



Reg. No. :

Name :

II Semester B.A. Degree (CCSS – Reg./Supple./Improv.)
Examination, May 2014
(2012 Admn. Onwards)
CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
2B02-ECO : Micro Economic Analysis II

Time: 3 Hours

Max. Weightage : 30

Instruction : Answers may be written in English or in Malayalam.

PART – A

Objective type questions (in bunches **two**) Choose the correct answer.

1. Under perfect competition, the firm is a

a) Price taker	b) Price fixer
c) Profit maker	d) None of these

2. Kinked demand curve model was developed by

a) Paul. M. Sweezy	b) P. A. Samuelson
c) Joan Robinson	d) J. Bentham

3. When $AR = AC$, it is called

a) Pareto optimum	b) Break even point
c) Maximum profit	d) None of these

4. Quasi rent is the concept of

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

5. The concept of social welfare was first introduced by

a) Ricardo	b) Cournot
c) Marshall	d) Bergson

(Bunch Weightage : 1)



6. Under perfect competition, a factor will be demanded upto the point
- Where MRP is more than its price
 - Where MRP equals its price
 - Where ARP equals its price
 - None of these
7. Each firm assumes the rival's output as being constant under the
- Cournot model
 - Edgeworth model
 - Bertrand model
 - None of these
8. The study of how the allocation of resources affects economic well-being is called
- Consumer economics
 - Macroeconomics
 - Welfare economics
 - Supply-side economics
- (Bunch Weightage : 1)**

PART – B

Short answer questions. Answer **any ten** of the following questions not exceeding **50 words each**. **Each** question carries **1** weightage.

- Bilateral monopoly
- Deductive method
- Pure competition
- Profit maximisation.
- Says law of market
- Welfare economics
- Market
- Average revenue
- Shut down point
- Equilibrium price
- Positive economics
- Selling cost.

(Weightage : 1×10)



PART – C
(Short Essay)

Answer **any five** not exceeding **150 words each**. **Each** question carries **2** weightage.

- Briefly examine the concept of price discrimination.
- Features of perfect competition.
- Differentiates between rent and quasi rent.
- Examine the pareto optimality criterion for the maximization of social welfare.
- Examine Stackelberg's duopoly model.
- Write a note on product differentiation.
- Examine the various types of price leadership. **(Weightage 2×5)**

PART – D
(Long Essay)

Answer **any two** questions not exceeding **450 words**. **Each** question carries **4** weightage.

- Discuss the process of price and output determination under monopolistic competition.
- Critically examine the kinked demand curve model of oligopoly.
- Briefly discuss the product exhaustion theorem.
- Examine the marginal productivity theory of factor pricing. **(Weightage 4×2)**