

**2 0 2 4**

**( FYUGP )**

**( 4th Semester )**

**ECONOMICS**

**( Major )**

**Paper Code : EC4.CC7**

**( Intermediate Microeconomics—II )**

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

Answer *any one* question from each Unit

**UNIT—I**

1. Explain the marginal productivity theory of wages. 15
2. Discuss the concept of quasi-rent and how it differs from differential rent. 15

UNIT—II

3. Discuss how profit opportunities arise from uncertainty according to Prof. Knight. 15
4. Discuss the role of innovation in generating profit. 15

UNIT—III

5. Define welfare economics. Discuss the nature and scope of welfare economics. 3+6+6=15
6. Discuss Pareto's criterion of measuring social welfare. 15

UNIT—IV

7. Define price discrimination. Discuss the different types of price discrimination. 2+13=15
8. Describe the kinked demand curve hypothesis in Sweezy's model. 15

UNIT—V

9. What is the meaning of externalities? Discuss the impact of externalities on consumption and production. 3+12=15
10. Analyze the role of asymmetric information in causing market failure. 15

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