



**NATIONAL OPEN UNIVERSITY OF NIGERIA ABUJA**  
**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, 2021**

**COURSE CODE: AEM 751**

**COURSE TITLE: MICROECONOMICS**

**CREDIT UNIT: 2**

**TOTAL SCORE: 70 MARKS**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS**

- 1 a). What are the characteristics features of Perfect Competition and Monopoly (10 marks)
- b. What are the main economic problems that may face an individual? (10 marks)
- c. State five (4) characteristics of Indifference Curve (4marks)
2. a. Explain the following methodological hazards words in Economics **(10 marks)**
  - i) Bias
  - ii) Loaded Words:
  - iii) Jargons
  - IV) Fallacy of Composition:
  - V) Myopic Specialization:
- b. What is Consumer Surplus? **(3 marks)**
- c). Discuss the following assumptions of the cardinal utility analysis **(10 marks)**
  - i) Perfect knowledge
  - ii) Rationality
  - iii) Cardinal utility:
  - iv) Diminishing marginal utility:
  - v) Total utility
3. a). Explain the concept of preference or indifference. (10 marks)

b) Define Market structure (**3marks**)

c). Define the following: (10 marks)

- i) Economics
- ii) Microeconomics
- iii) Macroeconomics
- iv) Resources
- v) Entrepreneur

4. a. Distinguishing between Market Period and the Short Run Period of a Firm (10 marks)

b. At what level of output is the long run equilibrium of the industry attained? (**5 marks**)

C. i). What is price discrimination? (**3 marks**)

ii). Explain the Short run equilibrium level of output for a monopolistic competitor  
(**5marks**)