TRIVANDRUM

(Pages : 3)

E – 3260

Reg. No. : .....

Name : .....

Fourth Semester B.A. Degree Examination, July 2018
First Degree Programme under CBCSS
Economics
Core Course – IV
EC 1441 : Microeconomics – I
(2013 & 2014 Admns.)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer in **one** or **two** sentences. Attempt **all** questions.

1. Positive and normative economics.
2. Cross elasticity of demand.
3. Strong ordering.
4. Linear homogeneous production function.
5. Extention and contraction of demand.
6. Production function.
7. Giffen goods.
8. Opportunity cost.
9. Scale of preference.
10. Elasticity of supply.

(10x1=10 Marks)

SECTION – II

Answer **any eight** questions **not** exceeding **one** paragraph. **Each** question carries **2** marks.

11. Explain Indifference curve and Indifference map.

P.T.O.

12. Explain law of diminishing returns.
13. Explain the Central Economic problems.
14. Explain the relation between MC and AC.
15. What are the main methods of measuring price elasticity of demand ?
16. Explain the concept least cost combination in association with production.
17. Why does the demand curve slope downwards ?
18. Distinguish between cardinal and ordinal utility.
19. What do you mean by market demand ?
20. Discuss the scope of micro economics.
21. What are the major assumptions underlying cardinal utility analysis ?
22. Explain consumer surplus. **(8×2=16 Marks)**

SECTION – III

Answer **any six** questions **not** exceeding **120** words. **Each** question carries **4** marks.

23. What are the factors determining elasticity of demand for a commodity ?
24. What do you mean by supply function and what are the determinants of supply ?
25. What are the properties of indifference curve ?
26. Point out the merits of indifference curve analysis.
27. Explain the production possibility curve.
28. What do you mean by Returns to Scale ?
29. Explain Engel Curve.
30. Explain the law of variable proportions.
31. Explain income elasticity of demand. **(6×4=24 Marks)**

SECTION – IV

Answer **any two** questions **not** exceeding **four** pages. **Each** question carries **15** marks.

32. "Choice reveals preference". Explain revealed preference theory by illustrating the derivation of demand curve.

33. Explain the long run equilibrium of the firm with the help of envelop curve.

34. How far Indifference curve analysis is an improvement over Marshallian utility analysis ?

35. Explain the properties of Cobb-Douglas production function. **(2×15=30 Marks)**