

24U136

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Name :

Reg. No :

FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024

(FYUGP)

CC24U ECO1 CJ101 - PRINCIPLES OF ECONOMICS

(B.A. Economics - Major Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 3 marks.

1. How do incentives influence the choices that individuals make in the labor market? [Level:1] [CO1]
2. How does a free market system respond to changes in consumer demand? [Level:1] [CO1]
3. Explain how the scientific method can be applied to test an economic theory regarding supply and demand in a specific market. [Level:2] [CO2]
4. Illustrate how an economist's political ideology might affect their view on minimum wage laws. [Level:2] [CO2]
5. Do you agree that scarcity leads to rational decision-making? Why or why not? [Level:1] [CO3]
6. Identify and briefly describe two potential short-term effects of unemployment on the economy. [Level:1] [CO3]
7. Assess the importance of optimal resource allocation in preventing resource wastage [Level:5] [CO3]
8. Describe how the concept of marginal utility applies to consumer behavior in a market system. [Level:2] [CO4]
9. How does the market system address the question of who will get the output produced by an economy? [Level:1] [CO4]
10. Discuss how employee well-being can be influenced by a company's approach to managing business risk. [Level:2] [CO4]

(Ceiling: 24 Marks)

Part B (Paragraph questions/Problem)

Answer *all* questions. Each question carries 6 marks.

11. Analyze the relationship between capital investment in infrastructure (such as roads, electricity, and telecommunications) and a country's ability to produce goods and services. How does this influence the standard of living? [Level:4] [CO1]

12. Analyze the economic implications of government intervention in the housing market, focusing on rent controls. [Level:4] [CO1]
13. Provide a real-world example of a normative economic recommendation and explain its implications for policymakers. [Level:3] [CO2]
14. Critique the role of macroeconomic policies in managing economic fluctuations. [Level:5] [CO2]
15. Compare and contrast marginal cost and marginal benefit in the context of resource allocation in a competitive market. [Level:3] [CO3]
16. Analyze how competition influences pricing strategies in a market system. [Level:4] [CO4]
17. Analyze the pros and cons of using the command system to solve issues like healthcare or education access in developing countries. [Level:4] [CO4]
18. Discuss the risks and benefits of geographic specialization for developing countries that rely on one major export. [Level:2] [CO4]

(Ceiling: 36 Marks)

Part C (Essay questions)

Answer any *one* question. The question carries 10 marks.

19. Critically evaluate the effectiveness of monetary policies in managing inflation without causing significant unemployment. [Level:5] [CO1]
20. Critically assess the influence of cultural, social, and economic factors on an individual's economizing problem, taking into account both income limitations and unlimited wants. [Level:5] [CO3]

(1 × 10 = 10 Marks)
