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L – 6240

Reg. No. : .....

Name : .....

First Semester M.A. Degree Examination, August 2021

Economics

EC 211 : MICRO ECONOMICS I

(2018 Admission Onwards)

Time : 3 Hours

Max. Marks : 75

PART – I

Answer **all** questions from this part. Each questions carries **one** mark. Explain in a **sentence** or **two**.

1. What is Nerlov's stock adjustment principle?
2. Define constant elasticity demand function
3. What is homogeneous production function?
4. Distinguish between exogenous and endogenous technical progress
5. What is dumping?
6. Explain peak load pricing
7. What is Nash equilibrium?
8. What is meant by zero sum game?
9. What is limit pricing?
10. What is a co-operative game?

(10 × 1 = 10 Marks)

P.T.O.



PART – II

Answer any **seven** questions. **Each** answer should not exceed **500** words. Each question carries **5** marks.

11. Explain Houthakker's and Taylor's dynamic model
12. Describe the importance of lagged models in economics
13. Describe briefly technical progress and production function
14. What are the merits of Cobb-Douglas production function over CES production function?
15. Write a note on neutral technical progress
16. Explain production function of a multiproduct firm
17. Critically examine Sweezy's kinked demand curve model
18. Explain the terms :
  - (a) Saddle point
  - (b) dominant strategy
  - (c) prisoner's dilemma
19. Describe briefly Bain's limit pricing
20. Briefly explain Williamson's Managerial discretion model

**(7 × 5 = 35 Marks)**



PART – III

Answer any **three** questions. **Each** carries **10** marks. Each answer should not exceed **1200** words

21. When is a production function homogeneous? Stating Euler's theorem show that Cobb-Douglas production function is linear homogeneous
22. Briefly describe Chamberlin's oligopoly model
23. Explain Cartel model which aims at joint profit maximisation
24. Explain Baumol's theory of sales revenue maximization with respect to single product model without advertising
25. Critically examine Cyert and March's behaviour model

(3 × 10 = 30 Marks)

