

Unit III - Cost Theory and Market Structure

Q1: Define cost in economics and explain its types.

Q2: Describe the nature of short-run and long-run cost functions.

Q3: Explain economies of scale and provide examples.

Q4: What are diseconomies of scale and how do they affect production?

Q5: Define market structure in economics.

Q6: Explain the characteristics of perfect competition.

Q7: Describe the features of a monopolistic competition market structure.

Q8: Define monopoly and discuss its implications on the market.

Q9: What is oligopoly and how does it function?

Q10: Discuss the degree of competition in different market structures.

Q11: How do cost functions impact pricing decisions in various market structures?

Q12: Explain the concept of marginal cost and its relevance in production decisions.

Q13: Discuss the relationship between market structure and economic efficiency.

Q14: Compare the outcomes of different market structures on consumer welfare.

Q15: Explain how technological changes can affect market structures and competition.