

**U.G. 3rd Semester Examination - 2020**

**ECONOMICS**

**[PROGRAMME]**

**Course Code : ECOP-CC-T-03**

Full Marks : 60

Time : 2½ Hours

*The figures in the right-hand margin indicate marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

1. Answer any **ten** questions: 2×10=20
- a) Mention two features of Monopoly Market.
  - b) Is it possible to earn supernormal profit even in long-run for a monopolist?
  - c) Write two most prominent characteristics of Monopolistic competition.
  - d) In long run does a firm under the monopolistic competition earn supernormal profit?
  - e) Mention two main features of a public good.
  - f) What do we mean by externality?
  - g) Write two components of the 'Marginal Social Cost'.

- h) Define Ricardian Rent.
- i) Is rent the price paid for the use of land or any factor of production?
- j) What is the difference between real wage and nominal wage?
- k) What is the difference between Gross Profit and Net Profit?
- l) How is interest rate determined in a Classical Theory?
- m) What do you mean by 'Terms of Trade'?
- n) What is the proposition of 'Absolute Advantage' theory of Adam Smith?
- o) How does the 'Ricardian Comparative Advantage theory' differ from 'Absolute Advantage theory'?

2. Answer any **four** questions: 5×4=20
- a) Describe short-run equilibrium of a monopolist.
  - b) Mention major five differences between perfect competition and monopoly.
  - c) Describe long-run equilibrium of a firm under Monopolistic Competition.

- d) Prescribe two policies to deal with externalities.
  - e) Explain the Classical theory of Wage.
  - f) Discuss the two commodity two country model of Absolute Advantage theory.
3. Answer any **two** questions: 10×2=20
- a) Describe how equilibrium price and quantity are determined for a Discriminating Monopolist.
  - b) What are the characteristics of Oligopoly market?
  - c) Describe two types of 'Ricardian Rent'.
  - d) Protectionism vs Free Trade– discuss.
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