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

B. A. DEGREE END SEMESTER EXAMINATION MARCH 2017
SEMESTER – 4: ECONOMICS
COURSE: 15U4CRECO5: MICRO ECONOMIC ANALYSIS
(For Regular - 2015 Admission)

Time: Three Hours   Max. Marks: 75

PART A
Answer **all** questions. Each question carries 1 mark.

1. Asymmetric information.
2. Group Equilibrium.
3. Point of bliss.
4. Planning curve.
5. Prime cost.
6. Externality.
7. Monopsony.
8. Dumping.
9. Breakeven point.
10. Free- rider problem.

(1 x 10 = 10)

PART B
Answer **any eight** questions. Each question carries 2 marks.

11. Functional versus personal distribution.
12. Collusive oligopoly.
13. Social welfare function.
14. Non-price competition.
15. When will a firm in perfectly competitive market shut down?
16. Degrees of price discrimination.
17. Reasons for the 'U' shape of the average cost curve.
18. Edgeworth box diagram.
19. Excess capacity and reserve capacity.
20. Euler's theorem.

(2 x 8 = 16)

PART C

Answer **any five** question. Each question carries five marks.

21. Explain the long run costs of the traditional theory.

22. Explain the long run equilibrium price determination under monopoly.

23. Explain the Arrows impossibility theorem.

24. Define price rigidity. Illustrate with a suitable model.

25. Examine the role of trade unions in the determination of wages.

26. Explain the features of monopolistic competition.

27. From the cost function of a given below calculate:

Output (units)	0	1	2	3	4	5	6
TC (Rs)	160	220	240	250	265	300	370

a) TFC, b) TVC, c) AFC, d) AC, e) MC, and f) AVC.

Draw the average and marginal cost curves also.

(5 x 5 = 25)

PART D

Answer **any two** questions. Each question carries 12 marks

28. Explain the Pareto optimality conditions of efficiency.

29. What is Marginal Productivity theory of distribution?

30. Explain the price- output determination underprice leadership of a dominant firm.

31. Explain the modern theory of cost.

(12 x 2 = 24)

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