

CODING

Under Graduate Examination, May 2022

Semester: 2 [CBCS] Subject Code: ECO/II/EC/02 Subject: Economics [2nd Paper] Name of the Paper: Microeconomics-II

Date of Examination:

No. of Answer Sheet(s) Used : _

Full Marks: 75 Time: 3 Hours

INSTRUCTIONS TO CANDIDATES

Please read the instructions carefully before you start writing your answers.

- 1. Questions should be attempted as per instructions.
- 2. Candidate should clearly indicate the Question Nos. and the Page No. for each sheet.
- 3. Please write your Roll No. Registration No. clearly and correctly in the space provided.
- 4. Do not write your name or the name of your college/institution anywhere or anything else, which is not part of your answer.
- 5. Candidate should make sure that the answer sheets scanned should be legible.
- 6. The Invigilator on duty should confirm that the correct script is received, compiled and attached to the correct Cover Page.
- 7. Multiple Choice Answer should indicate | Question | Marks the Question No., Sub. No., (if any) and the correct answer. For example-
 - 1. Name the state capital of Mizoram.
 - (a) Lunglei
 - (b) Champhai
 - (c) Aizawl
 - (d) Mamit

Candidate should provide answer as 1 (c) Aizawl

[Candidate should writing avoid only (c)]

SECTION (OBJEC	
Total	

SECTION-B (SHORT NOTE)

Question Nos.	Marks				
·					
Total					
SECTION-C (DESCRIPTIVE)					

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То	be	filled	in	by	the		
Candidate							

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Semester: 2 [CBCS]

Subject Code

ECO/II/EC/02

Subject

Economics [2nd Paper]

Roll	No.		

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Scrutinizer's Signature

Examiner's Signature

Invigilator's Signature

/117

2022

(CBCS)

(2nd Semester)

ECONOMICS

SECOND PAPER

(Microeconomics—II)

Full Marks: 75

Time: 3 hours

The figures in the margin indicate full marks for the questions

(SECTION : A-OBJECTIVE)

(*Marks* : 10)

Choose the correct answer from the options provided:

 $1 \times 10 = 10$

- 1. The 'iron law of wages' is
 - (a) the marginal productivity theory of wages
 - (b) the wage-fund theory
 - (c) the subsistence theory of wages
 - (d) wage differentials
- 2. "Profit is the reward for risk-taking in business." Who said this?
 - (a) F. H. Knight
 - (b) Joseph Schumpeter
 - (c) F. B. Hawley
 - (d) J. B. Clark

117	,	3	[Contd.
	(d)	Kuznets curve	
	(c)	equal product curve	
	(b)	indifference curve	
	(a)	utility possibility curve	
6.	Kalo	dor-Hicks compensation principle can be explained with the help of	f
	(d)	both positive science and normative science	
	(c)	static economics	
	(b)	normative science	
	(a)	positive science	
5.	Wel	fare economics is generally accepted as	
	(d)	complementary demand	
	(c)	intermediate demand	
	(b)	supplementary demand	
	(a)	derived demand	
4.	Den	nand for factor of production is	
	(d)	factor market	
	(c)	stock market	
	(b)	commodity market	
	(a)	product market	
3.		e market, where services of factors of production are bought and so ers to	ıld,

/117

7.	If in	iterest rate rises, the present value of any future earnings is bound to
	(a)	fall
	(b)	rise
	(c)	suffer from inflation
	(d)	increase in risk
8.	Air	pollution can be termed as
	(a)	social benefit
	(b)	social cost
	(c)	social security
	(d)	social welfare
9.		comparative advantage theory of international trade was first nulated by
	(a)	Adam Smith
	(b)	Bertil Ohlin
	(c)	David Ricardo
	(d)	P. A. Samuelson
10.	Wh	o benefits from tariff protection?
	(a)	Domestic consumers on the good produced
	(b)	Domestic producers of the good produced
	(c)	Foreign producers of the good produced
	(d)	Foreign consumers on the good produced

(SECTION : B—SHORT NOTE)

(*Marks* : 15)

Write short notes on the following:

 $3 \times 5 = 15$

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Unit—I

1. Quasi-rent

OR

2. Collective bargaining

UNIT—II

3. Bilateral monopoly

OR

4. Monopsony in factor market

UNIT—III

5. Value judgement

OR

6. Social welfare function

UNIT—IV

7. Net present value (NPV)

OR

8. Internal rate of return (IRR)

UNIT-V

9. Import quota

OR

10. Opportunity cost

/117 5

(SECTION : C—DESCRIPTIVE)

(*Marks* : 50)

Answer the following questions:

 $10 \times 5 = 50$

UNIT—I

1. Discuss the marginal productivity theory of distribution.

OR

2. Critically explain the Keynesian theory of interest.

UNIT-II

3. What do you mean by the firm's demand for factor services? What are the factors affecting the firm's demand for factor services? 3+7=10

OR

4.. Explain, with the help of a diagram, how a factor market's equilibrium is attained.

UNIT—III

5. What is welfare economics? Discuss Pareto's criterion of social welfare.

3+7=10

OR

6. Critically discuss Kaldor-Hicks compensation principle.

UNIT-IV

7. Define payback period. Explain how payback period helps investment analysis. 3+7=10

OR

8. Discuss the elements of social-cost-benefit analysis.

/117 6 [Contd.

UNIT-V

9. State and explain the absolute advantage theory of international trade.

OR

10. Briefly discuss the Heckscher-Ohlin theory of international trade. What are its assumptions and limitations? 5+5=10

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