

D 132606

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Name.....

Reg. Number

FIRST SEMESTER UG DEGREE EXAMINATION: NOVEMBER 2025**(CUFYUGP)****ECONOMICS****ECO1MN100/ECO1CJ101 PRINCIPLES OF ECONOMICS****(2024 Admission onwards)****Maximum Time: 2 Hours****Maximum Marks: 70****Section A***All Questions can be answered. Each Question carries 3 marks (Ceiling 24 marks).*

1. Define invisible hand. Why it is called the demise of the command systems?
2. Scarcity and choice are the basic problem of economics. Why?
3. Differentiate between capital goods and consumer goods. Give examples for both
4. *Marginal benefits - marginal cost = net benefits*. Prove with the help of suitable example
5. Show that society's economizing problem involves the allocation of resources among competing wants.
6. Draw a Production Possibilities Frontier and interpret it.
7. *Perception is basically observance of people about others*. Do you think that perception is different from reality? Explain
8. What do you mean by an economic model?
9. Describe the basic reasons where economists often appear to give conflicting advice to policy makers.
10. What is meant by 'cost of something is what you give up'?

Section B*All Questions can be answered. Each Question carries 6 marks (Ceiling 36 marks)*

11. Identify the fundamental questions India face as a mixed economic system. How are they solved?
12. The present choice between investing in capital goods and producing consumer goods can affect the ability of an economy to produce in the future. Explain

Turn Over

13. Why is an economist considered a scientist? Examine how the scientific method is used by economists to determine economic laws
14. *In the short-run there is trade-off between inflation and unemployment. Prove*
15. Discuss why markets work only if property rights are enforced.
16. *The shielding of employees and suppliers from business risk helps attract labor and other inputs. Discuss*
17. Differentiate between positive and normative analysis. Why economists' advice is not always followed?
18. Evaluate India's foreign trade advantages since opening up of the economy

Section C

Answer any ONE. Each Question carries 10 marks. (1x10= 10 Marks)

19. *Society faces a short-run trade-off between inflation and unemployment. Explain*
20. Classify the economic systems. Critically evaluate the characteristics of market systems.

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**FIRST SEMESTER (CUFYUGP) DEGREE EXAMINATION
NOVEMBER 2025**Economics / Development Economics / Econometrics and Data Management / Economics
with Foreign Trade / Economics with Islamic Finance

ECO 1CJ 101—PRINCIPLES OF ECONOMICS

(2024 Admission onwards)

Time : Two Hours

Maximum : 70 Marks

Section A*All questions can be answered.**Each question carries 3 marks.*

1. *To get something you want, you have to give up something else you want. Why ?*
2. *What makes the perspective of 'what ought to be' different from the perspective 'what actually is' ?*
3. *Analyse the issue of unemployment as a hindrance of a growing economy.*
4. *How do markets and prices influence the economic growth ?*
5. *What are capital goods ? Give examples.*
6. *Identify the fundamental problems of an economy.*
7. *Rational people think at the margin. Substantiate your arguments.*
8. *Do you support printing money as a solution to overcome economic issues ? Explain.*
9. *Differentiate between perception and reality.*
10. *How the market system deals with risk ?*

(Ceiling : 24 Marks)

Turn over

Section B

All questions can be answered.

Each question carries 6 marks.

11. Assume that an economy's ability to produce goods and services increased. How do you judge its standard of living ?
12. Prove that when unemployment is low, inflation tends to be high, and when unemployment is high, inflation tends to be low.
13. *Marginal analysis is important because it helps business strategists to determine where they should allocate their resources. Discuss.*
14. Examine why choices are necessary in a society.
15. Describe the role of international trade in fulfilling current choices and future possibilities.
16. Compare and contrast the features of capitalism and socialism.
17. *Business risk is influenced by a number of different factors. Explain benefits of restricting business risks.*
18. Does market fail ? Suggest measures taken by governments to improve market outcomes.

(Ceiling : 36 Marks)

Section C

*Answer any **one** question.*

The question carries 10 marks.

19. *The principle of the invisible hand implies the tendency of the prices in the market to direct the individuals in following their own self-interest into productive activities.*

Critically evaluate the statement comparing it with the command system.

20. Describe how an economic model simplify the reality with the help of flow of money in an open economy.

(1 × 10 = 10 marks)