STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted during the academic year 2015–16)

M. A. DEGREE EXAMINATION, APRIL 2016
BRANCH III – ECONOMICS
SECOND SEMESTER

COURSE   : MAJOR - CORE
PAPER   : MICRO ECONOMIC ANALYSIS II
TIME   : 3 HOURS   MAX. MARKS: 100

SECTION – A

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 500 WORDS.   **(5 X 8 = 40)**

1. Explain the determination of equilibrium using reaction function curves in Oligopoly Markets.
2. Explain how the Trade unions are effective for labour welfare.
3. Explain how labour is priced when there is perfect competition in the labour market and imperfect competition in the product market.
4. Discuss the barriers to entry for new competition.
5. Examine the importance of the assumptions in the general equilibrium model of Walras.
6. Explain the significance of forming cartels and amalgamations.
7. What is welfare state? Explain the welfare proposition of the classical and neo-classical economists.

SECTION – B

ANSWER ANY THREE QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.   **(3 x 20 = 60)**

8. Examine the determination of wages and employment using a Bilateral Monopoly Model.
9. Explain the Cournot solution in non collusive oligopoly market structure.
10. Explain the working of pareto optimality criterion in consumption and production in the Walrasian system.
11. Explain Bain's Limit pricing model with collusion and non collusion.
12. Explain the Hicks – Kaldor and Arrow's notion of welfare.

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