J – 4066

Reg. No. : ....

Name : ....

Second Semester M.A. Degree Examination, May 2020

Economics

EC 221 : MICRO ECONOMICS — II

(2018 Admission Onwards)

Time : 3 Hours

Max. Marks : 75

SECTION A

Define the following in 1 or 2 sentences :

1. General Equilibrium

2. Search cost

3. Framing

4. Time inconsistency

5. Voting Paradox

6. Law of small numbers

7. Altruism

8. Point of bliss

9. Market signaling

10. Satisficing

(10 × 1 = 10 Marks)

SECTION B

Answer any **seven** of the following. Each should not exceed **500** words.

11. Explain Marginal productivity theory of distribution.

12. Discuss how Degree of monopoly power affects distribution.

13. Critically evaluate Arrows impossibility theorem.

14. State and explain the theory of second best.

15. What is Euler's theorem?

16. Comment on behavioral economics.

17. What is principal agent-problem?

18. Explain Scitovsky's compensation criterion.

19. Write a short note on technological progress and income distribution.

20. Discuss Rawlsian concept of justice.

(7 × 5 = 35 Marks)

SECTION C

Answer any **three** of the following not exceeding 1,200 words.

21. State and Explain Kaldor's theory of distribution.

22. Discuss how point of bliss is determined.

23. Explain the graphical treatment of 2 × 2 × 2 general equilibrium model.

24. Analyse market for lemons and explain how asymmetric information leads to market failure.

25. What are the salient features of Marxian theory of distribution?

(3 × 10 = 30 Marks)

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