Reg. No. : ....

Name : ....

Third Semester M.A. Degree Examination, June 2022

Behavioural Economics and Data Science

BEDS 531 — APPLIED BEHAVIOURAL ECONOMICS

(2020 Admission)

Time : 3 Hours　　　　　　　　　　　　　　　　　　　　　Max. Marks : 75

I.　Explain the following in **one** or **two** sentences.

1.　"Warm-glow" model of public good contributions

2.　Welfare hedonism

3.　Mental accounting

4.　Diffusion of innovations

5.　Reciprocity

6.　Transformational leadership

7.　Sense of fairness

8.　Hyperbolic discounting

9.　Escalation of Commitment

10.　Heuristic

(10 × 1 = 10 Marks)

II. Answer any **seven** of the following, each not exceeding **400** words.

11. Explain the meaning and scope of behavioural economics on welfare and policy analysis.

12. Discuss the neoclassical perspective on addiction.

13. Explain immediate Barriers to education.

14. Highlight the damaging role of self-serving bias in evaluation with the help of examples.

15. The primary resistance to wage reduction comes from upper management, not from employees. Explain.

16. How good morale increases organizational citizenship behavior?

17. Explain Arrow's contribution on the health sector's institutions as a response to the special features of health care and health insurance.

18. How people make choices about physicians and the sources of information used to make judgments about the quality of a physician?

19. What are the variety of implications as the special properties of large organizations with many principals, agents, and hierarchies?

20. List the conditions in which managers are most likely to be affected in their judgment.

(7 × 5 = 35 Marks)

III. Answer any **three** questions. Each should not exceed **1200** words.

21. What are the testable implications of public good provision?

22. How default behavior implies the introduction of basic banking to rural areas could in and of itself have large impacts on behavior?

23. Examine popular models of wage rigidity.

24. Explain the model of physician behavior and notation of McGuire review of Physician Agency.

25. Organizational output will depend on how workers are sorted, how organizations "repair" mistakes, and whether worker mistakes can be exploited for the good of the firm. Discuss.

(3 × 10 = 30 Marks)

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