

TM2426030

8.4
Reg. No :

Name :

MASTER'S DEGREE (C.S.S) EXAMINATION, MARCH 2024
2023 ADMISSIONS REGULAR
SEMESTER II - CORE COURSE ECONOMICS
EC2C06TM20 - Microeconomics-II

Time : 3 Hours

Maximum Weight : 30

Part A

I. Answer any Eight questions. Each question carries 1 weight

(8x1=8)

1. Explain the characteristic of a hierarchical firm.
2. Differentiate between hierarchical and non hierarchical firms .
3. Explain opportunism.
4. Explain the significance of contestable market theory .
5. Write a note on Sylos's Postulate.
6. What are the major problems in Bain's limit pricing theory?
7. Comment on the importance of incentives in principal-agent problem?
8. What is endowment effect?
9. Explain the properties 2x2x2 model of general equilibrium.
10. Explain Human Happiness index.

Part B

II. Answer any Six questions. Each question carries 2 weight

(6x2=12)

11. What are the advantage of U- form firms?
12. Briefly discuss the M-form hypothesis .
13. Analyse Franco Modigliani model of limit-pricing.
14. Give an account of the constraints examined in Marris's model.
15. 'Bad drives out good'. Illustrate using examples.
16. What occurs when property rights are not clearly defined?
17. Describe the major characteristics of Arrow's impossibility theorem.
18. What is social welfare function? Explain Pareto's criteria of social welfare with diagrammatical illustration.

Part C

III. Answer any Two questions. Each question carries 5 weight

(2x5=10)

19. Neither the emergence of business firm nor the way in which they organize themselves can be attributed solely to the benefits of team production. Comment
20. Explain relevance of the Baumol's sales maximisation model in current world.
21. How are economic decisions made according to Behavioural economics? Elaborate different concepts in this branch of economics.
22. Evaluate the Pareto criterion, Pareto optimality and maximum social welfare

