

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
**(For candidates admitted during the academic year 2008–09 & thereafter)**

**SUBJECT CODE : EC/PE/MM24**

**M. A. DEGREE EXAMINATION, APRIL 2009**  
**BRANCH III – ECONOMICS**  
**SECOND SEMESTER**

<b>COURSE</b>	<b>:</b>	<b>ELECTIVES</b>	
<b>PAPER</b>	<b>:</b>	<b>MATHEMATICAL METHODS - II</b>	
<b>TIME</b>	<b>:</b>	<b>3 HOURS</b>	<b>MAX. MARKS : 100</b>

**SECTION – A**

**ANSWER ANY FIVE QUESTIONS.** **(5 X 8 = 40)**

1. Explain the properties of determinant with examples.
- 2.a. Define i) Diagonal matrix ii) Identity matrix  
iii) Symmetric matrix iv) Idempotent matrix
- b. Find the rank of the matrix

$$A = \begin{bmatrix} 1 & 3 & 4 & -2 \\ 2 & 6 & 8 & -4 \\ 3 & 0 & 3 & 3 \end{bmatrix}$$

3.a. If  $A = \begin{bmatrix} 1 & -1 \\ 2 & -1 \end{bmatrix}$      $B = \begin{bmatrix} a & 1 \\ b & -1 \end{bmatrix}$  and  $(A + B)^2 = A^2 + B^2$  find  $a$  and  $b$ .

b. Show that the matrix  $A = \frac{1}{6} \begin{bmatrix} 1 & -2 & 1 \\ -2 & 4 & -2 \\ 1 & -2 & 1 \end{bmatrix}$  is an idempotent matrix.

4. Given  $A = \begin{bmatrix} 6 & 6 \\ 6 & -3 \end{bmatrix}$  find
  - a. the characteristic roots
  - b. the characteristic vectors

5. Explain the basic features and assumptions of Input – Output analysis with the help of Input – Output transaction table.

6. Solve  $Y_{t+i} = ay_t + b$  by the iterative method.

7. Write the dual of the programme

$$\begin{aligned} \text{Minimize } f &= x_1 + x_2 + 3x_3 + 2x_5 \\ \text{Subject to } &x_1 + 3x_2 - x_3 + 2x_5 \geq 7 \\ &-2x_2 + 4x_3 + x_4 \geq 12 \\ &-4x_2 + 3x_3 + 8x_5 + x_6 \geq 10 \end{aligned}$$

$$\text{and } xj \geq 0 \quad j = 1, 2, \dots, 6$$

**SECTION – B****ANSWER ANY THREE QUESTIONS****(3 X 20 = 60)**

8.a. Find the Inverse of the matrix

$$A = \begin{bmatrix} 4 & 2 & 5 \\ 3 & 1 & 8 \\ 9 & 6 & 7 \end{bmatrix}$$

b. Solve the following equation by Cramer's rule

$$5x_1 - 2x_2 + 3x_3 = 16$$

$$2x_1 + 3x_2 - 5x_3 = 2$$

$$4x_1 - 5x_2 + 6x_3 = 7$$

9. Given  $A = \begin{bmatrix} 0.1 & 0.3 & 0.1 \\ 0 & 0.2 & 0.2 \\ 0 & 0 & 0.3 \end{bmatrix}$

and final demand are  $F_1, F_2$  and  $F_3$ . Find the output levels consistent with the model.  
What will be the output levels if  $F_1=20$ ,  $F_2=0$  and  $F_3=100$ ?

10.a. From the data given below, determine

- i) the market price  $P_t$  in any time period
- ii) the equilibrium price  $P_e$
- iii) the stability of time path

$$Qdt=180-0.75P_t, Qst=-30+0.3P_{t-1}, P_0=220$$

b. Explain Samuelson's multiplier – acceleration interaction model.

11. Maximize  $f = 2x_1 + 3x_2 + x_3 + 7x_4$ 

$$\text{Subject to } 8x_1 + 3x_2 + 4x_3 + x_4 \leq 6$$

$$2x_1 + 6x_2 + x_3 + 5x_4 \leq 3$$

$$x_1 + 4x_2 + 5x_3 + 2x_4 \leq 7 \quad \text{and}$$

$$x_j \geq 0 (j = 1 \dots 4)$$

Solve the above L.P.P by simplex method

12.a. Solve the following game

$$A = \begin{bmatrix} 3 & -5 & -4 \\ -2 & 1 & 2 \\ 1 & 1 & 2 \end{bmatrix}$$

b. Explain the assumption and basic concepts of game theory.

