TRIVANDRUM

H – 1440

(Pages : 3)

Reg. No. : .....

Name : .....

Third Semester B.A. Degree Examination, October 2019

First Degree Programme under CBCSS

Economics

Core Course III

EC 1341 : MICRO ECONOMICS — II

(2015 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer **all** questions. Each question carries **1** mark.

1. Normal profit
2. Excess capacity
3. Monopoly
4. Price discrimination
5. Economic efficiency
6. Welfare economics
7. Risk
8. Feasible region

P.T.O.

9. Real wage

10. Marginal cost.

SECTION – II

(10 × 1 = 10 Marks)

Answer any **eight** questions not exceeding one paragraph. Each question carries **2** marks.

11. What do you mean by Quasi rent?

12. Explain collective bargaining.

13. Explain the concept of objective function in linear programming.

14. Explain the concept of expected utility.

15. Distinguish between net profit and gross profit.

16. Explain kinked demand curve.

17. Explain Bentham's criterion.

18. What do you mean by subsistence wage?

19. Explain the logic behind the backward bending supply curve of labour.

20. What is Pareto optimality?

21. Explain Cardinalist criterion of social welfare.

22. Explain the liquidity preference theory of interest.

(8 × 2 = 16 Marks)

SECTION – III

Answer any **six** questions not exceeding 120 words. Each question carries **4** marks.

23. Explain the Risk theory of profit.
24. Explain Kaldor-Hicks compensation principle.
25. Explain dynamic theory of profit.
26. Explain Scitovsky paradox.
27. Describe classical theory of interest.
28. State and explain the conditions of Pareto optimality.
29. Explain the features of Monopolistic competition.
30. Examine the features of Oligopoly market.
31. Examine Marginal productivity theory of distribution.

(6 × 4 = 24 Marks)

SECTION – IV

Answer any **two** questions not exceeding 4 pages. Each question carries **15** marks.

32. Explain the linear programming technique to solve the problem of constrained optimization.
33. Analyze the equilibrium condition of a firm under perfect competition in the short and long run.
34. Critically discuss Modern theory of rent.
35. Discuss Neuman-Morgenstern theory of expected utility.

(2 × 15 = 30 Marks)