



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATION
2018/2019 ACADEMIC YEAR
FOURTH YEAR FIRST SEMESTER**

**SCHOOL OF TOURISM AND NATURAL RESOURCE
MANAGEMENT
BACHELOR OF SCIENCE IN WILDLIFE
MANAGEMENT**

**COURSE CODE: WLM 446
COURSE TITLE: WILDLIFE ECONOMICS**

DATE: 10TH DECEMBER 2018

TIME: 1100-1300HRS

INSTRUCTIONS TO CANDIDATES

Answer **ALL** questions in section A and any other **THREE** in section B.

This paper consists of 4 printed pages. Please turn over

SECTION A. ANSWER ALL THE QUESTIONS (25 MARKS)

1. Define the following terms as used in wildlife economics **(5 marks)**

- i. Resource Scarcity
- ii. Opportunity Cost
- iii. Resource Cost
- iv. Marketing
- v. Gross Domestic Product

2. a) Highlight **six** benefits of wildlife trade to the society **(3 marks)**

b) Briefly describe application of economics in wildlife **(3 marks)**

3. Briefly describe how wildlife contributes to foreign exchange in Kenya

(4 marks)

4. Giving examples, explain the classes of factors of production that must be combined to run a Game Reserve **(3 marks)**

5. A farmer intends to invest in a wildlife sanctuary and has approached you for advice on how to go about it and whether it would be profitable or not.

Describe the procedure you would go through to arrive on a decision on whether to invest or not **(7 marks)**

SECTION B (45 MARKS) ANSWER ANY THREE QUESTIONS

6. Trade in wildlife and wildlife products have got both positive and negative effects to an economy and the environment. Briefly discuss some of the key impacts of wildlife trade in Kenya **(15 marks)**

7. You have been approached by the management of Masaai Mara Game Reserve to lead their marketing team. Briefly discuss some of the strategies you could employ to enhance the market share of the Game reserve and game products **(15 marks)**

8. The question on who pays for wildlife conservation and who benefits is insufficiently addressed. Discuss this using examples **(15 marks)**

9. Discuss the salient features of traditional economies **(15 marks)**

10. The table below shows the cost of management of a wildlife sanctuary in Olpajeta, Laikipia County. Variable costs, fixed costs, total cost and quantity are given.

Quantity	Total cost (ksh)	Fixed cost (ksh)	Variable cost (ksh)	Average fixed cost	Average variable cost	Average total cost	Marginal cost
0	3.00	3.00	0.00				
1	3.30	3.00	0.30				
2	3.80	3.00	0.80				
3	4.50	3.00	1.50				
4	5.40	3.00	2.40				
5	6.50	3.00	3.50				
6	7.80	3.00	4.80				
7	9.30	3.00	6.30				
8	11.00	3.00	8.00				
9	12.90	3.00	9.90				
10	15.00	3.00	12.00				

- a) Complete the table by calculating average fixed cost (AFC), average variable cost (AVC), average total cost (ATC) and Marginal Cost (MC)
- b) Draw the graphs of AFC, AVC, ATC and MC and explain the relationships to one another **(15 marks)**

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