

**2022/TDC (CBCS)/EVEN/SEM/
ECOGEC-601T/513**

TDC (CBCS) Even Semester Exam., 2022

ECONOMICS

(6th Semester)

Course No. : ECOGEC-601T

(Principles of 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 the following as directed (any twenty) :

1×20=20

- 1. What do you mean by imperfect competition?**
- 2. What is the shape of supply curve of monopoly?**
- 3. What is meant by social cost of monopoly?**
- 4. What type of profit does a monopoly firm earn in the short-run?**

(2)

5. Define natural monopoly.
6. Mention one assumption of monopolistic competition.
7. Can a firm under monopolistic competition earn supernormal profit in the long-run?
8. In which market is the concept of 'product differentiation' relevant?
9. What is the meaning of 'oligo' in the word 'oligopoly'?
10. Give one example of oligopoly market.
11. Define externality.
12. What is marginal cost pricing?
13. Give one example of public good.
14. What is meant by social choice?
15. Does market failure occur through externalities?
16. What is an input market?
17. Demand for input is ____ (direct/derived).
(Choose the correct answer)
18. What do APP and MPP in economics stand for?

(3)

19. What is the shape of input demand curve?
20. Mention one measurement of income distribution.
21. Define welfare economics.
22. Who is the founder of welfare economics?
23. Summation of individual welfares give rise to social welfare function.
(Write Yes or No)
24. Whether welfare economics is considered as positive or normative economics?
25. Economics may be considered both as arts and as science.
(Write True or False)

SECTION—B

Answer any *five* of the following questions : $2 \times 5 = 10$

26. Give one merit and one demerit of monopoly.
27. How does perfect competition differ from imperfect competition?
28. Mention two differences between monopolistic competition and oligopoly markets.

(4)

29. State two forms of oligopoly.
30. What does 'internalizing externalities' mean?
31. Write two features of public goods.
32. What are the profit maximization conditions in input markets?
33. Write the determinants of demand for a variable factor by a firm.
34. Write two criticisms of welfare economics.
35. Mention two criteria for detecting increase in social welfare.

SECTION—C

Answer any five of the following questions : $8 \times 5 = 40$

36. What is price discrimination? How many types of price discrimination are there? How is price discrimination possible under monopoly? $2+2+4=8$
37. Explain with diagrams, how monopoly firm determines its equilibrium price and output in CR and LR.

(5)

38. Explain how a monopolistic competition firm determines its price and output both in the short-run and long-run.
39. Explain why monopolistically competitive firms are considered inefficient at allocating the resources.
40. State the causes and effects of market failure.
41. Explain the types of consumption and production externalities.
42. Explain how factor price is determined under perfect competition.
43. Explain how demand curve for a factor of production is derived under perfect competition.
44. Discuss the nature of welfare economics.
45. Critically explain the Pareto criterias of social welfare.

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