

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2011–12)

SUBJECT CODE: 11EC/MC/ME24

B. A. DEGREE EXAMINATION, APRIL 2012
BRANCH IV - ECONOMICS
SECOND SEMESTER

COURSE : MAJOR – CORE
PAPER : MICRO ECONOMICS-II
TIME : 3 HOURS. MAX. MARKS: 100

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:
(10X2=20)

1. What is product differentiation?
2. “Demand for labour is a derived demand”. Explain.
3. Explain Kinky demand curve.
4. What is group behaviour?
5. Distinguish between market and individual demand functions under monopolistic competition.
6. What is monopolistic exploitation?
7. What is scarcity rent?
8. Distinguish between insurable and non-insurable risks.
9. Explain quasi rent.
10. What is Paretian optimum condition?

SECTION – B

ANSWER FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS.
(5X8=40)

11. State and explain the reasons for market failure.
12. Explain innovations theory of profit.
13. Explain loanable funds theory of interest.
14. What are the factors influencing the supply of factors of production?
15. Explain price leadership model of oligopoly.
16. What are the salient features of duopoly?
17. Explain the wastages arising out of Monopolistic competition.
18. Prove Euler’s theorem.

SECTION – C

ANSWER TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.
(2X20=40)

19. Critically examine the marginal productivity theory of distribution.
20. How is price determined under monopolistic competition in the short and long- run?
21. Explain Ricardian theory of differential rent. Bring out its limitations.
22. How is wage determined when perfect competition prevails in both commodity and factors markets.
