



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

SECOND SEMESTER – APRIL 2013

**EC 2501/EC 2500 - MICRO ECONOMICS - II
(UPTO 11 BATCH ONLY)**

Date: 30/04/2013
Time: 9:00 - 12:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 marks)

1. What is monopsony?
2. What is quasi rent?
3. Define 'pareto criterion'.
4. What is optimum tariff?
5. What is income distribution?
6. What is collective bargaining?
7. What is the difference between risk and uncertainty?

PART – B

Answer any FOUR questions in about 300 words each:

(4 x 10 = 40 marks)

8. Write a short note on 'adding up problem'.
9. Write the assumptions of Ricardian theory of rent.
10. What is Utility Possibility Frontier? Illustrate with suitable diagram.
11. Explain advantages of free trade.
12. Explain the role of price mechanism in mixed economy.
13. Explain the gains from International Trade.
14. Explain shortcomings of 'Pareto Criterion'.

PART – C

Answer any TWO questions in about 900 words each:

(2 x 20 = 40 marks)

15. Explain how factors are priced under imperfect completion.
16. Explain 'Modern Theory of Rent'.
17. Explain determinants of International Trade
18. Critically examine 'Pareto Optimality'.

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