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

M. A. DEGREE END SEMESTER EXAMINATION - MARCH 2020
SEMESTER 2 : ECONOMICS
COURSE : **16P2ECOT06 : MICROECONOMIC THEORY – II**
(For Regular - 2019 Admission & Supplementary 2018/2017/2016 Admissions)

Time : Three Hours   Max. Marks: 75

Section A
Answer any 8 (2 marks each)

1. Edgeworth contract curve
2. What is a dominant firm?
3. Tit – for – Tat Strategy
4. Marginal constraint
5. Lump sum tax and profit
6. Rules of thumb
7. What is Euler's theorem
8. Explain labour theory of value
9. What are the essential conditions necessary for the stability of the system in Kaldor's distribution theory?
10. State new welfare economics
11. Define Pareto optimality
12. Define consumption contract curve

(2 x 8 = 16)

Section B
Answer any 7 (5 marks each)

13. Present a numerical explanation of Cournot equilibrium model
14. Compare and contrast collusive and non-collusive oligopoly.
15. What are the arguments in favour of marginalism?
16. How does limit price is effective in preventing the entry?
17. Show clearly how is Keyne's parable about widow's curse implicit in Kaldor's macro theory of distribution
18. What is degree of monopoly power? What are the determinants of factor shares in Kalecki's macro theory of distribution?
19. "Capitalists earn what they spend and workers spend what they earn", Discuss.
20. Discuss the theory of second best
21. Diagrammatically explain existence, stability and uniqueness of an equilibrium
22. Illustrate diagrammatically how the simultaneous equilibrium of production can and consumption be determined?

(5 x 7 = 35)

Section C
Answer any 2 (12 marks each)

23. Trace elements of Cournot and Bertrand models in Stackelberg's model of oligopoly

24. Critically examine the behavioural model of Cyert and March.

25. Critically examine Kalecki's "degree of monopoly" theory of income distribution

26. What is general equilibrium? Discuss 2x2x2 model of general equilibrium with the help of diagrams.

(12 x 2 = 24)