Business and the Market. Coursework (30444) 2022/23 This coursework is worth 50% of your total module mark. Please submit via Canvas on or before Friday 13th January 2023 at 23:59 UK time. If you submit after this, you will lose 5 marks for each day (or part of the day) the work is late. It is important you avoid plagiarism: Your answers will be put in Turnitin, so please make sure you write in your own words or provide reference for any quotations. You can read any microeconomics book to support your answers. Answer All Four (4) questions. For each question, write a maximum of 500 words. Each question is worth 25% of the total mark for the coursework. 1. Draw a diagram to show the profit maximising output and price for perfectly competitive, and monopoly markets. Explain why the difference in output and price between the two types of market structures. [25] 2. a) Explain three (3) main sources of market failures with an example? [10] b) What are the major factors influencing price elasticity of demand? [15] 3. a) What is the difference between the marginal revenue (MR), average revenue (AR), and total revenue (TR)? Explain using examples. [15] b) Explain why in the short run, the marginal product of labour is diminishing using examples. [10] 4. Using demand and supply diagrams, show the effect of the following changes in the market for chickens. a) When the price of turkey increases? [5] b) When the price of chicken decreases? [5] c) Chicken producers adopt new efficient technology in production. [5] d) When new firms enter the chicken market? [5] e) When governments impose tax on chicken producers? [5] In each case, explain the assumptions you are making about how the changes affect supply or demand. You must think about whether we have a “movement” along or “shift” in demand or supply curve. Please make sure you clearly label the graphs. You must also draw the demand and supply curves in one graph for each question.