



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_2 EXAMINATIONS

COURSE TITLE: INDUSTRIAL ECONOMICS

COURSE CODE: ECO722

TIME ALLOWED: 2 HOURS

CREDIT UNIT: 2

INSTRUCTIONS: ANSWER THREE QUESTIONS. QUESTION ONE (1) IS COMPULSORY. AWARD ONE MARK FOR CLARITY

QUESTION 1

- a. With the aid of a graph, critically examine the profit maximization situation of a monopolist **(10 Marks)**
- b. Suppose that a firm has a linear demand function such as $P = 20 - Q$ and the total cost is $TC = .5Q^2$. The unit cost functions will be $AC = .5Q$, while the $MC = 10Q$. Find out the profit-maximizing level of output for this firm. **(20 Marks)**

QUESTION 2

Enumerate and discuss five types of public policy in Nigeria. **(20 Marks)**

QUESTION 3

Critically examine five (5) determinants of investment demand in Nigeria. **(20 Marks)**

QUESTION 4

List and explain both the positive and negative effects of government intervention on market operation. **(20 Marks)**