



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS
SECOND SEMESTER – NOVEMBER 2016
EC 2501 – MICRO ECONOMICS - II
(FROM 12-BATCH)

Date: 12-11-2016
Time: 01:00-04:00

Dept. No.

Max. : 100 Marks

PART-A (5 x 4 = 20 Marks)

Answer any FIVE Questions each in about 75 words

1. Explain the major objectives of trade unions
2. What do you understand by monopsony?
3. Explain the concepts of rent and quasi-rent
4. Give an account of liquidity trap
5. What is meant by social welfare?
6. Point out a criticism on compensation principle.
7. Explain the role of price on mixed economy.

PART-B (4 x 10 = 40 Marks)

Answer any FOUR Questions each in about 250 words

8. Explain how monopsonist achieves equilibrium using a single variable factor.
9. Diagrammatically illustrate the modern theory of rent.
10. Briefly explain the Keynesian theory of interest.
11. Enumerate the limitations of Pareto criterion.
12. Briefly illustrate Scitovsky's double criterion of welfare.
13. Describe the different forms of economic systems and point out their features.
14. Describe the role of price mechanism under capitalistic economy.

PART-C (2 x 20 = 40 Marks)

Answer any TWO Questions each in about 900 words

15. Analyze the marginal productivity theory of distribution.
16. Critically examine the Ricardian theory of rent.
17. Discuss the marginal conditions for the attainment of Pareto equilibrium.
18. Discuss Kaldor-Hicks Compensation Principle.
