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N – 7271

Reg. No. : .....

Name : .....

**First Semester M.A. Degree Examination, May 2022**

**Business Economics**

**BE 211 : ECONOMIC THEORY - I**

**(2010 - 2015 Admission)**

Time : 3 Hours

Max. Marks : 75

PART – A

I. Answer **all** questions in one or two sentences. Each question carries **one** mark.

1. Indirect Utility function
2. Envelop theorem
3. Substitution effect
4. Cost function
5. Principal Agent Problem
6. Partial Equilibrium
7. N.M Index
8. Capital Market
9. Technical Progress
10. Phillip's curve

(10 × 1 = 10 Marks)

P.T.O.



## PART – B

- II. Answer **any seven** questions. Each should not exceed **500** words. Each question carries **5** marks.
11. Describe the first and second-order condition of a Maximum.
  12. Write a note on Demand relations among goods.
  13. What are various measures used for the regulation of monopoly?
  14. Describe various types of capital market.
  15. Write a note on Prisoner's Dilemma.
  16. Distinguish between individual supply curve of labour and market supply curve of labour.
  17. What are the difference between full cost and marginal cost pricing strategies?
  18. How does elasticity impact demand in a market?
  19. Write a short note on Pareto Optimality.
  20. Write a note on Bertrand model of oligopoly.
  21. Give an account of Expected utility and risk aversion.

(7 × 5 = 35 Marks)

## PART – C

- III. Answer **any two** questions. Each answer should not exceed **1200** words. Each question carries **10** marks.
22. Compare Marris Growth models and Williamson's Managerial Discretionary theory.
  23. Describe Long run equilibrium of a firm under perfect competition.



24. Describe prices that remain rigid under an oligopoly market situation.

25. Explain St. Petersburg Paradox and Bernoulli's Hypotheses.

(2 × 10 = 20 Marks)

PART – D

IV. Answer **any one** of the following questions. Each answer should not exceed **1200** words. The question carries **10** marks.

26. Explain Walrasian general equilibrium is an attempt to explain the functioning of the macroeconomy as a whole.

27. Explain Chamberlin's model of the duopoly. How does it differ from Cournot's solution of Duopoly?

(10 × 1 = 10 Marks)