



NATIONAL OPEN UNIVERSITY OF NIGERIA
UNIVERSITY VILLAGE, NNAMDI AZIKIWE EXPRESS WAY,
PLOT 91, CADASTRAL ZONE, JABI ABUJA
FACULTY OF AGRICULTURAL SCIENCES,
DEPT. OF AGRICULTURAL ECONOMICS AND EXTENSION.
POP EXAMINATION QUESTION, SEPTEMBER 2020_1

COURSE CODE: AEM 751

COURSE TITLE: MICROECONOMICS

CREDIT UNIT: 2

TOTAL SCORE: 70 MARKS

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER QUESTION ONE (1) (25 marks) AND ANY OTHER THREE (3) QUESTIONS (15 marks each).

1. a. Define the following:
 - i) Economics
 - ii) Microeconomics
 - iii) Macroeconomics
 - iv) Resources
 - v) Entrepreneur
- b. What are the main economic problems that may face an individual?
- c. State five (5) characteristics of Indifference Curve (25marks)
2. a. Explain the following methodological hazards words in Economics
 - i) Bias
 - ii) Loaded Words:
 - iii) Jargons
 - IV) Fallacy of Composition:
 - V) Myopic Specialization:
- b. What is Consumer Surplus? (15marks)
3. a. Discuss the following assumptions of the cardinal utility analysis
 - i) Perfect knowledge
 - ii) Rationality
 - iii) Cardinal utility:
 - iv) Diminishing marginal utility:
 - v) Total utility
- b. Explain the concept of preference or indifference. (15marks)

4. a) Define Market structure
- b) What are the characteristics features of Perfect Competition and Monopoly? (15marks)**
5. a. Distinguishing between Market Period and the Short Run Period of a Firm
- b. At what level of output is the long run equilibrium of the industry attained? (15marks)
6. a. What is price discrimination?
- b. Explain the Short run equilibrium level of output for a monopolistic competitor
- c. What are variable costs? (15marks)