

# International Islamic University Chittagong (IIUC)

## Department of Computer and Communication Engineering

### Midterm Examination

Program: **B.Sc (Engg.) in C**  
 Course Code: **ECON-3601**  
 Total Marks: **30**

Semester: **Autumn 2022**  
 Course Title: **Principles of Economics**  
 Time: **1 Hour 30 Minutes**

- (i) Answer all the questions. The figures in the right-hand margin indicate full marks.  
 (ii) Course Learning Outcomes (CLOs) and Bloom's Levels are mentioned in additional Columns.

#### Course Learning Outcomes (CLOs) of the Questions

- CO1** Explain the knowledge of the fundamental concepts and theories of micro and macro-economics.  
**CO2** Analyze the key indicators of economic growth.  
**CO3** Compare the economic theories and concepts to analyze behavior of individuals, firms and nations to act as a responsible citizen.

#### Bloom's Levels of the Questions

Letter Symbols Meaning	Bloom's Levels of the Questions					C Create
	R Remember	U Understand	Ap Apply	An Analyze	E Evaluate	
1) a) What is the 'Scarcity Definition of Economics' given by Lionel Robins? Elaborate.					<b>CO3</b>	<b>An 5</b>
b) 'Problem of choice' is one of the microeconomic issues. Discuss how economics attempt to solve the problem of What, How and For Whom.					<b>CO1</b>	<b>U 5</b>
2) a) What do you mean by Supply in economics? Discuss about the determinants of Market Supply.					<b>CO1</b>	<b>R 5</b>
b) Suppose that the market for milk can be represented by the following equations: Demand: $P = 12 - 0.5Q_D$ and Supply: $P = 0.1Q_S$ where P is the price per gallon, and Q represents quantity of milk, represented in millions of gallons of milk consumed per day. Calculate the equilibrium price and quantity of milk and show the equilibrium through a graphical presentation.					<b>CO2</b>	<b>Ap 5</b>
3) a) What do you mean by 'production' in Economics? Describe the effect of technological progress in production.					<b>CO2</b>	<b>U 5</b>
b) What is the relationship between Total, Marginal and Average productivity of Labor? In which stage of production, we can achieve the highest efficiency. Discuss.					<b>CO3</b>	<b>An 5</b>
<b>OR</b>						
3) a) If the price of MacDonald's Cheeseburgers increases, we would expect the demand for Coca-Cola to decrease. Why we would expect so? In what way/s MacDonald's Cheeseburger and Coca-Cola are related? Discuss.					<b>CO2</b>	<b>U 5</b>
b) Can different combination of input produce same quantity of output? If so, describe with an example; if not, why?					<b>CO3</b>	<b>An 5</b>