

MAHATMA GANDHI UNIVERSITY, KOTTAYAM
B. A. DEGREE CBCSS EXAMINATION, MAY 2018.
CORECOURSE–ECONOMICS
MICRO ECONOMIC ANALYSIS - I

Time: Three Hours

Maximum:80marks

Part A

*Answer any **ten** of the following, each in two or three sentences.*

Each question carries **2** marks

1. State Welfare definition of economics
2. What is Marginal Cost?
3. Define Macroeconomics?
4. State Law of supply
5. What is income elasticity?
6. What is Price elasticity?
7. Define budget line
8. What is strong ordering?
9. Define consumer's surplus?
10. Define Iso-cost line
11. What is marginal product?
12. Define producer's equilibrium?

Part B

*Answer in a short paragraph of about 100 words on any **six** of the following. Each question carries **5** marks.*

13. Differentiate between static and dynamic equilibrium.
14. Explain the concept of production possibility curve.
15. What are the factors that which cause shifts in demand?
16. Discuss the concept degrees of elasticity.
17. What are the properties of indifference curve?
18. Explain water diamond paradox.
19. Explain economic regions of production with diagrams.
20. Discuss the choice of least cost combinations of factors of production for producer's equilibrium using Iso-cost lines
21. What is the relationship between AC and MC?

Part C

*Answer any **two** of the following. Each question carries **15** marks.*

22. Explain partial and general equilibrium analysis concepts in economics.
23. What is demand forecasting and explain objectives and methods of demand forecasting?
24. Write an essay on revealed preference theorem.
25. Why cost curves are saucer shaped in short run and L shaped in long run?