

2017

(CBCS)

(1st Semester)

ECONOMICS

FIRST PAPER

(Microeconomics—I)

Full Marks : 75

Time : 3 hours

(PART : B — DESCRIPTIVE)

(Marks : 50)

The figures in the margin indicate full marks
for the questions

1. (a) Discuss the meaning, nature and scope
of economics. 10

Or

- (b) "Economics is a science which studies
human behavior as a relationship
between ends and scarce means which
have alternatives used." Critically
examine the statement. 10

2. (a) What do you mean by elasticity of demand? Explain one method of measuring elasticity of demand. 3+7=10

Or

- (b) Define indifference curve and explain the properties of indifference curve. 2+8=10

3. (a) What is isoquant? Show with appropriate diagram, how a producer attains equilibrium using isoquants. 3+7=10

Or

- (b) State and explain the law of returns to scale. 10

4. (a) What do you mean by monopoly's price discrimination? State the different conditions under which a monopolist can discriminate prices. 3+7=10

Or

- (b) Explain how an equilibrium is achieved by a firm under perfect competition in the long-run. 10

5. (a) How does a firm determine price and output in the short-run under monopolistic competition? 10

Or

- (b) What is oligopoly? Explain with diagram the kinked demand curve. 3+7=10

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(CBCS)

(1st Semester)

ECONOMICS

FIRST PAPER

(Microeconomics—I)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

SECTION—A

(Marks : 10)

Choose the most appropriate answer to the following by putting a Tick (✓) mark against it in the brackets provided : 1×10=10

1. A French economist who defined economics as “the study of the laws which govern wealth” is

(a) J. B. Say ()

(b) F. A. Walker ()

(c) J. S. Mill ()

2. Scarcity definition of economics was given by

(a) Adam Smith ()

(b) David Ricardo ()

(c) Lionel Robbins ()

3. Under indifference curve analysis the consumer's equilibrium is reached when

(a) indifference curve is concave to the origin ()

(b) indifference curve is convex to the origin ()

(c) indifference curve is a straight line ()

4. The concept of cardinal utility was introduced by

(a) Adam Smith ()

(b) Alfred Marshall ()

(c) J. M. Keynes ()

5. Isoquants are convex to the origin because of

- (a) increasing MRTS ()
- (b) diminishing MRTS ()
- (c) increasing return to scale ()

6. Marginal cost is less than average cost when average cost falls with

- (a) an increase in output ()
- (b) a decrease in output ()
- (c) constant output ()

7. Which of the following is not a characteristic of perfect competition?

- (a) Large number of buyers and sellers ()
- (b) Perfect knowledge about market and price ()
- (c) Importance of selling cost ()

8. Under which form of market a firm is a price maker?

(a) Monopoly ()

(b) Monopolistic competition ()

(c) Perfect competition ()

9. Monopsony is a market form in which there is/are

(a) single seller ()

(b) single seller with single buyer ()

(c) single buyer ()

10. Collusive oligopoly exists when there is

(a) price agreement among the producers ()

(b) price wars among the producers ()

(c) heterogeneous products ()

SECTION—B

(Marks : 15)

1. Write short notes on the following :

3×5=15

(a) Law of supply

Or

Price mechanism

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(b) Engel's law

Or

Utility

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(c) Economies of scale

Or

Opportunity cost

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(d) Perfect competition

Or

Monopoly

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(e) Duopoly

Or

Bilateral monopoly

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