

# International Islamic University Chittagong (IIUC)

Department of Electronic and Telecommunication Engineering (ETE)

## Semester End Examination

Program: **B.sc (Engg.)**

Course Code: **ECON-3501**

Total Marks: **50**

Semester: **Autumn 2022**

Course Title: **Principle of Economics**

Time: **2 Hours 30 Minutes**

<b>(i) Answer all the questions. The figures in the right-hand margin indicate full marks.</b>						
<b>(ii) Course Outcomes (COs) and Bloom's Levels are mentioned in additional Columns.</b>						
Course Outcomes (COs) of the Questions						
<b>CLO1</b>	Explain the knowledge of the fundamental concepts and theories of micro and macro-economics.					
<b>CLO2</b>	Analyze the key indicators of economic growth.					
<b>CLO3</b>	Compare the economic theories and concepts to analyze behaviour of individuals, firms and nations to act as a responsible citizen.					
Bloom's Levels of the Questions						
Letter Symbols	R	U	Ap	An	E	C
Meaning	Remember	Understand	Apply	Analyze	Evaluate	Create

PART A						
Q1.	a)	"What are the key factors that distinguish cyclical unemployment from structural unemployment, and how do these factors contribute to the argument that the unemployment problem is primarily cyclical rather than structural?"	CLO2	U	5	
	b)	Inflation is sometime positive for economy, Argue from your own perspective.	CLO2	U	5	
Q2.	a)	What do you mean by nominal GDP and real GDP? Explain the benefit of measuring real GDP.	CLO1	An	5	
	b)	Given the following cost function $TC = 500 + 35Q - 7Q^2 + Q^3$ Calculate ATC, AVC and MC when the firm produces 40 units of output	CLO1	E	5	
OR						
Q2.	a)	If the Given the total cost function $TC = 100 + 15Q - 6Q^2 + Q^3$ Where TC is total cost and Q is level of output.  Determine: (a) Total variable cost function, (b) marginal cost function and (c) Average variable cost function.	CLO1	E	5	

b)	The table below shows the market demand schedule and the cost structure.							CLO1	E	5	
	P	Q	Fixed Cost	Variable Cost	TC	AVC	MC				ATC
	20	1	80 TK.	200 TK.							
	18	2	80 TK.	280 TK.							
	16	3	80 TK.	375 TK.							
	14	4	80 TK.	400 TK.							
	12	5	80 TK.	500 TK.							
Measure TC, ATC, AVC and MC for each row.											

**PART B**

Q3.	a)	Define key differences between monetary policy and fiscal policy, and how do these two policy tools influence the economy in terms of managing inflation, unemployment, and promoting overall economic stability?	CLO2	R	5
	b)	Explain the key components of trade policy in Bangladesh, and how have these policies influenced the country's economic growth, export performance, and integration into the global economy?	CLO2	R	5
Q4.	a)	State the specific planning mechanisms and strategies have been implemented in Bangladesh to drive economic development, and how have these planning efforts contributed to key indicators of growth, such as GDP, poverty reduction, and infrastructure development, in the country?	CLO1	Un	5
	b)	In the context of Bangladesh, what are the key principles and considerations involved in development planning for the optimal utilization of national resources, and how can effective planning ensure sustainable economic growth, resource allocation, and environmental conservation in the country?	CLO1	Un	5
Q5.	a)	Point out the relation between population growth and economic growth.	CLO3	E	5
	b)	What is the difference between growth and development?	CLO3	U	5
OR					
Q5.	a)	What are the basic determinants of economic growth? How far they present in Bangladesh?	CLO3	E	5
	b)	Discuss different types of non-tariff barriers.	CLO3	U	5