



**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.A. DEGREE EXAMINATION – ECONOMICS  
SECOND SEMESTER – NOVEMBER 2016  
EC 2501/EC 2500 – MICRO ECONOMICS - II  
(UPTO 11-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. What do you understand by collective bargaining?
2. Distinguish between risk and uncertainty.
3. State the assumptions of Ricardian theory of rent.
4. What is meant by Pareto optimality?
5. Write a note on optimum tariff.
6. Explain the features of international trade.
7. What do you understand by economic system?

**PART-B (4 x 10 = 40 Marks)**

**Answer any FOUR Questions each in about 250 words**

8. Explain how minimum wage rate is determined under monopsony market.
9. Analyze how factor price determined under imperfect competition?
10. Diagrammatically illustrate Quasi- rent.
11. Examine the most influential factors determining gains from international trade.
12. Explain the importance of free trade.
13. Analyze the limitations of Pareto criteria.
14. Enumerate the role of price mechanism in the socialistic economy.

**PART-C (2 x 20 = 40 Marks)**

**Answer any TWO Questions each in about 900 words**

15. Critically analyze the marginal productivity theory of distribution.
16. Analyze the Keynesian liquidity preference theory of interest.
17. 'Trade should be protected in developing countries' – Discuss.
18. Discuss the marginal conditions for the attainment of Pareto equilibrium.

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