



Reg. No. :

Name :

Second Semester M.A. Degree (Regular/Supplementary/Improvement)

Examination, March 2016

(2014 Admn. Onwards)

ECONOMICS/APP. ECONOMICS/DEV. ECONOMICS

EC02 C05 : Micro Economic Theory –II

Time : 3 Hours

Max. Marks : 60

- Instructions :**
- 1) Answer **all** questions in Part – **A**. All questions carry **equal** marks.
 - 2) Answer **any eight** questions in Part – **B**. Each question carries **two** marks. **No** answer should exceed **one** page.
 - 3) Answer **any four** questions in Part – **C**. Each question carries **5** marks. **No** answer should exceed **two** and a **half** pages.
 - 4) Answer **any two** questions in Part – **D**. Each question carries **10** marks. **No** answer should exceed **six** pages.

PART – A

- 1) 'Business Behaviour, Value and Growth' is a book written by

a) R. Marris	b) W. J. Baumol
c) Nash	d) Modigliani
- 2) _____ do not agree with Simon's notion of "satisfying".

a) Cybert and Marsh	b) Baumol and Marris
c) Baumol and Quant	d) None
- 3) Changes in factor prices affect all the firms in the industry is

a) Opposite direction	b) Same way
c) Both way	d) No way



- 4) Theory of games and economic behaviour published in
 a) 1844 b) 1954 c) 1854 d) 1944
- 5) The sales maximiser and the profit maximiser would not be producing different
 a) Products b) Wage
 c) Level of output d) None
- 6) The rate of profit (or) varies inversely with the organic composition of capital (c/v) and directly with the rate of surplus value. (rate of exploitation s/v) is explained by
 a) Dobb b) Hart c) Jan Pen d) Marx
- 7) Degree of monopoly of a single firm is measured as $M = P - M/P$ by
 a) Kalecki b) Dobb c) Hart d) Marx
- 8) The existence of equilibrium is related to the problem of whether the consumers and producers behaviour ensures that the demand and supply curves intersect at
 a) Negative price b) Positive price
 c) Constant price d) Any price

PART - B

9. Explain Prisoner's Dilemma.
10. Write a short note on profit maximisation under perfect competition.
11. What are the assumptions of Bain model.
12. Explain barrier from initial capital requirements.
13. State the importance of product exhaustion theorem.
14. Explain the concept of 'Adding-up' problem.
15. Bring out the assumptions of Ricardo's theory of distribution.
16. Explain Kalecki's degree of monopoly theory.
17. Explain how Kaldor's theory neglect the rate of human capital.
18. Explain general equilibrium of exchange.
19. Bring out the relationship between positive and welfare economics.



PART - C

20. Bring out the criticism of profit maximisation theory.
21. Explain the concept of economics of scale.
22. Explain briefly sylos analysis of differentiated oligopoly.
23. Explain Euler's product exhaustion theorem.
24. Bring out the criticisms of marginal productivity theory.
25. Write a short note on stability of general equilibrium.

PART - D

26. Examine critically the growth maximisation model of marris.
27. Explain Franco Modigliani model of limit pricing.
28. Discuss Walrasian general equilibrium model.
29. Discuss the factors leads to market failure under Paretian welfare.