



QP CODE: 24019098



24019098

Reg No :

Name :

M A DEGREE (CSS) EXAMINATION , APRIL 2024

Second Semester

MA ECONOMETRICS

CORE - EM010201 - MICRO ECONOMIC THEORY-2

2019 Admission Onwards

5A3A71BE

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

Weight 1 each.

1. What is mark-up rule?
2. Define the term managerial constraint with respect to Marris model.
3. What is externality?
4. Differentiate between traditional economics and behavioural economics.
5. Define altruism.
6. How is a general equilibrium distinguished as stable and unstable?
7. What criterion will define the efficiency of consumption as given by Pareto?
8. Write a short note on the utilitarian function given by Bentham.
9. State the problem of intransitivity found in the Scitovsky Criteria.
10. State the First Fundamental Theorem of Welfare.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

Weight 2 each.

11. Write a brief sketch of hierarchical structures of U form and M form.
12. Explain differentiated oligopoly according to Sylos Labini.
13. Define voting theory and its significance in decision-making processes.
14. Analyse a simple model of educational attainment being a signal in the market.





15. Comment on heuristics and biases in decision making.
16. Explain three problems arise in connection with a general equilibrium.
17. How are prices determined in a 2x2x2 general equilibrium under perfect competition?
18. How does the Kaldor-Hicks Compensation principle improve the Pareto criterion?

(6×2=12 weightage)

Part C (Essay Type Questions)

*Answer any **two** questions.*

Weight 5 each.

19. Write an essay on team production approach by Armen Alchian and Harold Demsetz.
20. Give a detailed description on the paradox of voting.
21. What is moral hazard? How does it affect the principal-agent model and owner-manager relationship?
22. Discuss in detail the Walrasian General Equilibrium System.

(2×5=10 weightage)

