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(Pages : 2)

Name..

Reg. No...............................

FIRST SEMESTER B.A./B.Sc. DEGREE EXAMINATION
NOVEMBER 2019

(CBCSS—UG)

Economics

ECO 1B 01—MICRO ECONOMICS—I

(2019 Admissions)

Time : Two Hours and a Half

Maximum : 80 Marks

Section A (Short Answer Questions)

Maximum marks in this section is 25.
Students can attempt all.
Each question carries a maximum of 2 marks.

1. Define market equilibrium.

2. What is price theory ?

3. State the scarcity definition of Economics.

4. Distinguish between normative and positive economics

5. Why economic theory is always with inbuilt assumptions ?

6. What are the different economic systems ?

7. What is meant by budget line ?

8. Distinguish between normal good and Giffen good ?

9. Explain the concept of consumer surplus.

10. What is meant by returns to scale ?

11. Distinguish between marginal cost and average cost.

12. Why demand curve is sloping downwards.

13. What is meant by shift in demand curve ?

14. What is Arc elasticity of demand ?

15. Explain the transitivity assumption.

Turn over

Section B (Short Essay Questions)

Maximum marks in this section is 35.
Students can attempt all questions.
Each question carries a maximum of 5 marks

16. Distinguish between deductive and inductive method of theorizing.

17. Explain the law of demand and determinants of demand.

18. What is meant by demand forecasting ?

19. What are the important measures of elasticity of demand ?

20. Critically examine the law of equi-marginal utility.

21. What are the important properties of indifference curve ?

22. Examine the properties of Cobb- Douglas production function ?

23. Critically examine the revealed preference theory of P. A. Samuelson.

Section C (Long Essay Questions)

Answer any two questions.
Each question carries a maximum of 10 marks.

24. Analyse the equilibrium of a consumer with the help of indifference curve technique

25. Critically examine the law of variable proportions.

26. Explain in detail the central economic problems of an economy.

27. Decompose the price effect into income effect and substitution effect using Hicksian approach.

$(2 \times 10 = 20$ marks$)$