

**BOWEN UNIVERSITY,  
COLLEGE OF SOCIAL AND MANAGEMENT SCIENCES  
ECONOMICS PROGRAMME  
B.Sc. DEGREE EXAMINATION 2020/2021 ACADEMIC SESSION  
FIRST SEMESTER EXAMINATION (Part A)**

**Course code: ECN 418**

**Course credit: 3**

**Course Title: Economics of Production**

**Time Allowed: 1 hour**

**Instruction: You are required to answer any four questions in this section.  
Each question awards 10 marks.**

1. As a production economist, you are required to advise the manager of Bowen Ventures concerning the region of production where it is economically rational to produce. Support your argument with graphical illustration.
2. With the aid of graphical illustration, distinguish between the economies of scale and diseconomies of scale.
3. The law of returns to scale is much concerned with the scale of production and not with the proportion between the factors of production. Explain the various classification of returns to scale and provide numerical examples of this scaling.
4. Explain what you understand on the concept of Economies of Scope and give practical illustrations of the concept.
5. Provide clear explanation on the relationship between the Short run Average Cost Curve and the Long Run Average Cost Curve.
6.
  - i. Itemize and explain 4 common sources of economies of scale
  - ii. Briefly explain any 3 of the following technical aspect of Production
    - a. Production Function
    - b. Isoquant
    - c. Iso-cost
    - d. Ridgelines