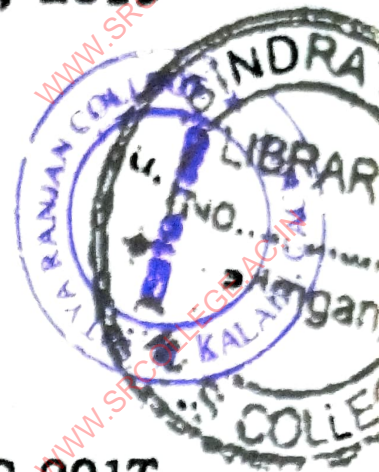


TDC (CBCS) Even Semester Exam., 2019

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 : $1 \times 4 = 4$

(a) What is perfect competition?

(b) What is a unique characteristic of monopoly?

- (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 :

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

3. Answer any one of the following :

- (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 :

- (a) Who wrote The Theory of Monopolistic Competition? 1×4

- (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.

(Turn Over)

(4)

UNIT—III

7. Answer any four of the following : 1×4

(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 :

(a) Define public goods.

(b) Give two examples of positive externalities.

9. Answer any one of the following :

(a) Explain the characteristics of public good.

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

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(Continued)

(5)

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.