



'সমানো মন্ত্র: সমিতি: সমানী'

**UNIVERSITY OF NORTH BENGAL**

B.A. Honours Part-II Examination, 2022

**ECONOMICS**

**PAPER-III**

Time Allotted: 4 Hours

Full Marks: 100

*The figures in the margin indicate full marks.  
All symbols are of usual significance.*

**GROUP-A**

**MICROECONOMICS**

**SECTION-I**

**[Objective type questions (Compulsory)]**

1. Answer *all* questions: 2×5 = 10
- (a) What do you mean by Pareto Optimality?
- (b) Show that a discriminating monopolist charges lower prices in market where  $E_p$  is higher.
- (c) What do you mean by product differentiation?
- (d) What is meant by collective bargaining?
- (e) What is quasi-rent?

**SECTION-II**

**Answer any two questions**

10×2 = 20

2. Distinguish between static stability and dynamic stability. Derive Walrasian and Marshallian conditions for static stability of a market equilibrium. 3+7 = 10
3. Show that profit under monopolistic discrimination will generally be larger than that under single-price monopoly. 10
4. Discuss the Cournot model of Duopoly with the help of reaction curve approach. 10
5. Discuss the view that economic rent of a factor income depends on the elasticity of supply of that factor. 10

**SECTION-III**

**Answer any one question**

20

6. (a) Discuss the short-run and long-run equilibrium of industry under perfect competition. 10+10 = 20
- (b) What are the effects of imposition of a unit sales tax in a perfectly competitive market?

7. (a) What do you mean by Collusive Oligopoly? 10+10 = 20  
(b) Explain the conditions of equilibrium of the typical leadership model.

**GROUP-B**  
**MACROECONOMICS**

**SECTION-I**

**[Objective type questions (Compulsory)]**

8. Answer *all* questions: 2×5 = 10  
(a) What is warranted rate of growth?  
(b) What is natural rate of unemployment?  
(c) What is Permanent Income Hypothesis?  
(d) What is Ratchet effect?  
(e) Explain the concept of inflationary gap.

**SECTION-II**

**Answer any two questions**

10×2 = 20

9. What is Phillips Curve? Account for the observed trade off between the rate of inflation and the rate of unemployment. 10
10. Explain the Life Cycle Hypothesis of consumption behaviour. 10
11. How does the investment decision take place with the help of MEC and MEI schedules? 10
12. State and prove Harrod's Knife Edge Instability theorem. 10

**SECTION-III**

**Answer any one question**

20

- 13.(a) What are the main assumptions of the Solow model of growth? 5+10+5 =20  
(b) Discuss the role of population growth and technical progress in the model.  
(c) Does population growth alter the criterion for determining the golden rule level of output?
- 14.(a) Distinguish between demand pull and cost push inflation. 4+10+6 =20  
(b) Give a detailed amount of mark-up inflation.  
(c) Discuss the anti-inflationary policies to control the inflationary situation.

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