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(Pages : 2)

Reg. No:.....

Name: .....

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

First Semester BA Economics Degree Examination, November 2023

BEC1B01 – Micro Economics – I

(2022 Admission onwards)

Time: 2 ½ hours

Max. Marks : 80

**PART - A****Short Answer type Questions****Maximum marks in this section is 25. Students can attempt all questions.****Each question carries 2 marks**

1. Define the scope of Micro Economics in a concise manner.
2. Briefly differentiate between positive and normative economics.
3. Define the concept of elasticity of demand in a few words.
4. Identify the major determinants of supply.
5. Briefly explain the meaning of market equilibrium.
6. Define the Law of Diminishing Marginal Utility in a few words.
7. What is the purpose of the Price (Budget) line in consumer theory?
8. Briefly explain the uses of consumer surplus in the real world.
9. List out the differences between Cardinal and Ordinal approaches in utility analysis.
10. Define the Income effect and Substitution effect in consumer behavior.
11. Differentiate between explicit and implicit costs.
12. Define the Law of Variable Proportions in production.
13. Identify two types of costs associated with production.
14. What is the Isoquant in production theory?
15. Differentiate the terms compensating variation in income and cost difference.

### **PART - B**

**Maximum marks in this section is 35. Students can attempt all questions.  
Each question carries 5 marks**

16. Discuss the concepts of wealth, welfare, and growth in the context of Micro Economics.
17. Explain the methods of economic analysis and discuss the differences between induction and deduction.
18. Discuss the law of demand and its implications for market behavior with suitable examples.
19. Explore the concept of elasticity of supply its importance in understanding how quantity supplied responds to changes in price.
20. Examine the process of demand forecasting, including its meaning and the factors that influence it.
21. Explore the theory of revealed preference. Critically analyze the fundamental theorem of consumption theory
22. Explore the concepts of normal, inferior, and Giffen goods.
23. Explore the Modern Theory of Costs, comparing it with the Traditional Theory.

### **PART - C**

**Answer any TWO questions. Each question carries 10 marks**

24. Explore the fundamental problems of an economy, including scarcity, choice, and the production possibility curve. Discuss how these concepts shape the foundation of economic systems.
25. Explain the concept of consumer surplus according to Marshall and Hicks, highlighting any differences in their perspectives.
26. Analyze the concepts of Hicksian and Slutsky's methods in splitting Price effect. Illustrate how these methods contribute to the understanding of individual demand and consumer choices.
27. Elucidate production function. Explore the differences between short-run and long-run production functions, emphasizing the role of the Law of Returns to Scale

**(2 x 10 = 20 Marks)**

**FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE**  
**First Semester BA Economics Degree Examination, November 2023**  
**BEC1C01 – Mathematical Methods for Economics – I**  
**(2022 Admission onwards)**

Time: 1 ½ hours

Max. Marks : 40

**PART A****(All questions may be answered. Each question carries 2 marks)**

1. Define the power set of a set
2. Choose the odd one and justify your answer:  
 (a) 5    (b) 88    (c) 21    (d) 8
3. Calculate  $\frac{2}{8}$  of 80%
4. State Idempotent Laws
5. Write down any three components of a graph
6. Factorise the following function  
 $3x^2 + 4x + 1$
7. Solve  $4^{x+6} = 8^{x+2}$

**(Ceiling 10 marks)****PART B****(All questions may be answered. Each question carries 5 marks)**

8. Using a Venn diagram show  $(P-Q)$  and  $P \cap Q$
9. State BEDMAS rule.
10. Assume a, b and c take only positive values. Let  $ab=9$ ,  $bc=27$  and  $ac=3$ . Solve for a, b and c.
11. If  $A=\{1,4,3\}$  and  $B=\{2,5,7\}$  find the Cartesian Product of A and B.
12. If  $P = x + 2$  and  $Q = x^2 + 3x + 2$ , find  $P^2 + 2Q - x - 1$

**(Ceiling 20 marks)****PART C****(Answer any one of the following. Each question carries 10 marks)**

13. An ant is moving according to the function given below.

$$f(x) = x^2 - 5x + 5$$

Find the points where it will cross the line  $g(x)=1$ 

14. Write a note on the scope of mathematical economics.

**(1 x 10 =10 marks)**