

E 3773

(Pages : 2)

Reg. No.....

Name.....

B.A. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2016

Third Semester

B.A. Economics

Core Course—PRINCIPLES OF MICROECONOMICS

(2013 Admission onwards)

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A (Definition Type Questions)

Answer all the following questions in one sentence.

Each question carries 1 mark.

1. Normative economics.
2. Iso-cost line.
3. Returns to scale.
4. Consumer's surplus.
5. Internal economics.
6. Cross-elasticity of demand.
7. Weak ordering.
8. Giffen Goods.
9. Indifference map.
10. Market supply.

(10 × 1 = 10)

Part B (Short Answer Questions)

Answer any eight of the following questions in a paragraph each.

(Not exceeding 100 words)

Each question carries 2 marks.

11. What is the difference between income and substitution effects ?
12. What are Engel curves ?
13. What is the importance of ceteris paribus assumptions ?
14. Distinguish between partial and general equilibrium.

Turn over

15. What is total outlay method of measuring elasticity of demand ?
16. Explain equi-marginal utility.
17. What is ordinal utility analysis ?
18. Numerically explain price elasticity of supply.
19. What are isoquants ?
20. Is there a trade-off between efficiency and equity ?
21. Explain the operation of price mechanism.
22. What are the goals of microeconomic policy.

(8 × 2 = 16)

Part C (Short Essays)

*Answer any six of the following questions in one and a half page.
(Not exceeding 150 words)
Each question carries 4 marks.*

23. What are the basic problems of an economy ?
24. Explain law of variable proportions.
25. Explain the properties of Cobb-Douglas production function.
26. What is least-cost combination of factors ?
27. Explain the determinants of supply.
28. Explain price, income and substitution effects.
29. Examine the Diamond-Water paradox.
30. Discuss the relation between AR, MR and elasticity of demand.
31. Explain marginalist methodology.

(6 × 4 = 24)

Part D (Long Essays)

*Answer any two of the following questions not exceeding four pages each.
Each question carries 15 marks.*

32. Explain Cobb-Web Theorem.
33. Explain the methods of measuring elasticity of demand.
34. Critically examine revealed preference theory.
35. Explain the relevance of microeconomics in various fields. Give practical examples.

(2 × 15 = 30)