SUBJECT CODE: 19EC/MC/BE33

B.A. DEGREE EXAMINATION NOVEMBER 2022
BRANCH IV – ECONOMICS
FIRST SEMESTER

COURSE   : MAJOR - CORE
PAPER   : BEHAVIOURAL ECONOMICS
TIME   : 3 HOURS   MAX. MARKS: 100

SECTION – A
ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS
                                                                      (10x2=20)

1. Define Behavioural Economics.
2. What is Bounded Rationality?
3. Define the term Heuristics.
4. Who propounded Prospect Theory?
5. State the meaning of Loss Aversion.
6. Define Hyperbolic Discounting.
7. What is Altruism?
8. What is a Dictator Game?
9. Define inter-temporal Choice.
10. What is a Reference Point?
11. Define Projection Bias.
12.What is confirmation bias?

SECTION – B
ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400
WORDS: **(5x8=40)**

13. Comment on the role of rationality in Mainstream Economics.
14. Write a note on types of Utility.
15. List the components of Mental Accounting.
16.Write a note on Decision weighting.
17. Explain the concept Fairness in economic decisions.
18. Analyse the implications of irrational behaviour.
19. Explain the concept of Time Inconsistent Preferences.
20.Write a note on Ultimatum Games.

SECTION – C
ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000
WORDS: **(2x20=40)**

21 Trace the history and Evolution of Behavioural Economics
22. Discuss the various behavioural biases while making investment decisions.
23. Explain in detail the various components of Prospect theory.
24. Enumerate the features of Discounted Utility Model.

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