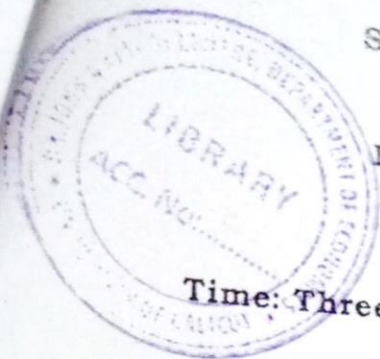




Name:

Reg. No.:

SECOND SEMESTER MA DEGREE EXAMINATION, JUNE 2017
CCSS

ECO2 CO5 MICRO ECONOMIC THEORY AND APPLICATIONS
(2013 Admission)

Time: Three Hours

Maximum Marks:80

PART A

Answer all Questions

Each question carries 1 mark.

1. Public goods are
(a) Nonrival (b) nonexclusive
(c) both nonrival and nonexclusive (d) none of the above
2. The concept of social welfare function was first introduced by
(a) Pigou (b) Marshall (c) Bergson (d) None of the above
3. Free rider problem arises in:
(a) Public goods (b) Private goods (c) Durable goods (d) None of the above
4. Linear programming is associated with the name of:
(a) Dantzig (b) Morgenstern (c) Scitovsky (d) Coase
5. Arrow's impossibility theorem is associated with :
(a) linear programming (b) welfare economics (c) input-output analysis
(d) search cost.
6. Prisoners dilemma is a _____ concept
(a) Externality (b) Max min value (c) Game Theory
(d) None of the above
7. Which of the following economists is not associated with welfare economics?
(a) Amartya Sen (b) Arrow (c) Kaldor (d) Kalecki
8. The market condition which satisfies Pareto optimality is:
(a) Monopoly (b) monopolistic competition (c) oligopoly
(d) perfect competition
9. Kinked demand curve model is associated with the name of :
(a) Stackelberg (b) Sweezy (c) Samuelson (d) Sen
10. Marshall's value theory falls under
(a) Classical theories (b) Modern Theories (c) Neoclassical theories
(d) none of the above

(1 x 10 = 10 Marks)

Turn over

PART B

Answer any eight questions Each question carries 5 marks.

11. What is a saddle point. Explain
12. What is a Social welfare function? Explain.
13. Explain the concept of Pareto optimality.
14. State and explain minmax theorem.
15. What do you mean by mixed strategy games?
16. Analyse the transportation problem.
17. Examine the classical theory of value
18. Examine north west corner solution.
19. Trace the relationship between public goods and market failure.
20. Outline two person zero sum game.
21. What do you mean by vogels approximation method?
22. Briefly explain Sraffa's theory of values

(8X5 =40 Marks)

PART C

*Answer any two questions.
Each question carries 15 marks*

23. Critically analyse Amartya Sen's contribution to welfare and justice.
24. Briefly explain the importance of the concept of externality in welfare economics.
25. Explain in detail the concept of Nash equilibrium.
26. Examine the linear programming model and its applications in microeconomics.

(2 x 15 = 30 Marks)
