

Reg. No.:

Name:.....



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University of Kerala
First Semester Degree Examination, November 2024
Four Year Under Graduate Programme
Discipline Specific Core Course
ECONOMICS
UK1DSCECO100 - PRINCIPLES OF ECONOMICS
Academic Level: 100-199

Time: 2 Hours

Max. Marks:56

Part A.

Answer All Questions , Objective Type. 1 Mark Each.
(Cognitive Level: Remember/Understand)
6 Marks. Time: 5 Minutes.

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
1.	Which of the following is a determinant of demand? a) Production cost b) Price of the good c) Weather conditions d) Government subsidies	Remember	CO-1
2.	Which of the following is a feature of a capitalist economy? a) Public ownership of resources b) Government control of production c) Private ownership of resources d) Central planning of all economic activities	Remember	CO-2
3.	What is "Comparative Advantage" in international trade? a) Countries can produce more goods at home without relying on foreign trade b) Countries that trade with each other can consume more than they would in isolation c) Trading nations always experience a loss in overall production d) Trade reduces economic growth	Understand	CO-1

4.	What is consumer surplus? a) The difference between total cost and total revenue b) The difference between what consumers are willing to pay and what they actually pay c) The additional revenue earned by producers d) The quantity of goods left unsold in the market	Understand	CO-1
5.	What does the "business cycle" describe in macroeconomics? a) The constant increase in production in an economy b) The periodic fluctuations in economic activity, such as expansion and recession c) The relationship between supply and demand d) The flow of goods and services between consumers and producers	Understand	CO-1
6.	Which of the following is a characteristic of normative economics? a) Describes facts and data about the economy b) Suggests value-based judgments and opinions c) Deals only with supply and demand d) Is purely based on mathematical models	Understand	CO-1

Part B.

Answer All Questions, Two-Three sentences. 2 Marks Each.
(Cognitive Level: Understand/Apply)
10 Marks. Time: 20 Minutes

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
7.	Express the meaning of development in an economic context, and how does it differ from economic growth?	Understand	CO-1
8.	Discuss how shifts in the supply curve occur and what factors can cause these shifts.	Understand	CO-2
9.	Apply the concepts of development and growth to evaluate India's economic strategies.	Apply	CO-1
10.	Apply the concept of national income accounting to evaluate a country's economic performance.	Apply	CO-3
11.	Apply the concept of trade-offs to a real-life economic decision you face.	Apply	CO-3

Part C.

Answer all 4 questions, choosing among options* within each question. Short Answer.
4 Marks Each. (Cognitive Level: Apply/Analyze) 16 Marks. Time: 35 Minutes.

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
12.	(aa) Identify the common growth problems faced by the developing economy with real-world examples. OR b) Examine whether scarcity and choice influence individual decision-making in everyday life?	Apply	CO-2
13.	(a) Discuss the implications of business cycles for economic policy-making. OR bb) Explain how a shift in the demand or supply curve can impact market prices and quantities in a market for consumer durables.	Apply	CO-4
14.	(a) a) Evaluate the advantages and disadvantages of capitalism and socialism regarding economic efficiency and equity. OR b) Examine absolute advantage and how it differs from the comparative advantage in international trade.	Analyze	CO-3
15.	(a) Compare total, variable, and fixed costs and analyze their implications for decision-making in production. OR b) Explain the three methods used to measure Gross Domestic Product (GDP) and provide an example.	Analyze	CO-3

Part D.

Answer all 4 questions, choosing among options* within each question. Long Answer.
6 Marks Each. (Cognitive Level: Analyze/Evaluate/Create) 24 Marks. Time: 60 Minutes.

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
16.	(a) Analyze the roles of microeconomics and macroeconomics in understanding market economies OR (b) Discuss the role of international trade in economic development. What are the potential drawbacks of relying on trade for economic growth?	Analyze	CO-4
17.	(a) Evaluate the characteristics of a mixed economy and its advantages and disadvantages. How does a mixed economy address economic challenges? OR b) Evaluate the relationship between inflation and unemployment using the Phillips Curve. and what the implications for economic policy are.	Evaluate	CO-3

18.	<p>(a) Evaluate the key differences between developing and developed countries in terms of economic structures and social indicators; how do these differences impact their respective paths to development?</p> <p>OR</p> <p>(b) Evaluate the concepts of elasticity and consumer surplus. How do they relate to consumer behavior and market efficiency?</p>	Evaluate	CO-3
19.	<p>(a) Comprehensively demonstrate the circular flow of income model. How does this model illustrate the interactions between different sectors of the economy?</p> <p>OR</p> <p>b) Give a critical analysis of positive and normative economics. How do these two branches contribute to economic theory and policy-making?</p>	Apply	CO-3