

2013

[July]

ECONOMICS**(Historical Perspective of Modern Economics-II)**

Full Marks: 37.5; Time: 1.30 hours

*Figures in the margin indicate full marks for the questions***Answer two and half questions, selecting at least one from each Credit****CREDIT-I**

1. Describe the relationship among (i) imperfect knowledge, (ii) transaction costs and (iii) bounded rationality. 15
2. (a). Discuss the principal-agent problem. 7.5
- (b). Discuss the concept of satisficing behaviour. 7.5

CREDIT-II

3. How do institutions emerge and evolve? In this context, discuss the process of habit formation. 10+5
4. (a). Discuss the salient features of evolutionary economics. 7.5
- (b). Discuss the nature and relevance of the agent-based computational economics. 7.5