



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
SCHOOL OF MANAGEMENT SCIENCES
MARCH/APRIL 2015 EXAMINATION

COURSE CODE: MGS719

CREDIT UNIT: 2

COURSE TITLE: PRINCIPLES MICRO ECONOMICS

TIME ALLOWED: 2HRS

Instructions: 1. Attempt question number one (1) and any other (2) questions.

2. Question number 1 carries 30 marks, while the other questions carry 20 marks each.

3. Present all your points in coherent and orderly manner.

- | | |
|---|---------|
| 1a) Analyze the three possible situations in the scale of production. | 15Marks |
| 1b) Discuss argument for and against Privatization. | 15Marks |

- | | |
|---|--------|
| 2) Write a concise note on any four (4) of the following. | |
| a) Short-Run Equilibrium of Monopolistic Competition | 5Marks |
| b) Long-Run Equilibrium of Monopolistic Competition | 5Marks |
| c) Features of Oligopoly | 5Marks |
| d) Price and output Duopoly | 5Marks |
| e) Types of Monopoly | 5Marks |
| f) Necessary condition for the existence of a perfect Market. | 5Marks |

- | | |
|---|---------|
| 3a) Discuss the concept of Economics of scale | 10Marks |
| 3b) What is indifference map and identify the properties of indifference curve. | 10Marks |

- | | |
|---|--------|
| 4) Write deeply on any four (4) of the following | |
| a) Factors affecting demand | 5Marks |
| b) Change in demand and change in quantity demand | 5Marks |
| c) Types of demand | 5Marks |
| d) Factors influencing supply | 5Marks |
| e) Market equilibrium. | 5Marks |

- | | |
|---------------------------------------|--------|
| 5) Write on any five of the following | |
| a) Lines and curve | 4Marks |
| b) Functions | 4Marks |
| c) Equation | 4Marks |
| d) Graph and Diagram | 4Marks |
| e) Slope | 4Marks |
| f) Identities. | 4Marks |