

QP CODE: 24900079



Reg No:.....

Name:.....

**MAHATMA GANDHI UNIVERSITY, KOTTAYAM**  
**FIRST SEMESTER MGU-UGP (HONOURS) REGULAR**  
**EXAMINATION NOVEMBER 2024**

**First Semester**

**Discipline Specific Core Course - MG1DSCECO100 - ESSENTIALS OF ECONOMICS 1**

(2024 ADMISSION ONWARDS)

Duration: 2 Hours

Maximum Marks: 70

**Remember (K), Understand (U), Apply (A), Analyse (An), Evaluate (E), Create (C), Interest (I),  
Appreciation (Ap), and Skill (S)**

*Students should attempt atleast one question from each course outcome to enhance their overall  
outcome attainability.*

[Learning Domain][CO No(s)]

**Part A**

Short Answer Type Questions

Answer 10 questions each question carries 2 marks

- |    |   |     |     |
|----|---|-----|-----|
| 1  | State the Law of supply.  | [K] | [2] |
| 2  | Distinguish between a movement along and shift of the supply curve.                         | [U] | [2] |
| 3  | Explain Perfectly Inelastic Supply.   | [U] | [2] |
| 4  | List out two features of competitive market   | [K] | [2] |
| 5  | Explain market equilibrium  | [U] | [2] |
| 6  | Elucidate the role of financial system in the economy?                                      | [U] | [1] |
| 7  | What is MRPT  | [U] | [1] |
| 8  | Differentiate between positive and normative analysis                                       | [U] | [1] |
| 9  | Write a note on point method of measuring price elasticity of demand                        | [U] | [3] |
| 10 | Discuss the law of demand?  | [U] | [3] |
| 11 | Define 'laissezfaire'.  | [K] | [4] |
| 12 | Explain how taxes on sellers impact the supply and price of a good.                         | [U] | [4] |
| 13 | Explain how the elasticity of demand affects the share of the tax burden borne by consumers | [U] | [4] |
| 14 | Define unfair competition   | [U] | [5] |
| 15 | Explain the two determinants of global demand factors                                       | [U] | [5] |

(10 × 2 = 20)

**Part B**  
Short Essay Type Questions  
Answer 10 questions

- |    |  |      |     |
|----|--|------|-----|
| 16 | Explain the four principles of Economics related to decision making  | [U]  | [1] |
| 17 | Describe the importance of opportunity cost in decision making   | [U]  | [1] |
| 18 | Define the concept of price elasticity of supply .State degrees of price elasticity of supply with diagram.  | [U]  | [2] |
| 19 | Discuss the different methods of measurement of price elasticity of supply.  | [U]  | [2] |
| 20 | Define market equilibrium .How do the change in supply, demand remaining the same affect market equilibrium?   | [U]  | [2] |
| 21 | Distinguish between more elastic demand and less elastic demand with the help of diagram   | [U]  | [3] |
| 22 | Explain various methods of measuring price elasticity of demand  | [U]  | [3] |
| 23 | Compare point method and arc method of price elasticity of demand  | [U]  | [3] |
| 24 | Describe the two major goals of policymakers while evaluating market outcomes.   | [U]  | [4] |
| 25 | Analyze the relationship between supply elasticity and the deadweight loss that occurs due to taxation.  | [An] | [4] |
| 26 | Analyze the economic and social implications of minimum wage laws. How do price floors in labor markets affect unemployment, particularly among unskilled workers? | [An] | [4] |
| 27 | Explain what consumer surplus is and how it is calculated. Provide an example with real-world data.  | [A]  | [4] |
| 28 | Identify the rationales behind the implementation of trade restrictions.   | [U]  | [5] |
| 29 | Explain the reasons for safeguarding infant industries through trade restrictions.   | [An] | [5] |
| 30 | Describe the global demand factors in determining world price?   | [U]  | [5] |

(10 × 5 = 50)

**END OF THE QUESTION PAPER**

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