energy.

e. Institute a system of tradable permits.

37. How can macroeconomic policy deal with environmental considerations?

a. Seek to modify both the level and composition of consumption spending.

b. Promote forms of investment that do not increase the "throughput" of natural resources and the creation of wastes.

c. Direct government spending towards promoting environmental sustainability.

d. Promote investments that are more future-oriented than those concerned with short-term considerations.

e. All of the above.

38. Which one of the following items is not subtracted when calculating the GPI?

a. cost of crime

b. lost leisure time c. environmental costs

d. net foreign borrowing

e. government spending on highways and streets

39. Which one of the following items is added in when calculating the GPI?

a. net foreign borrowing

b. consumer durable assets

c. most government spending on goods and services

d. the services of consumer durables

e. paid domestic service

40. When tracking the trends in real GDP per capita and real GPI per capita from 1950 to 2004, what are the findings?

a. Per capita GPI is lower than per capita GDP, and it has grown more slowly.

b. Per capita GPI is lower than per capita GDP, but it has grown more quickly.

c. Per capita GPI is higher than per capita GDP, and it has grown more quickly.

d. Per capita GPI is higher than per capita GDP, but it has grown more slowly.

e. Per capita GPI is about the same as per capita GDP, and they both have grown at about the same rate.

41. Which of the following is not accurate?

a. The Better Life Index includes nearly a dozen dimensions of well-being.

b. The Better Life Index is more ambitious than the Genuine Progress Indicator.

c. The Better Life Index was launched by the Organization for Economic Cooperation and Development. d. The Better Life Index includes life expectancy at birth, years of formal education, and real per-capita GDP.

e. All of these are accurate.

42. The HDI aggregates which three indicators in its index of well-being?

a. GDP, adult literacy and education, life expectancy.

b. GDP, income inequality, and access to medical care.

c. GDP per capita, adult literacy and education, income inequality.

d. GDP per capita, adult literacy and education, life expectancy.

e. GDP per capita, access to medical care, life expectancy.

43. Which of the following best reflects the trends found in the HDI rankings?

a. There is a strong correspondence between HDI and GDP per capita, as a high GDP per capita is always associated with a high HDI ranking, and vice versa

b. Although there is a rough correspondence between HDI and GDP per capita, some countries have low GDP per capita, yet high HDI rankings, and vice versa.

c. There is a weak correspondence between HDI and GDP per capita.

d. There is an inverse correspondence between HDI and GDP per capita, as countries with high GDP per capita have low HDI rankings, and vice versa.

e. There is no correspondence between HDI and GDP per capita.

44. Comparisons between GDP and HDI reveal that

a. GDP is a good measure of well-being

b. GDP has significant shortfalls as a measure of well-being

c. The HDI has significant shortfalls as a measure of well-being

d. The GDP is a better measure of well-being than is the HDI

 e. Neither the GDP nor the HDI can serve as measures of well-being

45. Which of the following is used to measure (or estimate) the quantity of unpaid, non- market core sector production?

a. Satellite accounts

b. Time use surveys

c. Value added

d. The precautionary principle

e. The maintenance cost method

46. Which of the following best characterizes the shares of time women vs. men spent on the household production activities of housework, food preparation, yard work, or paying bills, when averaged over all responses, according to 2016 BLS survey?

 a. Women and men spent an equal amount of time per day on household activities.

 b. Women spent on average 2.2 hours per day, while men spent 1.4 hours per day.

c. Women spent on average 4.2 hours per day, while men spent 3.3 hours per day.

d. Women spent on average 1.5 hours per day, while men spent 0.5 hours per day.

e. Women did all the household activities, while men did none.

47. A lawyer decides to scale back her hours to part-time, in order to raise her small children and care for her elderly parents. She takes a cut in her annual salary of $40,000, and lays off her nanny who she was paying $25,000 per year. Her unpaid caring labor would be valued at , according to the ___ approach.

 a. $25,000, opportunity cost

 b. $40,000, replacement

c. $40,000, damage cost

d. $25,000, maintenance cost

e. $25,000, replacement cost

48. Hiking on a beautiful mountain to enjoy nature is an example of what kind of function provided by the environment?

a. resource function

b. environmental service function

c. sink function

d. all of the above e. none of the above

49. Which of the following is not an economic function of the natural world?

 a. Environmental service functions

b. Capital functions

 c. Sink functions

 d. Resource functions

e. All of these are economic functions of the natural world.

50. Suppose Town A has a factory that spews out heavy pollution and causes $2 million in health costs to the population. Town B also has such a factory, but requires it to invest $50,000 in a new scrubber on its smokestack that cleans up most of its pollution. The value of the unpolluted air would be $2 million according to the …

a. maintenance cost approach.

 b. damage cost approach.

c. replacement cost approach.

d. opportunity cost approach.

e. spending approach.

Samples of Final Exam Questions

1. What news stories have you heard recently that refer to the interaction between the environment and the Business economy?

2. Was environmental protection presented as compatible with Greening the Economy economic growth? What were the various points of view presented in the story? What is your opinion of the story?

3. What steps, if any, do you think should be taken to promote a green economy in your Company?

4. What steps do you think would be most effective for Business Economy?

5. Can you propose policies that businesses may support?

6. What groups would be hurt most by the transition to a sustainable Business economy?

7. What groups would most benefit from the transition?

8. Can you think of scenarios in which those who gain could compensate those who would be hurt?

9. What can we learn about sustainability?

10. What is special about sustainable business development?

11. How will you steer your career and creativity in relation to creating more sustainability?

12. What role-models have you found in the presented examples as regards increasing sustainability?

13. What is old and what is new about sustainable business development?

14. If sustainable business development is so promising, why are there not more books about developing sustainable ideas?

15. Why is almost all literature written for big business?

16. How can you use any association with a university to enable sustainable business development?

17. Is it easier or harder to incorporate household production into the national accounts, compared to incorporating environmental assets and services? Explain.

18. What measure has been developed in recent years that subtract for the depreciation of both manufactured capital and natural capital?

19. Why has it been difficult to produce a single estimate of an environmentally adjusted or "greened" GDP?

20. What are the two approaches that can be used to put a value on environmental assets and services?

Senior Lecturer _____K.A. Raju Mohammad