**2022/TDC(CBCS)/EVEN/SEM/
ECOHCC–401T/504**

TDC (CBCS) Even Semester Exam., 2022

ECONOMICS

(Honours)

(4th Semester)

Course No. : ECOHCC–401T

(Intermediate Microeconomics—II)

Full Marks : 70
Pass Marks : 28

Time : 3 hours

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

SECTION—A

Answer any *ten* of the following questions : 2×10=20

1. Define partial equilibrium.

2. What is production efficiency?

3. Distinguish between marginal rate of transformation and marginal rate of substitution.

(*Turn Over*)

4. Discuss two causes behind the emergence of monopoly.

5. What is intertemporal price discrimination?

6. Distinguish between horizontal and vertical product differentiation.

7. What does 'payoff' mean in game theory?

8. What is 'saddle point'?

9. What is Nash equilibrium?

10. Distinguish between collusive oligopoly and non-collusive oligopoly.

11. Write a note on indeterminateness of demand curve under oligopoly.

12. Write two defects of Cournot's model of oligopoly.

13. What does market failure refer to?

14. What is market signalling?

15. What is free-rider problem?

SECTION—B

Answer any *five* of the following questions : 10×5=50

16. What is consumption efficiency? Explain the general equilibrium and efficiency under pure exchange economy with the help of Edgeworth Box. 2+8=10

17. Explain the cases of (a) unique and stable equilibrium and (b) unique and unstable equilibrium with the help of demand and supply model. 5+5=10

18. Discuss four conditions under which price discrimination is possible. Explain, with the help of suitable diagrams, that price discrimination is profitable when elasticities of demand in the two markets are different. 4+6=10

19. Explain how a monopolistic firm attains equilibrium both in the short run and in the long run. 5+5=10

20. Define maximin and minimax. Explain the concepts of maximin and minimax with the help of a payoff matrix. 2+8=10

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21. Define zero-sum game. Explain the two-person zero-sum game with the help of payoff matrix. 2+8=10

22. Critically explain Bertrand's model of oligopoly. 10

23. What is cartel? Explain price-output determination by cartel under oligopoly. 2+8=10

24. What is asymmetric information? Discuss how asymmetric information results in moral hazard and adverse selection. 2+8=10

25. Explain positive externalities and negative externalities in production with the help of suitable diagrams. 5+5=10

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