

21U132

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Name:

Reg.No:

FIRST SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2021

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19U ECO1 B01 - MICROECONOMICS - I

(Economics - Core Course)

(2019 Admission onwards)

Time : 2.5 Hours

Maximum : 80 Marks

Credit : 5

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. Explain economic models.
2. Differentiate between positive and normative analysis.
3. Define the term elasticity.
4. Explain cross elasticity of demand.
5. Explain the concept of elasticity of supply.
6. Explain market equilibrium.
7. Explain Engel Curve.
8. Define Budget Line.
9. State substitution effect.
10. Discuss Giffen paradox.
11. Define production function.
12. Discuss the relationship between TP, AP and MP.
13. Explain Decreasing Returns to Scale.
14. Define an isoquant.
15. Explain internal economies of scale.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Explain scarcity definition of economics.
17. Discuss the basic problems of an economy.
18. State and explain the exceptions to the law of demand.
19. Explain shift in demand.
20. 'Price effect is a combination of income effect and substitution effect'. Discuss.
21. Discuss the equilibrium of the consumer under revealed preference theory.
22. Explain Hicksian method of measuring consumer's surplus.
23. Discuss the relationship between MC and AC with the help of a diagram.

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. Explain different methods of measuring price elasticity of demand.
25. Explain the law of diminishing marginal utility based on cardinal utility approach.
26. Explain the superiority of indifference curve analysis over the Marshallian utility analysis.
27. Illustrate the shape of traditional and modern cost curves.

(2 × 10 = 20 Marks)
