

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2008 – 2009 & thereafter)

SUBJECT CODE : EC/MC/ME24

B. A. DEGREE EXAMINATION, APRIL 2009

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:

(10X3=30)

1. What is meant by monopolistic competition?
2. Distinguish between collusive and non-collusive oligopoly.
3. Define game theory.
4. What is kinked demand curve?
5. Define wage.
6. What is meant by gross profit and net profit?
7. Distinguish between VMP and MRP.
8. What is monopsony?
9. Define interest.
10. Differentiate between risk and uncertainty.

SECTION – B

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

(5X6=30)

11. How is price determined under non-collusive oligopoly?
12. Briefly explain the differences between perfect and imperfect competition.
13. Write a note on Nash equilibrium, Dominant & Maximin strategies.
14. Explain the role of trade union in raising the wage of a labour.
15. Explain the concept of Quasi-rent.
16. Distinguish between normal rate of interest and real rate of interest.
17. “Profit is the reward for making innovation” Justify.

SECTION – C

ANSWER TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS

(2X20=40)

18. Explain how price and output decisions are taken under conditions of monopolistic competition?
19. Critically evaluate the marginal productivity theory.
20. Define economic rent. Explain the concept of transfer earnings. How is it related to rent?
21. Write a note on general equilibrium, market failure –externalities and the role of government.
