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Reg. No. :

Name :

First Semester B.A. Degree Examination, May 2021

First Degree Programme under CSS

SDE

Complementary Course — I

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. Monopsony.
2. Sunk cost.
3. Price discrimination.
4. Marginal Physical Product.
5. Marginal Revenue.
6. Price taker.
7. Market demand.

P.T.O.

8. Law of demand.
9. MRTS.
10. 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 product differentiation?
12. What is pure competition?
13. Explain wages fund theory.
14. What is breakeven point?
15. Explain internal economies of scale.
16. Distinguish between explicit and implicit cost.
17. What is economic rent?
18. What is Giffen Paradox?
19. What is production function?
20. Distinguish between total utility and marginal utility.
21. Explain the Growth definition of Economics.
22. What are the determinants of demand?

(8 × 2 = 16 Marks)

SECTION – III

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

23. Explain returns to a factor.
24. What is marginal productivity theory of distribution?
25. Explain positive and normative economic analysis.
26. What is cross elasticity of demand?
27. Explain the relationship between TC, TFC and TVC.
28. Explain the distinction between micro and macro economics.
29. Explain the loanable fund theory of interest.
30. Explain the excess capacity theorem under monopolistic competition.
31. Explain the scarcity definition of economics.

(6 × 4 = 24 Marks)

SECTION – IV

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

32. Explain the nature, significance and scope of economics.
33. Explain the price and output determination under perfect competition.
34. What is the law of variable proportion? Explain the factors responsible for it.
35. What is Cardinal utility approach? Critically explain the law of diminishing marginal utility.

(2 × 15 = 30 Marks)