


Name: Enrolment No:			
UPES End Semester Examination, May 2024			
Course: Economics for Engineers Program: B.Tech Sustainability Engineering Course Code: SUEN2006_2		Semester: IV Time: 03 hrs. Max. Marks: 100	
Instructions: Read the instructions provided for every question properly before attempting the answer.			
SECTION A (5Qx4M=20Marks)			
S. No.		Marks	CO
Q1.	Harry's income declines, and as a result, he buys more pumpkin juice. Is pumpkin juice an inferior or a normal good? What happens to Harry's demand curve for pumpkin juice?	4	CO2
Q2.	Over time, technological advances increase consumers' incomes and reduce the price of smartphones. Each of these forces increases the amount consumers spend on smartphones if the income elasticity of demand is greater than _____ and the price elasticity of demand is greater than a. zero; zero b. zero; one c. one; zero d. one; one	4	CO2
Q3.	Define and give an example of a common resource. Without government intervention, will people use this good too much or too little? Why?	4	CO3
Q4.	A firm is producing 1,000 units at a total cost of \$5,000. When it increases production to 1,001 units, its total cost rises to \$5,008. For this firm, a. marginal cost is \$5, and average variable cost is \$8. b. marginal cost is \$8, and average variable cost is \$5. c. marginal cost is \$5, and average total cost is \$8. d. marginal cost is \$8, and average total cost is \$5.	4	CO2

Q9.	Bob's lawn-mowing service is a profit-maximizing, competitive firm. Bob mows lawns for \$27 each. His total cost each day is \$280, of which \$30 is a fixed cost. He mows 10 lawns a day. What can you say about Bob's short-run decision regarding shutdown and his long-run decision regarding exit?	10	CO2
SECTION-C (2Qx20M=40 Marks)			
Q10.	Explain the difference between purely private and public goods and how it applies to environmental problems faced by developing countries. What are the implications of the free-rider problem for allocation of a public good?	20	CO3
Q11.	<p>Population growth in developing nations has proceeded at unprecedented rates over the past few decades. Compare and contrast the present rate of population growth in less developed countries with that of the modern developed nations during their early growth years. What has been the major factor contributing to rapid developing country population growth since the Second World War?</p> <p>OR</p> <p>“Social and institutional innovations are as important for economic growth as technological and scientific inventions and innovations.” What is meant by this statement? Explain your answer.</p>	20	CO1