I Semester B.A. Degree (C.B.C.S.S. – Supplementary) Examination, November 2021
(2015-2018 Admissions)
CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
1B01 ECO : Micro Economic Analysis – I

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **all** questions (**Each** question carries **1** mark).

1. What is Marginal Revenue ?

2. What do you mean by opportunity cost ?

3. What is meant by elasticity of supply ?

4. Define producer's equilibrium.

(4×1=4)

PART – B

Answer **any 7** questions (**Each** question carries **2** marks).

5. Why do economic problem arise ?

6. What is meant by fuller utilization of economic resources ?

7. Distinguish between cardinal and ordinal utility approaches to consumer behaviour.

8. Explain the concepts of price ceilings and floor price.

9. On what basis inferior goods are distinguished from normal goods ?

10. Consumption and utility, are they same or different ? If different, what makes the difference ?

11. State and explain the Slutsky's theorem.

12. Define derived demand.

13. What is meant by an equilibrium point ?

14. What is the role of government in the economy ? (7×2=14)

PART – C

Answer **any 4** questions (**Each** question carries **3** marks).

15. Briefly explain the concept of water-diamond paradox.

16. State the relationship between total product, marginal product and average product.

17. Explain the basic concepts in linear programming.

18. Define micro economics. Briefly explain its scope.

19. Write a note on short run cost curves.

20. Distinguish between movements along a demand, a curve and a shift in demand curve. Explain with the help of suitable diagrams. (4×3=12)

PART – D

Answer **any 2** questions (**Each** question carries **5** marks).

21. Define elasticity of demand. What is its relevance in economics ? Explain the various types of demand elasticity.

22. How do the substitution effect and the income effect affect the demand curve ? Explain with the help of a suitable diagram.

23. What do you mean by the laws of returns ? Explain each returns to scale.

24. Why did Marshal relate law of diminishing returns to agriculture ? (2×5=10)

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