

Name :

Roll No. :

Invigilator's Signature :

CS/BTTM/SEM-3/TTM-303/2011-12

2011

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 × 1 = 10

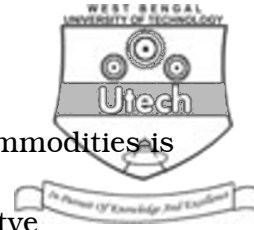
i) Who expressed the view that "Economics is the science of wealth" ?

- a) Robbins
- b) Marshall
- c) Pigou
- d) Adam Smith.

ii) "Absolute cost advantages" as a theory of international trade was proposed by

- a) Adam Smith
- b) Ricardo
- c) Marshall
- d) Pigou.

CS/BTTM/SEM-3/TTM-303/2011-12



- iii) Cross-price elasticity of substitute commodities is
 - a) Negative
 - b) Positive
 - c) Zero
 - d) Infinity.
- iv) The supply curve is usually
 - a) upward
 - b) downward
 - c) horizontal
 - d) vertical.
- v) The concept of multiplier effect was first developed by
 - a) Keynes
 - b) F.A. Kahn
 - c) Marshall
 - d) Adam Smith.
- vi) In the long run a firm under perfect competition earns
 - a) supernormal profit
 - b) normal profit
 - c) loss
 - d) supernormal loss.
- vii) Which of the following is not a commercial bank ?
 - a) RBI
 - b) SBI
 - c) IDBI
 - d) Grameen Bank.
- viii) Elasticity of demand for luxury goods is
 - a) 0
 - b) infinity
 - c) 1
 - d) - 1.



- ix) Price discrimination is possible in which kind of market situation ?
- a) Monopoly b) Oligopoly
c) Duopoly d) Monopolistic.
- x) RBI was established in which year ?
- a) 1932 b) 1936
c) 1938 d) 1939.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. 3 × 5 = 15

2. Distinguish between micro-and macro-economics. Decisions taken by managerial economist will be coming under the preview of which economics ?
3. State the law of demand and explain the exceptions to the law of demand.
4. What are the main features of oligopoly market ?
5. What is travel propensity ? How you can calculate GTP and NTP ?
6. What is Break-even Point ? Discuss the relevance of Break even Point in tourism industry.

CS/BTTM/SEM-3/TTM-303/2011-12



GROUP – C

(Long Answer Type Questions)

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

7. What is multiplier effect ? Explain various types of Tourism Multiplier.
8. Define Balance of Payment. Explain the role of Tourism in curbing the adverse balance of payment in India.
9. What do you mean product differentiation ? How price and output can be determined under monopolistic market competition ?
10. Explain the concept of consumer equilibrium graphically. Discuss its relevance in travel industry.
11. Critically examine comparative cost theory of international trade.

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