Reg. No. : ....

Name : ....

Second Semester M.A. Degree Examination, March 2022

Behavioural Economics and Data Science

BEDS 521 : FOUNDATIONS IN BEHAVIOURAL MICRO ECONOMICS

(2020 Admission)

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** questions. **Each** question carries **1** mark.

1. Behavioural Economics

2. Strategy

3. Trial-and-error method

4. Biases

5. Altruism

6. Information avoidance

7. Hyperbolic discounting

8. Heuristic method

9. Nash equilibrium

10. Reciprocity

(10 × 1 = 10 Marks)

SECTION – B

Answer any **seven** questions in less than 400 words. **Each** question carries **5** marks.

11. What is Prospect theory?

12. Explain the term time preference

13. Discuss the issue of higher discount rate using cases of biased expenditure on alcohol, tobacco.

14. Explain the role of nudging using examples for improving the health system of Kerala.

15. What is intertemporal Choice?

16. How can we resolve the problem of interpersonal comparison in improving social happiness?

17. Bounded rationality.

18. Define 'prisoner's dilemma'. Discuss its applications in Indian Market situations.

19. Happiness economics

20. Explain the concept The belief-bias effect using appropriate examples.

(7 × 5 = 35 Marks)

SECTION – C

Answer any **three** questions in less than 1200 words. **Each** question carries **10** marks.

21. Discuss the characteristic features and nature social choice and traditional demand theories.

22. Examine the role of heuristics and biases in decision making. Discuss how far it distort the precision and accuracy in decisions?

23. What are the features of Discounted Utility Models?

24. Discuss the basic principles of Behavioural economics. Elucidate its history evolution scope and linkages with other disciplines.

25. Compare and contrast behavioural game theory with standard game theory.

(3 × 10 = 30 Marks)

_____