QP CODE: 21001986

21001986

Reg No : .....

Name : .....

M A DEGREE (CSS) EXAMINATION, NOVEMBER 2021

First Semester

CORE - EC010101 - MICROECONOMICS-I

M A Economics, Business Economics

2019 ADMISSION ONWARDS

9589BB53

Time: 3 Hours Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

*Weight **1** each.*

1. Define Microeconomics.
2. What is Income Effect?
3. Define Certainty equivalent.
4. What is linear homogeneous Production Function?
5. What is an experience curve?
6. What do you mean by centralized cartel?
7. What is a Sequential move game?
8. Explain First-mover advantage.
9. Define Factor payments.
10. State Marxian Concept of "Organic Composition of capital.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

*Weight **2** each.*

11. Discuss Howthakker- Taylor model.
12. Explain the nature of demand in case of the operation of Bandwagon Effect, Snob Effect and Veblen Effect.
13. Analyse Variable Elasticity of Substitution (VES) Production Function.

14. Explain the rationale behind the L shaped Scale Curve in modern theory of cost.

15. According to the Bertrand model, price competition results in each firm earning zero economic profit. What assumptions are necessary for this outcome?

16. Highlight the differences between Vertical differentiation and Horizontal differentiation.

17. Why Are Wages Paid? Are Workers Paid Their Marginal Products?

18. Explain the importance of Product Exhaustion Theorem.

(6×2=12 weightage)

Part C (Essay Type Questions)

*Answer any **two** questions.*

*Weight **5** each.*

19. Explain the characteristic demand theory of Lancaster.

20. Explain why an increase in the price of an input must typically cause an increase in the long-run total cost of producing any particular level of output.

21. Imperfectly competitive markets are characterized by interdependence in pricing and output decisions. Explain.

22. Make a note on the product exhaustion problem, Euler's and Clark Wicksteed Theorm.

(2×5=10 weightage)