**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

Registration Number:

Date & Session 8-12-2022 (9am)

**B.Sc (ECONOMICS)– III SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2022**

**(Examination conducted in December 2022)**

**ECS 3122 Factor Pricing and Welfare Economics**

**Time: 2 Hours Max Marks: 60**

**This paper contains \_\_\_1\_\_\_ printed pages and \_\_3\_\_\_ parts**

**PART-A**

**Answer any 10 questions 3X10=30**

1. What does the term MPPL mean?
2. According to Marx what is the source of Surplus value?
3. What theory of distribution is Von thunen associated with?
4. In the Ricardian theory of rent, what is meant by the intensive margin?
5. What do mean by the term Bilateral monopoly.
6. What do we mean by a 2 factor\*2 commodity\*2 consumer model?
7. What are the three criteria we can use to measure social welfare?
8. State the second welfare theorem?
9. What is Pareto optimality?
10. What is the relationship between market power and wages?
11. What is the social welfare function?

**PART B**

**Answer any 3 questions 3X5=15**

1. What is VMPL? In which theories does it appear?
2. Illustrate the output effect and substitution effect in the case of a wage increase.
3. Discuss monopolistic and Monopsonistic exploitation.
4. Discuss the Kaldor Hicks compensation criteria.

**PART C**

**Answer any 1 question 15x1=15**

1. Distinguish between the Ricardian and Marxian theories of distribution.
2. Discuss market failure and its sources.