

2013

[July]

ECONOMICS

Recent Advances in Economic Theory

Full Marks: 75; Time: 3 hours

The figures in the margin indicate full marks for the questions

Answer any **five** questions

Q.1. Explain Samuelson's pure theory of public expenditure and show how he poses the problem in general equilibrium terms. (15)

Q.2. What does Tiebout mean by 'Optimum Community Size'? How does Tiebout's model explain residential location pattern? (15)

Q.3. How does the 'Rational Voter' decide to vote on any issue which proposes to change the amount of public goods supplied by the government? (15)

Q.4. What are interjurisdictional externalities? What problems do their existence create for the local governments in providing an optimal amount of local public goods? (15)

Q.5. What do you understand by "feminist theory"? In this context, briefly discuss the cultural and social macro structural theories. (15)

Q.6. Provide a historical account of Visa and Master Card as a form of duopoly in the credit card market. (15)

Q.7. What is cooperative oligopoly? How does it work in the international market? (15)

Q.8. Are Indian domestic airlines a form of oligopoly? Give a brief account of the Indian domestic airlines since its inception. (15)