



**Daffodil International University**  
**Department of Computer Science and Engineering**  
**Faculty of Science and Information Technology (FSIT)**  
**Mid Term Examination , Fall 2019**

**Course Code: ECO 314      Course Title: Economics**

**Section: Day**

(Time: 1 hour and 30 minutes      Marks:  $3 \times 8 = 24 + 1$   
Marks:  $3 \times 8 = 24 + 1$  mark for better presentation)

**(You have to answer Any Three)**

1. (a) "The central economic problem of scarcity of resources is broken down into three basic problems(fundamental problems) of an economy. " Explain this statement. (4)
- (b) "An economic system may involve production, allocation of economic inputs, distribution of economic outputs, firms, and the government to answer the economic problem of resource allocation." Describe(capitalism and socialism) this with example. (4)
2. a) What is Supply in economics? Briefly describe about four factors that determine Supply with figure. (5)
- (b)  $Q_d = 65 - 9P$   
 $Q_s = 45 + 3P$  .Find out the equilibrium price and quantity from these equations and show these on figure. (3)



3. a) What do you mean by Production Possibility Frontier and what it shows ? (3)

b) Distinguish of Shift of demand and Movement along the demand curve. (3)

(c) What are the differences between need, want and demand? Explain it with example. (2)

4. (a) What do you mean by utility in economics? (3)

(b) Explain law of Equi-Marginal Utility . (5)