

19P125

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Name:

Reg. No.....

FIRST SEMESTER M.A. DEGREE EXAMINATION, NOVEMBER 2019

(CUCSS PG)

CC19P ECO1 C01 – MICRO ECONOMICS: THEORY AND APPLICATIONS - I

(Economics)

(2019 Admission Regular)

Time: Three Hours

Maximum: 30 Weightage

Part A

Answer *all* questions. Each question carries $\frac{1}{5}$ weightage.

1. N-M utility is based on the assumption
 - a) That choices of individuals are transitive.
 - b) Probability lies between 0 and 1
 - c) Uncertainty or risks does not possess utility or disutility of its own.
 - d) All of these.
2. Identify the economists who extended the idea of stock adjustment to non-durables.
 - a) Friedman-Savage
 - b) Nerlove-Richard Stone
 - c) Houthakker-Taylor
 - d) Friedman-Phelps
3. Which of the following curve is continuously falling as output increases?
 - a) AVC
 - b) ATC
 - c) MC
 - d) AFC
4. Discontinuity of MR curve is a characteristic of
 - a) Cournot model
 - b) Sweezy model
 - c) Bertrand model
 - d) None of these
5. Payoff that is simultaneously a row minimum and a column maximum:
 - a) Zero sum game
 - b) Saddle point
 - c) Maximin
 - d) Minimax
6. Find expected value of the game if X_1 is 500 and $P(X_1)$ is 0.35 and X_2 is 50 and $P(X_2)$ is 0.65
 - a) 207.5
 - b) 275
 - c) 212.8
 - d) 210
7. A positive network externality in which a consumer wishes to possess a good in part because others do is called
 - a) Lemons problem
 - b) Bandwagon effect
 - c) Snob effect
 - d) Veblen effect
8. The saucer shaped average variable cost curve is due to
 - a) Increasing returns
 - b) Reserve capacity
 - c) Decreasing returns
 - d) None of these
9. Cournot solution is an example of
 - a) Nash equilibrium
 - b) Prisoner's dilemma
 - c) Dominant strategy
 - d) None of these

(1)

Turn Over

