

**2018/EVEN/SEM/ECOP-201/299**

**TDC Even Semester Exam., 2018**

**ECONOMICS**

**( Pass )**

**( 2nd Semester )**

Course No. : ECOP-201

**( Microeconomics—II )**

Full Marks : 50

Pass Marks : 17

Time : 2 hours

*The figures in the margin indicate full marks  
for the questions*

Answer **five** questions, selecting **one** from each Unit

**UNIT—I**

1. (a) Distinguish between explicit costs and implicit costs. 2
- (b) Explain the shapes of short-run and long-run average cost curves with the help of diagrams. 4+4=8
2. (a) Define the concepts of total revenue, average revenue and marginal revenue. 4

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- (b) Explain the relationship between average revenue and marginal revenue with the help of numerical example and diagram. 6

UNIT—II

3. (a) What is perfect competition? 2  
(b) What are the main features of perfect competition? 4  
(c) Explain with a suitable diagram how a firm under perfect competition attains equilibrium in the short run. 4
4. (a) What are the main features of monopoly? 4  
(b) What is price discrimination? 2  
(c) Mention the main conditions under which price discrimination is profitable. 4

UNIT—III

5. (a) Define 'product differentiation' with examples. 2  
(b) Write a note on 'group equilibrium'. 3  
(c) Explain why output is smaller and price is higher under monopolistic competition than under perfect competition. 5

6. (a) Compare between monopolistic competition and oligopoly. 4
- (b) Distinguish between pure oligopoly and differentiated oligopoly. 4
- (c) Name the different market models under oligopoly. 2

UNIT—IV

7. (a) Discuss the limitations of Ricardian theory of rent. 4
- (b) Explain the marginal productivity theory of wages. 6
8. (a) Distinguish between gross interest and net interest. 2
- (b) Mention three limitations of Keynesian theory of interest. 3
- (c) "Profit is the reward for uncertainty bearing." Explain. 5

UNIT—V

9. (a) What is welfare economics? 2
- (b) Distinguish between economic welfare and social welfare. 4
- (c) Explain the concept of Bergson's social welfare function. 4

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10. (a) Discuss the merits and demerits of Paretian welfare economics. 4
- (b) Explain the concept of Pareto's social optimum. 6

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**2019/TDC/EVEN/ECODSC/  
ECOGEC-201T/062**

**TDC (CBCS) Even Semester Exam., 2019**

**ECONOMICS**

**( 2nd Semester )**

Course No. : ECODSC-201T/ECOGEC-201T

**( Core Economics—II : Principles of Micro-  
Economics—II )**

*Full Marks : 70*

*Pass Marks : 28*

*Time : 3 hours*

*The figures in the margin indicate full marks  
for the questions*

**UNIT—I**

- 1. Answer any *four* of the following :      1×4=4**
- (a) What is perfect competition?
- (b) What is a unique characteristic of monopoly?

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- (c) "Monopoly firm always earns supernormal profit." Write true or false.
- (d) Why is the demand curve under perfect competition perfectly elastic?
- (e) What is short run?

2. Answer any *one* of the following : 2

- (a) How does perfect competition differ from imperfect competition?
- (b) What is price discrimination?

3. Answer any *one* of the following : 8

- (a) What is monopoly market? What are its characteristics? Explain.
- (b) How does a monopoly firm determine equilibrium price and output both in the short and long run? Explain with the help of a diagram.

#### UNIT—II

4. Answer any *four* of the following : 1×4=4

- (a) Who wrote *The Theory of Monopolistic Competition*?

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- (b) What is the nature of product in case of monopolistic competition?
- (c) What are selling costs?
- (d) Can a firm under monopolistic competition supernormal profit in the long run?
- (e) Draw the demand curve of a firm under monopolistic competition.

5. Answer any *one* of the following : 2

- (a) What is product differentiation?
- (b) Mention any two characteristics of oligopoly market.

6. Answer any *one* of the following : 8

- (a) Explain the differences between monopolistic competition and perfect competition.
- (b) "A firm under monopolistic competition may earn normal profit, supernormal profit or incur losses in the short-run." Explain the statement with the help of suitable diagrams.

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UNIT—III

7. Answer any *four* of the following :  $1 \times 4 = 4$

(a) Does market failure arise due to externalities?

(b) Give one example of public good.

(c) What do you mean by negative externality?

(d) "Market participation affected by asymmetric information is a condition of adverse selection." Write true or false.

(e) What is marginal cost pricing?

8. Answer any *one* of the following : 2

(a) Define public goods.

(b) Give two examples of positive externalities.

9. Answer any *one* of the following : 8

(a) Explain the characteristics of public good.

(b) What is market failure? What are the sources of market failure? Explain.

$2 + 6 = 8$



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UNIT—IV

10. Answer any *four* of the following :  $1 \times 4 = 4$

- (a) What are the factors of production?
- (b) What is average physical productivity of a factor?
- (c) In perfect competition,  $VMP > MRP$ . Write true or false.
- (d) What is functional distribution?
- (e) Mention one assumption of factor pricing under perfect competition.

11. Answer any *one* of the following : 2

- (a) What is input market?
- (b) State the two conditions of equilibrium of factor market under perfect competition.

( 6 )

12. Answer any *one* of the following : 8

- (a) What is factor pricing? Explain with the help of a diagram how factor price is determined under perfect competition. 3+5=8
- (b) Explain briefly the determinants of the demand for a variable factor by an individual firm.

UNIT—V

13. Answer any *four* of the following : 1×4=4

- (a) Who is the father of welfare economics?
- (b) The 'compensation principle' was suggested by whom?
- (c) What is Pareto optimality?
- (d) What do you mean by ideal output?
- (e) Is welfare economics a normative or positive study?

14. Answer any *one* of the following : 2

- (a) What is welfare economics?
- (b) What is value judgement?

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15. Answer any *one* of the following : 8

(a) Discuss critically the Pigovian welfare condition.

(b) Explain briefly the social welfare function introduced by Prof. Bergson.

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