



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FIRST SEMESTER – NOVEMBER 2011

EC 1500 - MICRO ECONOMICS - I

Date : 08-11-2011
Time : 1:00 - 4:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in not exceeding 75 words each:

Each answer shall carry the maximum marks of four only.

(5x4=20 marks)

1. State and briefly explain the central economic problems of an economy.
2. Bring out the differences between cardinal and ordinal utility approaches.
3. Explain the concept 'Marginal Rate of Technical Substitution' (MRTS).
4. What do you mean by 'production function'?
5. Distinguish between Total Cost and Marginal Cost'.
6. Define Oligopoly. What is meant by collusive oligopoly?
7. State the basic properties of indifference curves.

PART – B

Answer any FOUR questions in not exceeding 300 words each:

Each answer shall carry the maximum marks of ten only.

(4x10 =40 marks)

8. Bring out the differences between Positive Economics and Normative Economics.
9. What are the exceptions to law of demand?
10. What are the factors which influence elasticity of demand?
11. Explain the uses of Marginal Utility analysis.
12. Distinguish between income effect and substitution effect.
13. Describe the factors which influence the determination of price under monopoly.
14. Write a note on the importance of selling costs in monopolistic competition.

PART – C

Answer any TWO questions not exceeding 900 words

Each answer shall carry the maximum marks of twenty only.

(2x20 =40 marks)

15. What are the conditions of equilibrium according to Marshall and Hicks?
16. What are the characteristic features of Perfect Competition? Explain price output determination under perfect competition.
17. Explain in detail the laws of returns to scale.
18. Explain the short run and long run equilibrium of the firm under Monopolistic Competition.

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