

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A. DEGREE EXAMINATION – ECONOMICS

SECOND SEMESTER – APRIL 2018

EC 2501– MICRO ECONOMICS – II

(12 BATCH ONWARDS)

Date: 02-05-2018

Dept. No.

Max. : 100 Marks

Time: 01:00-04:00

PART – A

Answer any FIVE of the following each answer should not exceed 75 words:

(5 X 4 = 20 Marks)

1. What is *Collective bargaining*?
2. Define Perfect Competition.
3. What is meant by Marginal Productivity?
4. Distinguish between Interest and Profit.
5. Define Rent.
6. What does Compensation Principle mean?
7. What do you mean by Monopsony?

PART B

Answer any FOUR of the following each answer should not exceed 250 words.

(4 X 10 = 40 Marks)

8. How are Factor Prices determined under Imperfect Competition?
9. Explain the factors which determine demand of a factor.
10. Describe the Ricardian theory of Rent.
11. Explain the Real Theory of Interest.
12. Explain the role of prices in different economic systems.
13. Discuss the relationship between Income Distribution and Price System.
14. Explain the Scitovsky's Paradox.

PART C

Answer any TWO of the following each answer should not exceed 900 words:

(2 X 20 = 40 Marks)

15. Explain the Modern theory of Rent.
16. Elaborate the Marginal Productivity theory of Factor Pricing.
17. Critically examine Kaldor-Hicks Compensation Principle.
18. Discuss the Pareto criterion and Pareto optimality with suitable diagram.
