I Sem Economics 19/2020 Nov

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Name..................................

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FIRST SEMESTER B.A./B.Sc. DEGREE EXAMINATION NOVEMBER 2020

(CBCSS)

Economics

ECO 1B 01—MICROECONOMICS—I

Time : Two Hours and a Half | Maximum : 80 Marks

Section A (Short Answer Questions)

Answer at least **ten** *questions.*

Each question carries 3 *marks.*

All questions can be attended.

Overall Ceiling 30.

1. What is meant by value judgment ?
2. State ‘constant returns to scale’.
3. Define ‘hypothesis’.
4. Explain the law of elasticity of supply.
5. What is MRT_{xy} ?
6. Define Transformation curve.
7. What is meant by price line ?
8. Distinguish between cardinal utility and ordinal utility ?
9. Explain the concept of consumer surplus.
10. What is meant by returns to scale ?’
11. What is the elasticity of demand for a Giffen good ?
12. What is *ceteris paribus* ?
13. Define equilibrium in economics.
14. State Engel’s law.
15. Define budget line.

(10 × 3 = 30 marks)

Turn over

Section B (Short Essay Questions)

Answer at least **five** *questions.*

Each question carries 6 *marks.*

All questions can be attended.

Overall Ceiling 30.

16. What are the properties of Cobb-Douglas production function ?
17. Elaborate the important steps involved in deductive method of theorizing.
18. Distinguish between microeconomics and macroeconomics.
19. What is meant by shift in demand ? Examine the factors to cause a shift in demand.
20. What are the important steps involved in demand forecasting ?
21. Prepare a note on the basic problems of an economy.
22. Diagrammatically explain the substitution effect-of Slutsky.
23. What is meant by expansion path ?

(5 × 6 = 30 marks)

Section C (Long Essay Questions)

Answer any **two** *questions.*

Each question carries 10 *marks.*

24. What does elasticity of demand measure in general ? What are the different measures of elasticity of demand ?
25. What are the important advantages of indifference curve analysis over the traditional approach ? State the properties of indifference curve.
26. Critically evaluate the various definitions of Economics.
27. Explain the producer's equilibrium using Isoquant.

(2 × 10 = 20 marks)