LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.A. DEGREE EXAMINATION – ECONOMICS

SECOND SEMESTER – APRIL 2014

EC 2808 - MICRO ECONOMIC THEORY - II

Date : 28/03/2014   Dept. No.   Max. : 100 Marks
Time : 09:00-12:00

PART A

Answer any <u>five</u> questions in about <u>75 words</u> each: (5 x 4= 20 Marks)

1. Explain Andrew's version of the average –cost pricing theory.
2. What are the different types of collusive oligopoly?
3. Explain briefly Williamson's model of firm.
4. What do you understand by Input-Output analysis?
5. Sketch out the assumptions of Paretian economics.
6. Explain the social welfare function of Bergson and Samuelson.
7. What is the point of Constrained bliss?

PART B

Answer any <u>four</u> questions in about <u>300 words</u> each: (4 x 10= 40 Marks)

8. Bring out the dissimilarities between the Marginalist theory and the full-cost pricing theory of Andrew.
9. Evaluate the Sylos' model of limit pricing theory.
10. Critically examine the multi product model of Bamoul with and without advertising.
11. Compare the behavioral theory of Simon with the Profit maximization theory of firm.
12. Elucidate the concept of prisoner's dilemma. How is it relevant to explain the oligopoly market situation?
13. Explain the properties of Social welfare function of Bergson. How Arrow's Social choice theory is a refinement over the Bergson-Samuelson' social welfare function?
14. Bring out the merits of Input-Output model. How is it applicable to Indian planning?

PART C

Answer any <u>two</u> questions in about <u>900 words</u> each: (2 x 20= 40 Marks)

15. Critically examine the Marris' model of growth maximization of modern firm.
16. Evaluate the social choice theory of A.K.Sen.
17. Discuss the different types of price leadership with suitable diagrams. How are they linked with limit pricing theory?
18. Critically appraise the compensation principle. How is it suitable to Indian democracy?

****