Reg. No. : ....

Name : ....

First Semester B.A. Degree Examination, December 2019

First Degree Programme under CSS

(SDE)

Complementary Course

EC 1131 – FOUNDATIONS OF ECONOMIC THEORY

(For History and Political Science)

(2017 Admission onwards)

Time : 3 Hours   Max. Marks : 80

SECTION I

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

1.   Price maker

2.   Social and private cost

3.   Selling cost

4.   Externalities

5.   Substitutes

6.   Income consumption curve

7.   Factors of production

8.   Law of supply

9.   Quasi rent

10. Marginal utility

(**10 × 1 = 10 marks**)

SECTION II

Answer **any eight** questions in **not** more than **one** paragraph. Each question carries **2** marks.

11. What is bilateral monopoly?

12. What is Engel curve?

13. Explain production possibility curve.

14. What are economies of scale?

15. Explain wealth definition.

16. Explain income elasticity of demand.

17. What is Giffen's paradox?

18. What is ordinal utility analysis?

19. Explain the welfare definition of economics.

20. What is contraction in demand?

21. What is mixed economy?

22. What are the determinants of elasticity of supply?

(8 × 2 = 16 marks)

SECTION III

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

23. What is indifference curve?

24. What is marginal rate of substitution?

25. Distinguish between expansion in demand and increase in demand.

26. What is price discrimination? What are its types?

27. Explain modern theory of rent.

28. Explain graphically the relationship between AC and MC.

29. Explain the law of returns to scale.

30. What is consumer surplus?

31. What are the features of oligopoly market structure?

(6 × 4 = 24 marks)

SECTION IV

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

32. What is breakeven point? Explain graphically the relationship between TR, AR and MR.

33. Explain the price and output determination under monopoly.

34. Explain briefly the short run and long run laws of production.

35. What are the central problems of an economy? How it can be solved?

(2 × 15 = 30 marks)