**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI - 600 034**

Date

Time

**:**

**:**

03/11/2012

1 :00 - 4 :00

Dept.No.

Max. : 100 Marks

**B.Com. DEGREE EXAMINATION - COMMERCE**

FIRST SEMESTER - NOVEMBER 2012

**EC 1101 - GENERAL ECONOMICS**



**PART – A**

**Answer any FIVE questions in about 75 words each: (5 x 4 = 20)**

* 1. State Robbins scarcity definition.
	2. Is market demand affected by price expectations? – Explain.
	3. What are the FIVE types of price elasticities?
	4. Distinguish between GNP and GDP.
	5. Write a short note on Marginal Propensity to Consume.
	6. Bring out the relationship between MC and AC curves.
	7. Define and briefly explain the term ‘Velocity of Money’.

**PART – B**

**Answer any FOUR questions in about 300 words each: (4 x 10 = 40)**

* 1. Explain the deductive and inductive methods and their uses.
	2. Enumerate the merits and demerits of direct and indirect taxes.
	3. ‘The demand curve need not always be a downward sloping curve’ – Explain.
	4. Give an account of the various features of Perfect Competition.
	5. Explain the ‘Objective Factors’ that influence the consumption function.
	6. Explain the various features of labour as a factor of production.
	7. Analyse the functions of money.

**PART – C**

**Answer any TWO questions in about 900 words each: (2 x 20 = 40)**

* 1. Explain in detail how the Central Bank controls Money Supply.
	2. Illustrate the long-run and short-run equilibrium in a Monopoly market.
	3. Explain the various methods of measuring National Income and enumerate the difficulties in measuring National Income.
	4. What are the causes of inflation and suggest remedies?

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