D 32528

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Name...

Reg. No.....................................

FIRST SEMESTER B.A. DEGREE EXAMINATION, JANUARY 2013

(CCSS)

Economics

EC 1B 01—MICROECONOMICS—I

Time : Three Hours

Maximum : 30 Weightage

I. Objective Type Questions : Answer all *twelve* questions :

  A. Multiple choice questions :

    1. What is called as 'Producer's Indifference Curve' ?

      (a) Transformation Curve.   (b) Indifference Curve.

      (c) Isoquant.   (d) Isorevenue Line.

    2. Which method helps draw inferences from general to particular ?

      (a) Deduction.   (b) Induction.

      (c) Both.   (d) None.

    3. Who wrote "Economics" ?

      (a) Paul Samuelson.   (b) J.M. Keynes.

      (c) Joseph Schumpeter.   (d) Mark Blaug.

    4. Which of the following deals with consumer's choice involving risk ?

      (a) Marshallian Utility Theory.

      (b) Revealed Preference Theory.

      (c) Hicksian Indifference Curve Theory.

      (d) Neumann–Morgenstern Theory.

  B. Fill in the blanks :

    5. According to Watson and Gitz, "The fundamental decisions in an economy concern production. If nothing is produced nothing can be ————".

    6. ———— is called as 'flowerpot law'.

    7. According to ————, "Choice reveals preference".

    8. According to Alfred Marshall, "Supply is always at a ————".

  C. Name the following :

    9. What is called as 'Planning Curve' ?

    10. What is the technical term for the 'Ratio of relative change in quantity demanded of a commodity to relative change in income of the consumer' ?

    11. What is called for the earnings of a factor of production from its next best alternative use ?

    12. What is called for the paradoxical behaviour which shows that the quantity demanded of some inferior goods is directly related to their price ?

(12 × ¼ = 3 weightage)

Turn over

II. Short Answer Type Questions : (Answer all *nine* questions).

13. Define linearly homogenous production function.

14. State the Law of Diminishing Marginal Utility.

15. What is meant by perfectly inelastic demand ?

16. Define utility.

17. What is product transformation curve ?

18. State the 'Law of Eventually Diminishing Marginal Physical Productivity'.

19. What is meant by an economic model ?

20. What is meant by 'divisibility' of a factor of production ?

21. What is meant by 'reserve capacity' used in modern theory of costs ?

(9 × 1 = 9 weightage)

III. Short Essay *or* Paragraph Questions : (Answer any 5 questions from 7).

22. Distinguish between homogenous and non-homogenous production functions.

23. Briefly explain the types of price elasticity of demand.

24. Distinguish between strong ordering and weak ordering.

25. Briefly explain the returns to scale and returns to a variable factor.

26. Briefly explain the important factors determining the price elasticity of demand for a good.

27. Distinguish between 'Changes in Demand' and 'Changes in Quantity Demanded'.

28. Briefly explain the rationale of saucer like SAVC curve in the modern theory.

(5 × 2 = 10 weightage)

IV. Essays Questions : (Answer *two* questions from *three*).

29. Explain the properties of Indifference Curves.

30. Explain the Laws of Returns to Scale as seen in the neoclassical theory.

31. Explain the properties of Cobb-Douglas Production Function.

(2 × 4 = 8 weightage)