

Seat No. : _____

DE-121

December-2013

5 Years MBA Integrated (KS) FY MBA

Foundation Course in Economics

Time : 3 Hours]

[Max. Marks : 100

- Instruction :** (1) Attempt **all** questions.
(2) All questions carry **equal** marks.

1. Compare and contrast the definitions of Economics as given by Marshall and Robbins and say which definition you consider better and why ? **20**
OR
 - (a) Discuss the nature and scope of Economics. **10**
 - (b) How does a modern division of Economics differ from the traditional one ? **10**
2. Attempt any **two** : **20**
 - (a) Discuss the various types of unemployment that any economy can face.
 - (b) Explain the terms – income, savings and investment as used in economics. How are they related to each other ?
 - (c) Describe circular flow of income in an open economy model.
3.
 - (a) State the various types of profit ? Distinguish between them. How is net profit determined ? **12**
 - (b) Differentiate between economic rent, contract rent and quasi rent. **8****OR**
 - (a) Discuss the Marginal Productivity theory of distribution in detail. **12**
 - (b) Differentiate between real wages and nominal wages. Explain the factors which influence the real wages in an occupation ? **8**
4. Distinguish between capitalism and socialism as modern economic systems. Discuss their comparative merits and demerits. Do you think mixed economy system is better than any other economic system ? Give your answer with reference to India. **20**
5. Write short note on : **20**
 - (a) Classification of Industry.
 - (b) Factors inhibiting Industrialisation.