

22 NOV 2016

I/ECO (i)

2016

(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. Explain Robbin's definition of economics. How far is the definition superior to the earlier definitions of economics? 6+4=10

Or

What do you mean by equilibrium? Give an explanation of market equilibrium with suitable diagram. 4+6=10

2. Define an indifference curve. What are the assumption and properties of indifference curve? 2+4+4=10

Or

Define price elasticity of demand. Explain any one method by which price elasticity is measured. 4+6=10

3. State the law of variable proportions and illustrate it with the help of a diagram. 3+7=10

Or

Discuss the various concepts of cost of production. 10

4. Explain the short-run equilibrium under perfect competition. 10

Or

Give a diagrammatic explanation of Cournot's model of duopoly. 10

5. What is monopoly? How does a monopolist determine price and output in the short run? 4+6=10

Or

Explain zero-profit theorem. 10

2016

(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)

Tick (✓) the correct answer in the brackets provided :

1×10=10

1. "Economics is the study of mankind in the ordinary business of life." Who said this?

(a) Lionel Robbins ()

(b) Adam Smith ()

(c) Alfred Marshall ()

2. Ceteris Paribus, a fall in the price of a commodity, results in

- (a) an increase in quantity supplied ()
- (b) an increase in quantity demanded ()
- (c) an increase in demand and supply ()
- (d) None of the above ()

3. Indifference curve analysis is based on

- (a) ordinal utility analysis ()
- (b) cardinal utility analysis ()
- (c) marginal utility analysis ()

4. Engel curve shows the relationship between

- (a) income and consumption ()
- (b) price and consumption ()
- (c) demand and price ()

5. The marginal cost curve intersects the average cost curve when it is

- (a) rising ()
- (b) maximum ()
- (c) minimum ()

6. Returns to scale refers to a situation where

- (a) all factors are fixed ()
- (b) all factors are equal ()
- (c) all factors are variable ()

7. Monopolistic competition consists of

- (a) price discrimination ()
- (b) variety of product ()
- (c) product differentiation ()

Govt. J. Thamkima College

8. Existence of large number of buyers and sellers is one of the conditions for

(a) oligopoly market ()

(b) perfect competition ()

(c) monopoly market ()

9. Monopolies which exist on account of efficiency are known as

(a) patent monopolies ()

(b) public monopolies ()

(c) natural monopolies ()

10. In monopoly equilibrium

(a) Price = MR ()

(b) Price > MC ()

(c) Price < MC ()

(d) Price = MC ()

SECTION—B

(Marks : 15)

Write short notes on the following :

3×5=15

1. Basic problems of economics

Govt. J. Thanakima College

2. Giffen goods

Write short notes on the following:

I. Basic problems of economics

- (a) Scarcity of resources
- (b) Choice
- (c) Allocation of resources
- (d) Production
- (e) Distribution

ii. Monopolies which arise in the following cases:

- (a) Patent monopoly
- (b) Public monopoly
- (c) Natural monopoly

iii. In monopoly equilibrium:

- (a) $MR = MC$
- (b) $Price > MC$
- (c) $Price > MR$
- (d) $Price > MC > MR$

3. Isoquant

Govt. J. Thankima College

4. Oligopoly market

monopolist .E

5. Price discrimination

Govt. J. Thamkima College
