(Pages : 3)

B – 3040

Reg. No. : .....

Name : .....

First Semester B.A. Degree Examination, December 2016
First Degree Programme under CBCSS
ECONOMICS
Complementary Course – I
EC 1131: Foundations of Economic Theory
(For Philosophy, History, Islamic History, Political Science and Sociology)
(2015 Admn. Onwards)

Time : 3 Hours

Max. Marks : 80

All Saints' College Trivandrum

SECTION – I

I. Answer **all** questions. **Each** question carries **one** mark.

1) Macro Economics

2) Cardinal Utility

3) Money wages

4) Oligopoly

5) Break-even point

6) Fixed cost

7) Isoquant

8) Production Possibility Curve

9) Complementary goods

10) Price elasticity of demand.

(10×1=10 Marks)

SECTION – II

II. Answer **any eight** questions. **Each** question carries **two** marks.

11) What are the determinants of demand ?

12) Explain the concept of market equilibrium.

13) What is indifference map ?

14) Explain the concept of Quasi rent.

15) State Ricardo's concept of rent.

16) Explain marginal rate of substitution.

17) What is engel curve ?

18) Distinguish between short-run production function and long-run production function.

19) What is Bilateral monopoly ?

20) Explain marginal physical product.

21) What do you mean by selling cost ?

22) Distinguish between returns to a factor and returns to scale. **(8×2=16 Marks)**

All Saints' College Trivandrum

SECTION – III

III. Answer **any six** of the following. **Each** question carries **4** marks.

23) Examine the role of micro economics in economic theory.

24) Explain the relation between total utility and marginal utility.

25) Graphically explain the law of equi-marginal utility.

26) Explain the modern theory of rent.

27) What are the properties of isoquants ?

28) Explain Consumer's surplus.

29) Distinguish between economies of scale and diseconomies of scale.

30) Analyse short run equilibrium of a firm under perfect competition.

31) Examine the view of Schumpeter on profit. **(6×4=24 Marks)**

SECTION – IV

IV. Answer **any two**. **Each** question carries **15** marks.

32) What are the basic economic decisions to be taken in the economy ?

33) Discuss the features of monopolistic competition and how it differs from perfect competition.

34) Explain price elasticity of demand. What are the methods for measuring price elasticity of demand ?

35) Critically examine the law of diminishing marginal utility. **(15×2=30 Marks)**

All Saints' College Trivandrum