

THIRD SEMESTER (CBCSS-UG) DEGREE EXAMINATION, NOVEMBER 2020

Economics

ECO 3B 04—MICROECONOMICS – II

Time : Two Hours and a Half

Maximum : 80 Marks

Section A (Short Answer Questions)

*Answer at least ten questions.
Each question carries 3 marks.
All questions can be attended.
Overall Ceiling 30.*

1. What is meant by price leadership ?
2. Define Monopsony.
3. What is meant by excess capacity ?
4. What is *Laissez-Faire* ?
5. What is selling cost ?
6. Define a cartel.
7. What is meant by factor market ?
8. Define marginal productivity.
9. Distinguish between price taker and price maker.
10. Define a break-even point.
11. What is meant by administered price ?
12. Define pure monopoly.
13. What is meant by barometric price leadership ?
14. What is MRC ?
15. Define bilateral monopoly.

(10 × 3 = 30 marks)

Section B (Short Essay Questions)

*Answer at least five questions.
Each question carries 6 marks.
All questions can be attended.
Overall Ceiling 30.*

16. Analyze the various degrees of price discrimination.
17. Explain the significance of kink in the Kinked demand curve model.

Turn over

18. What are the four major forms of market ?
19. Analyze the short run equilibrium of a firm in a perfectly competitive market.
20. Suppose the demand function of a monopolist is $Q = 360 - 20P$ and Total Cost function is $TC = 6Q + 0.05 Q^2$. Find out how much he will produce and what price he will charge ?
21. Distinguish between collusive and non-collusive oligopoly.
22. What are the important sources of monopoly power ?
23. Critically examine the Cournot model of oligopoly.

(5 × 6 = 30 marks)

Section C (Long Essays)

*Answer any two questions.
Each question carries 10 marks.*

24. Analyse the short run and long run equilibrium of a firm in a market of monopolistic competition.
25. Make a survey on the basic features various market systems
26. Analyse the input pricing and employment if there is perfect competition in the input market and monopoly in employment market.
27. Analyse the short run and long run equilibrium of a monopolist.

(2 × 10 = 20 marks)