



**CHRISTIAN SERVICE UNIVERSITY COLLEGE
KUMASI, GHANA**

**CSUC SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING AND FINANCE
DEPARTMENT OF MANAGEMENT AND GENERAL STUDIES
DEPARTMENT OF MARKETING, LOGISTICS AND CORPORATE STRATEGY**

**FACULTY OF HUMANITIES
DEPARTMENT OF PLANNING AND DEVELOPMENT**

END OF FIRST SEMESTER EXAMINATIONS – 2021/2022 ACADEMIC YEAR

LEVEL 100

CSBF 135 / DPSD 105: PRINCIPLES OF MICROECONOMICS

MAY 2022

70 MARKS

TIME ALLOWED: 2 HOURS, 30 MINUTES

GENERAL INSTRUCTION TO CANDIDATES:

- **Indicate your department** on the question paper and every page of the answer booklet used.
- **Write your index number** on the question paper and every page of the answer booklet used.
- This Examination contains three (3) sections: Section A, Section B and Section C.
- Answer **all questions** in **SECTION A** on the question paper.
- Answer questions in **SECTION B** and **SECTION C** in the answer booklet.
- Answer **all questions** in **SECTION B**
- Answer any **TWO (2) QUESTIONS** in **SECTION C**

Examiner: Samuel Tawiah Baidoo

SECTION A (20 MARKS)

Answer All Questions in This Section

1. If the supply curve of a producer is positively sloped, a rise in the price of the commodity, all other things being equal, results in and is referred to as
2. When the price of substitute of commodity X falls, the demand for X
3. What does the law of supply says?
.....
.....
4. When economists study the effects of unemployment insurance on the unemployment rate by comparing the United States with Canada, they assume that other conditions in the two economies do not differ significantly. This demonstrates the principle of
5. The quantity of a good demanded rises from 1000 to 1500 units when the price falls from GHc1.50 to GHc1.00 per unit. The price elasticity of demand for this product is approximately.....
6. The fact that wants cannot be fully satisfied with available resources reflects the definition of
7. An increase in supply.....the price and the quantity demanded.
8. When price of a commodity increased by 3%, the quantity demanded decreased by 5%. The quantity is said to have price.....demand.
9. If there are changes in factors other than a product's own price that affect the quantity purchased, the phenomena is termed as.....
10. The branch of economics concerned with the behavior of markets, firms, and households is known as.....
11. A normal good can be defined as one which consumers purchase more of as
12. Statements about what ought to be are called.....
13. When the income of a consumer falls, and holding all other things constant, the demand for inferior good
14. When price rises, the quantity demanded generally tends to fall because of
and effects.
15. When the price of complement of commodity X falls, the demand for X

