2013

M.A/M.Sc.

3rd Semester Examination

ECONOMICS

PAPER—ECO-304E

Full Marks : 40

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

Special Paper : Econometrics

Group—A

1. Answer any *five* of questions :   2×5

   (a) How would you measure output in the empirical estimation of production function ?

   (b) State the Pigon – Dulton criterion in the measurement of income inequality.

(c) How does A. Sen define the concept of equally distributed equivalent income ?

(d) How would you measure Total Factor Productivity Growth from the direct estimation of production function ?

(e) What are the variables that are taken up by H. G. Lewis to study the impact of unionisation on real wages ? Briefly explain.

(f) Distinguish between endogenous variables and predetermined variables.

(g) Define opportunity cost.

(h) What do you mean by the income homogeneity property of an inequality measure ?

(i) Calculate the maximum value of coefficient of variation as a measure of income inequality.

(j) Briefly explain the econometric method of the estimation of cost-function.

Group—B

Answer any *two* questions :   5×2

2. How would you conduct a Family Budget Survey ? Mention the basic variables that are normally considered in this survey and also discuss the measurement problems for the same. How would you solve these problems ?

3. Analyse the recent developments in Macro Econometric Model Construction.

4. Define Entropy and hence derive the Thiel's Entropy measure of income inequality.

5. Present a brief description of the various mathematical forms used in the estimation of investment function.

Group—C

Answer any *two* questions :   10×2

6. Mention the problems that are faced by Econometricians in measuring the inputs in the empirical estimation of production function. How would you solve these problems ? Write a note on the estimation of Cobb – Douglas production function. Mention some of the studies made for Indian industries.

2+2+3+3

(Turn Over)

7. Present a detailed description of the empirical estimation of the cost-function explaining its determinants various methods of estimation, functional forms used, other problems and the solutions of the same.

8. (a) How would you solve the identification problem in the empirical estimation of demand function (Give both the graphical and mathematical interpretations).

5

(b) Write a short note on the Klien – Goldberger Model.

5

9. (a) How would you estimate the money demand function in a simultaneous equation framework of money demand and money supply ?

5

(b) How does serial – correlation bias occur in the estimation of short-run consumption function ? Describe the solution to overcome this problem of bias.

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