

TB171240E

Reg. No:.....

Name:.....

B. A. DEGREE (C.B.C.S.S) EXAMINATION, OCTOBER 2018
(2017 Admission Improvement / Supplementary and 2015 & 2016 Admission
Supplementary)

SEMESTER I - CORE COURSE (ECONOMICS)

EC1B01B - METHODOLOGY OF SOCIAL SCIENCES WITH SPECIAL REFERENCE
TO MICRO ECONOMICS

Time: Three Hours

Maximum Marks: 80

PART A

I. Answer all the questions. Each question carries 1 mark

1. Define shift in demand.
2. Explain market equilibrium
3. What is utility
4. Growth Definition of Economics
5. Equilibrium
6. Isocost line

(6x1=6)

PART B

II. Answer any seven questions. Each question carries 2 marks.

7. State two reasons why demand curve slopes downwards?
8. Distinguish between Average Revenue and Marginal Revenue
9. Prepare a supply schedule?
10. What do you mean by diminishing marginal utility ?
11. What is a budget line
12. State the differences between normative economic analysis and positive economic analysis.
13. Write any three differences between Market Economy and Centrally Planned Economy.
14. State the relationship between MP and AP
15. Explain the properties of an Isoquant curve
16. what does production function mean? What are the differences between short run and long run production functions

(7x2=14)

PART C

III. Answer any five questions. Each question carries 6 marks

17. Suppose the price of coffee increases from Rs.10 per kilogram (kg) to Rs.12 per kg and the amount of tea purchased increases from 1500 kg to 1650 kg. What is the cross elasticity of demand?
18. Explain market equilibrium with market demand schedule, curve and equations.
19. Explain the relationship between price elasticity and revenue curve.
20. Distinguish between indifference curve and indifference map. What are its properties?

21. The following table shows the amount of output produced by a firm using two types of inputs, labour and capital

Output	input	
	Labour	capital
150	22	40
330	44	80
660	88	160
1320	176	320
2376	352	640

- a) Is the firm operating in the short run or long run. Why?
 b) Identify the range of output, when the firm experiences
 1) Increasing returns to scale
 2) Constant returns to scale
 3) Decreasing returns to scale
22. Explain the features of capitalism and socialism
 23. Explain statics, comparative statics and dynamics
 24. The following table shows the production possibilities combination of country Z, that produces two products: CDs and TVs

Production	Combinations				
	A	B	C	D	E
CD(million)	0	5	10	15	20
TV(million)	20	18	15	6	0

- a) Based on the table above, draw the production possibility curve for country Z
 b) Calculate the opportunity cost:
 1) Of producing 5 million copies of CDs
 2) Of producing 15 million copies of CDs
 3) When the production of CDs increased from 10 million to 20 million copies

(5x6=30)

PART D

IV. Answer any two of questions. Each question carries 15 marks

25. Examine the applications of price elasticity of demand and price elasticity of supply
 26. Discuss the derivation of demand curve using Revealed preference axiom.
 27. From the TU schedule in the following table, (a) derive the MU schedule, and (b) plot the TU and MU schedules and indicate the saturation point.

Q	0	1	2	3	4	5	6	7
TU	0	4	14	20	24	26	26	24

28. State and explain the law of diminishing marginal returns

(2x15=30)