



Name : .....

Roll No. : .....

Invigilator's Signature : .....

**CS/BTTM/SEM-3/TTM-303/2010-11  
2010-11  
TOURISM ECONOMICS**

Time Allotted : 3 Hours

Full Marks : 70

*The figures in the margin indicate full marks.*

*Candidates are required to give their answers in their own words  
as far as practicable.*

**GROUP - A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for the following :  $10 \times 1 = 10$
- i) Elasticity of demand for luxury good is
    - a) 0
    - b) infinity
    - c) 1
    - d)  $\frac{1}{2}$ .
  - ii) Elasticity of demand for necessities is/are
    - a) - 1
    - b) 0
    - c) 1
    - d) infinity.
  - iii) Which one of the following is the method of demand forecasting ?
    - a) regression method
    - b) demand supply method
    - c) equilibrium method
    - d) none of these.



- iv) "Absolute Cost Advantage" as a theory of international trade was proposed by
- a) Adam Smith                      b) Ricardo  
c) Marshall                          d) Pigou.
- v) The definition "Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses" is given by
- a) Pigou                                  b) Marshall  
c) Robbins                              d) None of these.
- vi) Cross-price elasticity of substitute commodities is
- a) Negative                              b) Positive  
c) Zero                                    d) None of these.
- vii) Tea and coffee are considered as
- a) Complementary goods    b) Supplementary goods  
c) Luxury good                      d) Giffen goods.
- viii) Which of the following is not a problem faced by the public sector enterprises ?
- a) Excess employees  
b) Red tapism  
c) Bureaucratic interference  
d) High price of their products/services.
- ix) Demand for water in hilly tourist spot is
- a) elastic                                  b) inelastic  
c) perfectly elastic              d) perfectly inelastic.
- x) The Central Bank of India is
- a) State Bank of India    b) Reserve Bank of India  
c) Bank of India                      d) Central Bank of India.



**GROUP – B**

**( Short Answer Type Questions )**

Answer any *three* of the following.  $3 \times 5 = 15$

2. Distinguish between change quantity demanded and changing demand.
3. Differentiate between Micro-economics and Macro-economics.
4. What do you mean by 'Giffen' goods ? Explain with the help of a diagram.
5. State the various functions of a commercial bank.
6. What are the various method of demand forecasting ?
7. Give a short note on cross-elasticity of demand.

**GROUP – C**

**( Long Answer Type Questions )**

Answer any *three* of the following.  $3 \times 15 = 45$

8. State the different theories of International Trade in detail.
9. Define economic development. What are the factors of economic development ? What is welfare economics ?
10. Define marginal cost and average cost. Draw the variation between average cost, average variable cost and marginal cost.
11. State the different types of demand from the view point of Tourism Industry.
12. Define the term International Trade. Explain the 'comparative cost advantage theory of International Trade.