

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

SUBJECT CODE: 11EC/MC/ME24

B. A. DEGREE EXAMINATION, APRIL 2013
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 Monopolistic exploitation?
2. Define the term Selling Costs.
3. What is moral hazard?
4. What is collusive oligopoly?
5. Explain the features of labour as a factor of production.
6. Distinguish between scarcity and differential rent.
7. Distinguish between risk and uncertainty.
8. What is Quasi-rent?
9. What is market failure?
10. Explain production externalities with examples.

SECTION – B

ANSWER FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS.

(5X8=40)

11. Discuss non collusive oligopoly.
12. Explain Keynesian theory of interest.
13. Explain innovation theory of profit.
14. Explain the role of trade union in wage determination.
15. Explain perfect competition.
16. Explain market failure.
17. Why do we have rigid commodity prices under Kinky demand curve model?

SECTION – C

ANSWER TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.

(2X20=40)

18. How are price and output determined under Monopolistic competition in the short and long run.
19. Explain Ricardian theory of rent. Bring out its limitations.
20. Critically evaluate marginal productivity theory of distribution.
21. Explain dominant strategy. How is stable equilibrium reached when a firm pursues its dominant strategy?
