# LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

**B.A.** DEGREE EXAMINATION – **ECONOMICS**

SECOND SEMESTER – **NOVEMBER 2022**

**UEC 2501 – MICRO ECONOMICS - II**

Date: 29-11-2022 Dept. No. Max. : 100 Marks

Time: 09:00 AM - 12:00 NOON

## PART – A

**Q. No Answer any FIVE questions in 75 words each. (5x 4 = 20 Marks)**

1 Define Value of Marginal Product.

2 Distinguish between real wage and money wage.

3 What is meant by liquidity trap?

4 State the conditions for Pareto Optimality.

5 Define welfare economics.

6 Write a short note on Collective bargaining.

7 What is meant by Quasi rent?

## PART – B

**Answer any FOUR questions in 250 words each. (4 x 10 = 40 Marks)**

8 Diagrammatically explain the marginal conditions of factor pricing.

9 Compare the wage fund theory and residual claimant theory.

10 Describe the Schumpeter's Innovation theory of profit.

11 Examine the limitations of Pareto criterion.

12 Bring out the significance of Scitovsky's double criterion of welfare.

13 Explain the Knight's uncertainty bearing theory of profit.

14 Briefly explain the Ricardian theory of rent.

## PART – C

**Answer any TWO questions in 900 words each. (2 x 20 = 40 Marks)**

15 Explain the determination of factor price in a perfectly competitive market.

16 Elaborate the marginal productivity theory of wage.

17 Elucidate the Keynes liquidity preference theory of interest.

18 Critically examine the Compensation principle.

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