Group work (20th December)

1. According to Grossman model, health is a consumption good, an input into production and a capital good. Explain.
2. Explain the marginal efficiency of capital in Grossman model.
3. Explain the production possibility frontier in Grossman model.
4. Using Grossman model as a framework, discuss the relationship between health and socioeconomic status.
5. The hospital market is a differentiated product oligopoly. Discuss.
6. Review the basic assumptions of Akerlof model.
7. Explain “risk aversion” also using a utility function and its graph.