**Viva Questions for ECN 201**

**1. Introduce Yourself.**

**Answer:** This is (Name) bearing ID (Registration number) from the department of CSE, University of Asia Pacific.

**2. Introduction + (Chapter 1 + 2)**

* Definition of economics, the invisible hand, opportunity cost
* Definition of microeconomics, macroeconomics, recession
* Positive economics vs. normative economics
* Absolute advantage vs. comparative advantage
* Four main factors of production
* Full form and definition of PPF

**3. Chapter 3 + 4**

* The law of demand, definition of market equilibrium
* Substitute goods vs. complementary goods, normal goods vs. inferior goods
* How factors shift demand curve and supply curve (Chapter 3: Slide 11 and 17)
* Effect of demand & supply shifts on price & quantity (Chapter 3: Slide 24)
* Definition of consumer surplus, seller’s cost and producer surplus

**4. Chapter 6 + 10 + (13-16)**

* Definition and formula of price elasticity of demand
* Interpretations of different price elasticities of demand (Chapter 4: Slide 4 Table)
* Formulas of cross-price elasticity of demand and income elasticity of demand
* Definition of utility, consumption bundle, marginal utility
* Unit of utility and principle of diminishing marginal utility
* Types of market structure and types of imperfect competition

**5. Chapter 22 + 23**

* Concept of Keynesian economics, fiscal policy and monetary policy
* Policy maker of BD fiscal policy and monetary policy
* Main tool of BD fiscal policy and monetary policy
* Definition of business cycle, open economy, trade deficit and trade surplus
* Definition of national accounts, government transfers
* GDP vs. GNP, Nominal GDP vs. Real GDP, GDP deflator vs. CPI

**6. Chapter 24 + (25-34)**

* Types and definitions of actual unemployment
* Inflation vs. deflation vs. disinflation
* Definitions of budget balance, budget surplus, budget deficit**,** national savings
* Definitions of demand shock, supply shock, stagflation, balance of payments
* Definitions of expansionary, contractionary and discretionary fiscal/monetary policy
* Definitions of foreign exchange market, foreign exchange rate, Forex reserves