

MBA - DEGREE EXAMINATIONS, NOV / DEC 2025

First Semester

Master of Business Administration

24MBT102 - ECONOMIC ANALYSIS FOR MANAGERS

Regulations - 2024

Duration: 3 Hours

Max. Marks: 100

PART - A (10 × 2 = 20 Marks)

Answer ALL Questions

	<i>Marks</i>	<i>K- Level</i>	<i>CO</i>
1. How can positive externalities improve social welfare?	2	K1	CO1
2. Define economic efficiency.	2	K2	CO1
3. Using a diagram, show consumer equilibrium under marginal utility approach.	2	K1	CO2
4. How does the Law of Diminishing Marginal Utility affect consumer equilibrium?	2	K1	CO2
5. What is the economic cost of monopoly for consumers?	2	K1	CO3
6. Define factor price.	2	K2	CO3
7. Name the components of aggregate demand.	2	K1	CO4
8. How does a fall in investment affect macroeconomic equilibrium?	2	K1	CO4
9. Define Okun's Law in brief.	2	K2	CO5
10. List the role of central bank in stabilizing the economy.	2	K1	CO5

PART - B (5 × 13 = 65 Marks)

Answer ALL Questions

11. a) Explain the concept of scarcity and how it leads to the three fundamental economic problems.	13	K2	CO1
OR			
b) Using a PPF diagram, explain the concepts of economic growth, opportunity cost, and efficient resource allocation.	13	K2	CO1
12. a) Contrast the various types of elasticity of demand with examples.	13	K3	CO2
OR			
b) Access the short-run and long-run production functions.	13	K3	CO2
13. a) Compare and contrast perfect competition, monopolistic competition, oligopoly, and monopoly in terms of price determination, efficiency, and output.	13	K4	CO3

OR

b) Analyze the interaction between product and factor markets and explain how general equilibrium is achieved. 13 K4 CO3

14. a) Explain the various methods involved in computation of National Income. 13 K2 CO4

OR

b) Explain the multiplier effect and its importance in demand-side management. 13 K2 CO4

15. a) Analyze the causes and impact of unemployment on the economy. 13 K4 CO5

OR

b) Analyze the determination of money supply and demand. How does monetary policy influence national income? 13 K4 CO5

PART - C (1× 15 = 15 Marks)

(Compulsory)

16. a) The country of Econland has recently experienced a sharp rise in the prices of essential goods and services. Inflation has reached 8% per year, which is above the target set by the central bank. At the same time, unemployment has fallen to historically low levels. The central bank decides to increase the policy interest rate to control inflation. 15 K5 CO5

Questions:

1. Explain how an increase in interest rates can help reduce inflation.
2. Using the Phillips curve, analyze the tradeoff between inflation and unemployment in this scenario.
3. How might this monetary policy decision affect aggregate demand and short-run aggregate supply?