INSTITUTE OF DISTANCE AND OPEN LEARNING
Gauhati University
For migrated KKHSOU Learners
H O M E   A S S I G N M E N T
M. A./M.Sc. in Economics
(2nd Semester)

Guidelines for Submission:
1. Write your name, session, roll number, the topic selected and the title of the answer *clearly on the top.*
2. Each of the two topics given in each paper will be answered as **two essays** of *not more than 800 words each*. There will be negative marking for writing in excess of the word-limit.
3. Each answer (essay) carries a weightage of **20 marks**.
4. Keep a margin of about 1 inch on each side of the page.
5. You can submit the essay written in your own hand-writing on clean, foolscap sheets, or A-4 sized paper.
6. In case you prefer to submit type-written answers, make sure that there are no typing errors which will deduct from the overall impression.
7. Do not submit commercially purchased answers as such a practice is deemed to be unfair.
8. Please submit your assignment by 15th November, 2017

Paper V: Advanced Microeconomics
1. Show how revealed preference hypotheses can be used to establish the law of demand and to prove the existence and convexity of the indifference curve.

   10+10=20

   Or

2. Distinguish between a risk-lover and a risk-averter. Using the expected utility hypothesis, derive the utility function of a risk-lover and a risk-averter.   6+14=20

Paper VI: Macroeconomic Theory -II
1. Explain the Kaldor's model of business cycle. What are the main weaknesses in Kaldor's model?   15+5=20

   Or

2. Explain critically the Tobin's Portfolio Balance Approach.   20

Paper VII: Mathematical Methods for Economic Analysis-II
1. Present the interpretation of Lambda in a utility maximization problem with equality constraint. Also prove the Marshallian condition of consumer's equilibrium.   10+10=20

   Or

2. Explain how a two-person zero-sum game with a pay-off matrix of order $m \times n$ can be expressed as linear programming of activities.   20

Paper VIII: Elementary Econometrics
1. What is standard error? Explain the characteristics of a good estimator.

   4+16=20

   Or

2. Prove that OLS estimators are BLUE.   20

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