

Sub - Micro Economics

Class- +3 1st Semester

GE-1

Here are 50 one-mark questions, 30 two-mark questions, and 20 long questions related to microeconomics. These questions cover various aspects of microeconomic theory and analysis.

****One-Mark Questions:****

1. What is microeconomics?
2. Define the law of demand.
3. What is elasticity of demand?
4. Define marginal cost.
5. Explain the concept of a perfectly competitive market.
6. What is a price ceiling?
7. Define consumer surplus.
8. Explain the law of diminishing marginal utility.
9. What is a monopoly?
10. Define the term "opportunity cost."
11. What is a normal good?
12. Explain the concept of a Giffen good.
13. Define producer surplus.
14. What is a price floor?
15. Explain the law of supply.
16. Define fixed costs in the short run.
17. What is a competitive market equilibrium?
18. Define the term "complementary goods."
19. What is the difference between explicit and implicit costs?
20. Explain the concept of utility.
21. Define the term "marginal revenue."

22. What is a monopolistic competition?
23. Explain the concept of a budget constraint.
24. Define the term "inferior good."
25. What is a public good?
26. Explain the concept of a production function.
27. Define the term "market equilibrium."
28. What is a cost-benefit analysis?
29. Explain the concept of a price-taker in perfect competition.
30. Define economic profit.
31. What is the difference between a change in quantity demanded and a change in demand?
32. Explain the concept of a positive externality.
33. Define the term "marginal product."
34. What is a natural monopoly?
35. Explain the concept of a utility maximization.
36. Define the term "substitute goods."
37. What is the price elasticity of demand formula?
38. Explain the concept of a price discrimination.
39. Define the term "average total cost."
40. What is a private good?
41. Explain the concept of a short-run production.
42. Define the term "indifference curve."
43. What is the difference between accounting profit and economic profit?
44. Explain the concept of a negative externality.
45. Define the term "long-run equilibrium" in perfect competition.
46. What is the concept of a consumer's surplus?
47. Explain the term "cross-price elasticity of demand."
48. Define the term "marginal cost curve."
49. What is the concept of a market failure?
50. Explain the term "production possibilities frontier."

****Two-Mark Questions:****

1. Describe the law of demand and explain its significance in microeconomics.
2. Differentiate between elastic and inelastic demand, providing examples of each.
3. Explain the concept of a perfectly competitive market and the conditions required for it to exist.
4. Discuss the economic impact of a price ceiling and provide an example.
5. Define consumer surplus and producer surplus and explain how they are calculated.
6. Describe the law of diminishing marginal utility and its implications for consumer behavior.
7. Explain the characteristics of a monopoly and its effects on market outcomes.
8. Define opportunity cost and provide an example to illustrate the concept.
9. Differentiate between normal goods and inferior goods, providing examples of each.
10. Discuss the concept of a Giffen good and the conditions under which it may occur.
11. Explain the concept of a price floor and its potential consequences.
12. Define the law of supply and describe factors that can cause shifts in the supply curve.
13. Differentiate between fixed costs and variable costs in the short run.
14. Explain the concept of competitive market equilibrium and how it is determined.
15. Describe the concept of complementary goods and provide examples.
16. Explain the difference between explicit costs and implicit costs in economics.
17. Discuss the concept of utility and its role in consumer decision-making.
18. Define marginal revenue and explain its relationship with total revenue.
19. Differentiate between monopolistic competition and perfect competition, highlighting key differences.
20. Explain the concept of a budget constraint and how it affects consumer choices.
21. Define the term "inferior good" and provide an example.
22. Discuss the characteristics of a public good and why it leads to market failure.
23. Explain the concept of a production function and its relevance in the production process.
24. Define market equilibrium and describe how market forces lead to equilibrium prices and quantities.
25. Discuss the concept of cost-benefit analysis and its application in decision-making.
26. Explain the concept of a price-taker in perfect competition and its implications for firms.
27. Define economic profit and how it differs from accounting profit.
28. Differentiate between a change in quantity demanded and a change in demand, providing examples of each.
29. Discuss the concept of positive externalities and their economic implications.
30. Define the term "marginal product" and its significance in production analysis.

****Long Questions:****

1. Discuss the concept of price elasticity of demand, its determinants, and how it influences consumer behavior and pricing strategies.
2. Explain the characteristics of monopolistic competition and provide real-world examples of firms operating in this market structure.
3. Describe the various forms of price discrimination and their economic implications.
4. Discuss the concept of market failure, including the reasons behind it and potential government interventions to address it.
5. Explain the concept of a natural monopoly and how it relates to the regulation of public utilities.
6. Define and illustrate the concept of utility maximization for consumers.
7. Analyze the economic impact of negative externalities, using examples to illustrate their effects.
8. Describe the concept of a short-run production, including the law of diminishing marginal returns and its implications for firms.
9. Discuss the concept of a long-run equilibrium in perfect competition, including the role of economic profit and entry/exit of firms.
10. Explain the concept of cross-price elasticity of demand and provide examples of complementary and substitute goods.
11. Describe the concept of a production possibilities frontier (PPF) and its applications in economics.
12. Discuss the role of government intervention in addressing market failures, including regulations, taxes, and subsidies.
13. Explain the concept of a consumer's surplus and producer's surplus and how they represent economic welfare.
14. Analyze the determinants of supply and demand and how changes in these factors affect market outcomes.
15. Discuss the concept of a public good, its characteristics, and the challenges associated with its provision.
16. Explain the concept of a monopoly and its effects on market power, pricing, and consumer choice.

17. Describe the concept of indifference curves and how they are used to represent consumer preferences.
18. Discuss the economic implications of price ceilings and price floors in various markets.
19. Explain the difference between explicit and implicit costs and how they impact a firm's economic profit.
20. Discuss the concept of a competitive market equilibrium, including how it is achieved and its economic efficiency.