STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086
(For candidates admitted from the academic year 2023 – 2024 & thereafter)

M.A. DEGREE EXAMINATION, APRIL 2026
BRANCH III - ECONOMICS
SECOND SEMESTER

COURSE : CORE
PAPER : MICROECONOMIC ANALYSIS - II
SUBJECT CODE : 23EC/PC/MI24
TIME : 3 HOURS **MAX. MARKS: 100**

Q. No.	SECTION A PART – A (2 X 5 = 10) **Answer any TWO out of THREE questions in about 150 words each**	CO	KL
1	Outline the concept of price leadership in oligopolistic markets	1	1
2	Discuss the causes for wage differentials.	1	1
3	Explain Nash strategy	1	1
Q. No.	**PART – B (2 X 5 = 10)** **Answer any TWO out of THREE questions in about 150 words each**	**CO**	**KL**
4	Discuss the causes of moral hazard and the regulatory measures to tackle it.	1	2
5	Describe Bertrand competition.	1	2
6	Explain the basics of Average Cost pricing theory	1	2
Q. No.	**SECTION B** **PART – A (2 X 8 = 16)** **Answer any TWO out of THREE questions in about 400 words each**	**CO**	**KL**
7	Apply game theory to explain the Prisoner's Dilemma in oligopoly markets.	2	3
8	Does Cournot's model lead to stable equilibrium?	2	3
9	Give an account of Arrow's Social Welfare Function.	2	3
Q. No.	**PART – B (2 X 8 = 16)** **Answer any TWO out of THREE questions in about 400 words each**	**CO**	**KL**
10	Examine price fixation with cartel and examine its stability.	3	4
11	Analyse Euler's product exhaustion theorem.	3	4
12	Examine market equilibrium in the context of asymmetric information.	3	4
	SECTION C **PART – A (2 X 12 = 24)** **Answer any TWO out of FOUR questions in about 700 words each**	**CO**	**KL**
13	Design a solution to the Principal- Agent problem.	4	5
14	Discuss Bain's notion of Barriers to entry.	4	5
15	Determine Pareto optimality in welfare economics	4	5
16	Critically evaluate William's utility maximizing theory.	4	5
	PART – B (2 X 12 = 24) **Answer any TWO out of FOUR questions in about 700 words each**	**CO**	**KL**
17	Evaluate Walrasian General Equilibrium model.	5	6
18	Create a signalling model in labour markets	5	6
19	Analyse factor pricing under monopoly and discuss its implications.	5	6
20	Explain Baumol's Sales Maximisation theory	5	6

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