P1602

Name.....Reg. No.....

M.A.DEGREE END SEMESTER EXAMINATION OCTOBER – NOVEMBER 2016

SEMESTER – 1: ECONOMICS

COURSE: P1ECOT01 – MICROECONOMICS: THEORY OF CONSUMER BEHAVIOUR AND FIRM

(For Supplementary / Improvement 2015 Admission)

Time: Three Hours Max. Marks: 75

Part A

Answer any *eight* of the following in three to four sentences. Each question carries two marks

1. Explain the distributed lag models of demand.
2. Explain the engineering cost curves.
3. What is network externalities?
4. What is Bandwagon effect?
5. Explain economies and diseconomies of scope.
6. Define neutral technological progress.
7. What is meant by Learning curve
8. Explain the scale economies index.
9. Explain the SAVC in modern theory.
10. Define and explain the CES Production function.
11. Explain the law of variable proportions.
12. Short run.

(2 x 8 = 16)

Part B (Short Essays)

Answer any *seven* of the following, not exceeding two pages each. Each question carries five marks

13. Examine the Markowitz hypothesis.
14. Explain the constant elasticity demand function.
15. Explain the nature of firm and boundaries of the firm by Ronald Coase.
16. Examine the team production approach by Armen Alchian and Harold Demsetz.
17. Explain returns to scale and its implications in decision making.

(PTO)

18. Why the LAC curve in the modern theory become ‘L’ shaped?
19. Derive the average and marginal product curves from a total product curve.
20. Explain the producer’s equilibrium.
21. Explain the Bernoullian utility theory.
22. Explain in details the concept of direct consistency test.

(5 x 7 = 35)

Part C

Write long essay on any *two* of the following. Each question carries twelve marks

23. Describe how far Friedman-Savage hypothesis is an extension of the Neumann-Morgenstern method.
24. What are the properties of Cobb-Douglas Production Function?
25. Discuss the Recent developments in the theories of demand.
26. Describe the Hicks and Harrod’s version of Technical Progress.

(12 x 2 = 24)

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