

International Islamic University Chittagong
Department of Electrical and Electronic Engineering

Final Examination Autumn-2018

Course Code: ECON-3501

Time: 2 hours 30 minutes

Program: B.Sc. Engg. (EEE)

Course Title: Principle of Economics

Full Marks: 50

Part A

[Answer any two questions from the followings; figures in the right margin indicate full marks.]

1(a). Differentiate between several market structures and what can it tell us about how a firm will behave? 04

1(b). The table below shows the market demand schedule and the cost structure. 06

P	Q	Fixed Cost	Variable Cost	TC	AVC	MC	ATC
20	1	45 TK.	200 TK.				
18	2	45 TK.	280 TK.				
16	3	45 TK.	375 TK.				
14	4	45 TK.	400 TK.				
12	5	45 TK.	500 TK.				

Measure TC, ATC, AVC and MC for each row.

2(a). Estimate GNP, NNP, National Income, Personal Income and Personal Disposable Income from following data? 06
 GDP = 5677.5

Net Factor payment from abroad = 17.5

CCA = 626.1

Indirect taxes = 475.2

Social security contribution = 528.8,

Govt. and business transfers to person = 771.1

Dividends = 137

Personal Tax & Non-Tax payment = 618.7

2(b). "The important reason behind inflation is sometime positive for economy", Argue from your own perspective. 04

3(a). Define National income and Discuss the importance of national income. 04

3(b). "Unemployment problem is mainly cyclical, not structural" Explain this statement. 03

3(c). How is GDP different from GNP? 03

Part B

[Answer any three questions from the followings; figures in the right margin indicate full marks.]

- 4(a). Define monetary policy and fiscal policy. Which one is more effective for growing economy? 05
- 4(b). Briefly explains the objectives of Trade Policy in Bangladesh. How Trade Policy works positively? 05
- 5(a). Point out the relation between population growth and economic growth. 03
- 5(b). What is the difference between growth and development? 03
- 5(c). Discuss the Ford-Domar growth model for developing countries. 04
- 6(a). Express the development planning. 02
- 6(b). Discuss the importance of planning in the economic development of Bangladesh. 04
- 6(c). Plan the best utilization of human resource of Bangladesh. 04
- 7(a). Define natural growth rate.
- 7(b). Distinguish between bank rate policy and open market policy in Bangladesh. 04
- 7(c). What are the factors affecting economic growth? How far they present in Bangladesh? 04