

St. JOSEPH'S COLLEGE (AUTONOMOUS), BANGALORE-27

MID-SEMESTER TEST – AUGUST 2016

M.A. III SEMESTER CBCS, INTERDEPARTMENT ELECTIVE - ECONOMICS

ECOE 9516 – BASIC ECONOMICS FOR NON-ECONOMISTS

Time: 1 hr

Maximum marks: 35

This question paper has 1 printed page and 2 parts

Part A: Answer any TEN of the following:

2x10=20

1. Define opportunity cost.
2. What is production possibility curve?
3. What are the components of demand functions?
4. Give one example that leads to shift of the supply curve.
5. Define own price elasticity of a commodity.
6. If two goods X and Y are substitutes what would be the value of cross price elasticity of commodity X.
7. State the various principles of taxation.
8. State the functions of Government.
9. State Adam Smith's four canons of taxation.
10. What is the impact, incidence and shifting of a tax?
11. Give reasons for an increase in Government expenditure.
12. Mention any two sources of non-tax revenue.

Part B: Answer any ONE of the following:

1X15= 15

13. Using suitable diagram explain the equilibrium market price and quantity when (a) market demand shift upward (b) market supply shift outward parallel.
14. What are the merits and demerits of direct and indirect tax.