

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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(Turn Over)



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

UNIT—II

3. (a) What is perfect competition? (a)
(b) What are the main features of perfect competition? (b)
(c) Explain with a suitable diagram how a firm under perfect competition attains equilibrium in the short run. (c)

4. (a) What are the main features of monopoly? (a)
(b) What is price discrimination? (b)
(c) Mention the main conditions under which price discrimination is profitable. (c)

UNIT—III

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



- 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
- (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

- (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



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

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