

D 52036

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Name.....

Reg. No.....

**THIRD SEMESTER P.G. DEGREE EXAMINATION
NOVEMBER 2023**

(CCSS)

Economics

ECO 3E 04—LAW AND ECONOMICS

(2022 Admission onwards)

Time : Three Hours

Maximum : 50 Marks

Part A (Multiple Choice Questions)

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

1. When the government wants to build a highway that cuts across the property of many owners, the economic justification for eminent domain is :
 - a) It overcomes high transaction costs caused by potential hold out problems.
 - b) It compensates land owners for the value of their property.
 - c) It reduces the incentive of property owners to make inefficient investments in their property.
2. Prof. Ronald Coase divided costs in ————— categories.
 - a) 2.
 - b) 3.
 - c) 4.
 - d) None of above.
3. The victim's care determines the accident risk. Hence,
 - a) A rule of strict liability is preferred.
 - b) A rule of negligence is preferred.
 - c) A rule of no liability is preferred.
 - d) A rule of contribution is preferred.

Turn over

4. The court makes serious errors in measuring the injurer's care level. Hence :

- a) A rule of strict liability is preferred.
- b) A rule of negligence is preferred.
- c) A rule of no liability is preferred.
- d) A rule of contribution is preferred.

5. Cause Theorem was introduced in the year _____.

- a) 1959.
- b) 1960.
- c) 1961
- d) 1962.

(5 × 1 = 5 marks)

Part B (Very Short Answer Questions)

*Answer in one **or** two sentences each.*

*Answer any **five** questions.*

Each question carries 1 mark.

- 6. Define Cost Benefit analysis.
- 7. Define Opportunity Costs.
- 8. Define Tort.
- 9. Define Justice.
- 10. Explain Transaction Cost.
- 11. Define Product Liability.
- 12. Define Contract.
- 13. Define Property.

(5 × 1 = 5 marks)

Part C (Short Answer Questions)

*Answer any **six** questions.*

Each question carries 4 marks.

- 14. Explain Economic Analysis of Law with example.
- 15. Discuss economic theory of legal process.

16. Discuss concept of property.
17. Discuss eminent domain.
18. Discuss Coase Theorem.
19. Discuss Economics and Tort Liability.
20. Discuss Economics and Intellectual Property Rights.
21. Discuss Neo-Institutional Model.
22. Discuss Costs.

(6 × 4 = 24 marks)

Part D (Essay Type Questions)

*Answer any **two** questions.
Each question carries 8 marks.*

23. Why should Lawyers learn Economics ?
24. Why should Economists Study Law ?
25. Discuss analyzing Private Law.
26. Discuss Economic Analysis of Law.

(2 × 8 = 16 marks)