

Mid-West University
Examinations Management Office
Birendranagar, Surkhet
End Semester-Examination, 2082

Subject: DE 521- Microeconomic Analysis

FM: 60

Level/program: Master (M.A)

Semester: II

Time: 3 Hours

PM: 30

Candidates are required to answer the questions in their own words as far as practicable.

Attempt ALL of the following Very Short Answer Questions.

10x1=10

1. What do you know by alternative theories of firm?
2. Write the main theme of Marris's model.
3. Define monopsony.
4. Brief discuss the modern theory of rent.
5. Is labour union really needed in an organization?
6. What is social welfare?
7. Discuss compensation principle in brief.
8. Define uncertainty in your own word.
9. What is risk aversion?
10. What is Portfolio selection?

Attempt any THREE of the Following Short Questions.

3x8=24

11. Examine the marginal productivity theory of wages.
12. Discuss Pigouvian welfare economics in brief.
13. Examine the Walrasian model of general equilibrium.
14. What is risk behavior? Discuss its types.

Attempt any TWO of the Following Long Questions.

2x13 =26

15. Illustrate Baumoul's sales revenue maximization model using a diagram showing total revenue, total cost and profit.
16. Explain the Williamson's simplified model of managerial discretion.
17. What are the major three conditions for Pareto-efficient situation in the economy? Illustrate the 'efficiency of exchange' with the help of Edgeworth box diagram.
