AR 24 Reg. No | | | | | | | | | | |

GANDHI INSTITUTE OF ENGINEERING AND TECHNOLOGY UNIVERSITY, ODISHA, GUNUPUR

(GIET UNIVERSITY)

Ph.D. (First Semester-Winter) Examinations, June – 2025

23WPPEEM1011 – Advances in Economic Theory and Policy

(Economics)

Time: 3 hrs Maximum: 70 Marks

The figures in the right hand margin indicate marks.

Answer *ANY FIVE* Questions. (14 x 5 = 70 Marks) **Marks**

1.a. Explain consumer equilibrium using the ordinal utility approach with the help of indifference curves. 8

b. Define and differentiate income and substitution effects in the derivation of a demand curve. 6

2. a. What is elasticity of demand? Explain different types of elasticity with diagrams. 7

b. Analyse the effect on consumer surplus when the price of a commodity (i) increases and (ii) decreases. 7

3.a. Discuss the Cobb-Douglas and CES production functions with their significance. 7

b. Explain the law of variable proportions with a diagram and discuss its stages. 7

4. a. Explain the short-run and long-run equilibrium of a firm under perfect competition with diagrams. 7

b Explain excess capacity under monopolistic competition with diagrammatic analysis. 7

5.a. Describe the kinked demand curve model under oligopoly. 7

b. Describe the U-shaped nature of long-run average cost (LAC) curve with reasons. 7

6.a. Explain the innovation theory of profit with suitable examples. 7

b. Explain Keynes's liquidity preference theory of interest and the concept of a liquidity trap. 7

7.a Calculate mean and mode from the following distribution: 8

Marks	**0–10**	**10–20**	**20–30**	**30–40**	**40–50**	**50–60**
No. of Students	10	18	27	32	24	09

b. Calculate the standard deviation from the above data. 6

8.a. Explain Bowley's and Pearson's coefficients of skewness with examples. 6

b. Calculate correlation coefficient from the following data and interpret the result: 8

X: 20, 35, 15, 40, 10, 35, 30, 25, 45, 30

Y: 25, 30, 20, 35, 20, 25, 25, 35, 35, 30

---End of Paper---