

**CLASS: M.A. ECONOMICS**

**15A / 276**

**St. JOSEPH'S COLLEGE (AUTONOMOUS) TIRUCHIRAPPALLI – 620 002**

**SEMESTER EXAMINATIONS – APRIL 2015**

**TIME: 2 Hrs. 20 min.**

**MAXIMUM MARKS: 70**

<b>SEM</b>	<b>SET</b>	<b>PAPER CODE</b>	<b>TITLE OF THE PAPER</b>
<b>II</b>	<b>2014</b>	<b>14PEC2105</b>	<b>ADVANCED MICRO ECONOMICS-II</b>

**SECTION – B**

**Answer all the questions:**

**5 x 5= 25**

31. a. Explain the constraints of Marris's model of managerial enterprise.

**OR**

b. Explain the concept of Bain's theory.

32. a. Briefly explain the Ricardian theory of rent.

**OR**

b. Explain Liquidity preference theory of interest.

33. a. Distinguish between individual welfare and social welfare.

**OR**

b. Explain the conditions for the attainment of the Paretian equilibrium.

34. a. Critically explain Stolper- Samuelsson theorem.

**OR**

b. Explain Rybozynski theorem.

35. a. Explain the concept of Risk Aversion.

**OR**

b. Explain the concept of Risk Loving.

### **SECTION – C**

**Answer any THREE questions:**

**3 x 15 = 45**

36. Critically explain Baumol's sales revenue maximization model.
37. Evaluate Euler's Product Exhaustion theorem.
38. Explain and criticize Pigouvian Welfare theory.
39. Critically explain Walrasian's general equilibrium model.
40. Explain the behaviour of an individual towards risky choices. How would you measure his preferences for such choices?

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