FYUG Odd Semester Exam., 2025

ECONOMICS

(1st Semester)

Course No. : ECOIDC–101T

(Foundation of Economics–I)

Full Marks : 70
Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks for the questions

UNIT—I

1. Answer any *four* from the following questions : 1×4=4

   (a) Define microeconomics.

   (b) What is meant by economic problem?

   (c) What is economic system?

(d) Write one demerit of socialism.

(e) What is mixed economy?

2. Answer any *one* from the follow questions :

(a) Distinguish between positive econom and normative economics.

(b) Mention two limitations of mic economics.

3. Answer any *one* from the followi questions :

(a) Discuss the nature and scope microeconomics.

(b) In what sense is the problem 'what produce, how to produce and for who to produce' a central problem of a economy? Explain.

UNIT—II

4. Answer any *four* from the followin questions : 1

(a) Define the law of demand.

(b) What is market supply?

(c) Mention one determinant of demand.

(d) Define the concept of market equilibrium.

(e) Draw a perfectly inelastic demand curve.

Answer any *one* from the following questions : 2

(a) Write two causes of downward shift of the demand curve.

(b) Point out any two exceptions to the law of demand.

Answer any *one* from the following questions : 8

(a) Explain the law of supply with the help of table and diagram. What are the factors that determine supply? 4+4=8

(b) (i) Distinguish between shift in demand curve and movement along a demand curve.

(ii) Define income elasticity of demand and cross elasticity of demand.

4+(2+2)=8

UNIT—III

7. Answer any *four* from the follo
questions :

(a) Define production function.

(b) What is fixed cost of a firm?

(c) What is sunk cost?

(d) What are marginal product and aver
product?

(e) Define isoquant.

8. Answer any *one* from the followi
questions :

(a) What is an iso-cost line?

(b) Distinguish between returns to sca
and returns to a factor.

9. Answer any *one* from the followin
questions :

(a) Why is the long-run average cost (LAC
curve called the 'envelope curve'
Explain with diagram.

(b) Why can two iso-quant curves not intersect each other? In this context discuss producer's equilibrium with the help of isoquants and isocost curves. 4+4=8

UNIT—IV

10. Answer any *four* from the following questions : 1×4=4

(a) Define perfect competition.

(b) What is pure oligopoly?

(c) Define duopoly market.

(d) Mention one characteristic of monopolistic competition.

(e) What is price discrimination in monopoly?

11. Answer any *one* from the following questions : 2

(a) State the reason why under perfect competition, Price=AR=MR.

(b) Mention two causes that can lead to the formation of a monopoly market.

(Turn Over)

12. Answer any *one* from the following questions :

(a) Explain the price and output determination under monopoly in the short-run with suitable diagram. Why is a monopolist considered as a price maker? 6

(b) Discuss the short-run price and output determination under monopolistic competition with the help of diagram.

UNIT—V

13. Answer any *four* from the following questions : 1×4

(a) What is welfare economics?

(b) Define social welfare function.

(c) What is market failure?

(d) Define Pareto's efficiency in distribution.

(e) What is the Edgeworth Box used for?

14. Answer any *one* from the following questions :

(a) Distinguish between individual welfare and social welfare.

(b) What is Pareto improvement meant?

(Continued

15. Answer any *one* from the following questions : 8

(a) Define Pareto optimality. Explain the conditions of Pareto optimality with the help of Edgeworth Box diagram.

(b) What is point of bliss? How is Bergson-Samuelson social welfare function achieved? 2+6=8

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