

QP CODE

C1010

Enrollment Number:

Name:

B.A DEGREE EXAMINATIONS, JULY 2025

Third Semester

B.A. Economics

B21EC03DC – Microeconomics II

(2023 July admissions)

Time: 3 Hours

Max Marks: 70

Section A

Answer any ten of the following questions in a word or sentence each. Each question carries 1 mark.

1. What is meant by free rider problem?
2. What do you know about Bentham's Criterion of welfare?
3. What is meant by value judgment?
4. Define cartel.
5. What is meant by time preference theory of interest?
6. Define monopsony.
7. What is meant by non-collusive oligopoly?
8. What is meant by derived demand?
9. What do you know about perfect price discrimination?
10. Define marginal productivity.
11. Explain dominant price leadership.
12. List out the examples of positive externality.
13. Define transfer earning.
14. What is meant by social indifference curve?
15. Explain innovation theory of profit.

(1X10=10)

Section B

Answer any ten of the following questions in two or three sentences each. Each question carries 2 marks.

16. What are the features of oligopoly market?
17. What is meant by price discrimination?
18. Explain the concept of economic rent.
19. List out the conditions of equilibrium of a firm.
20. What do you mean by collusive oligopoly?
21. Distinguish between private good and public good.

22. What are selling costs?
23. Make a short note on second degree price discrimination.
24. Define welfare economics.
25. Explain the concept of market failure.
26. Distinguish between positive externality and negative externality.
27. What are the different models of price leadership?
28. Write two important models of cartels.
29. Explain the cardinalist criterion of welfare.
30. What is meant by liquidity trap?

(2X10=20)

Section C

Answer any five of the following questions in a paragraph each. Each question carries 4 marks.

31. Explain rent as the reward for difference in the fertility of soil.
32. Discuss the Keynesian theory of interest.
33. Analyse the determination of wage under imperfectly competitive labour market.
34. Explain the Cournot model of oligopoly as a non-collusive model of oligopoly.
35. Examine the reasons for the emergence of monopoly in an economy.
36. What is meant by Pareto optimality and examine the conditions of Pareto optimality?
37. Make a short note on externality in consumption with suitable examples.
38. Analyse the marginal productivity theory of distribution.
39. Write a short note on neo classical theory of interest.
40. Make an assessment of the Bergson social welfare function.

(4X5=20)

Section D

Answer any two of the following questions in two pages each. Each question carries 10 marks.

41. Any factor of production can earn rent according to modern theory of rent-substantiate the statement.
42. Explain the equilibrium of the monopolistic competitive firm in the short run and long run.
43. Discuss different types of externalities in production and consumption with suitable examples.
44. Evaluate various theories of profit determination.

(10X2=20)