Paper Code: 44325B

M.A. ECONOMICS 2011-12

SEMESTER – IV

Paper – V B

ECONOMETRICS FOR ECONOMICS

Unit – I

Simultaneous Equation Models – Simultaneous dependence of Economic Variables, Consequences of Simultaneous relations – Bias and Inconsistency of OLS estimators, Structural, Reduced form and Recursive models.

Unit – II

Problem of identification – The General Economic Model, Conditions for Identification (Rank and Order Conditions), Identification through Restriction, Identification and Multicollinarity.

Unit – III

Estimation of Simultaneous Equation Models – Indirect Least Square Method (ILS), Two Stage Least Square Methods (2 SLS), Derivation of ILS and 2 SLS Estimators, Equivalence between ILS and 2 SLS, The Method of Instrumental Variables (IV), Identification and Choice of Estimation Method.

Unit – IV

Dummy Explanatory Valuables – Testing Structural Stability of Regression Models, Comparing two Regressions and Seasonal Analysis, Regression with Dummy Dependent Variables and Models with Qualitative Dependent Variables – The LPM, Logit, Probit and Tobit Models.

Unit – V

Lagged Variables and Distributed Lag Models – Exogenous Lagged Variables and Koyck Model, Rationalisation of Koyck Model, Almon approach to Distributed lag Models, Endogenous Lagged Variables – The Adaptive Expectations and Partial Adjustment Model, Specification Bias.

Reading List

1. Gujrati, D. (1995) – Basic Econometrics, (3rd Edition), McGraw Hill, New Delhi.

2. Johnston, J. (1985) – Econometric Methods, McGraw Hill, New York.

3. Koutsoyiannis, A. (1977) – Theory of Econometrics, (2nd Edition), The Macmillan Press Ltd., Hampshire.

4. Maddala, G. S. (1993) – Econometrics: An Introduction, McGraw Hill, New York.

5. S. Shyamala, Navdeep Kaur and T. Arul Pragasam – A Text Book on Econometrics – Theory and Applications, Vishal Publishing Co., Jalandhar.

6. G. M. K. Madnani – Introduction to Econometrics: Principles and Applications, Oxford and IBH Publishing Co. Pvt. Ltd., New Delhi.

7. Chow, G. C. (1983) – Econometrics, McGraw Hill, New York.

8. Dhrymes, P. J. (1970) – Econometrics – Statistical Foundations and Applications, Harper and Row Publishers, New York.

9. Intriligator, M. D. (1978) – Econometric Methods, Techniques and Applications, Prentice Hall, Englewood Cliffs, New Jersey.

10. Pindyck, R. S. and D. L. Rubinfield (1976) – Econometric Models and Econmetric Models and Economic Forecasts, McGraw Hill, Kogakusha, Tokyo.

11. Franses, P. H. (1998) – Time Series Models for Business and Economic Forecasting, Cambridge University Press, Cambridge.

12. Kmenta, J. (1997) – Elements of Econometrics, University of Michigan Press, New York.

13ण मदनानी, जी. एम. के. (1996) – अर्थमितिः अवधारणाएं एवं विधियां, ऑक्सफोर्ड एवं आई.बी.एच. कम्पनी प्रा. लि., नई दिल्ली।

14. अग्रवाल, एच. एस. (1998) – अर्थमिति निदर्श, आर.बी.एस.ए. पब्लिशर्स, जयपुर।