

2016

VIDYASAGAR UNIVERSITY

PH. D. COURSE WORK EXAMINATION

ECONOMICS

PAPER—ECO-112

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.

Group—A

1. Answer any two questions from the following : 2×5

- (a) What do you mean by cointegration between two time series available for a long period? What is the basic implication of the existence of cointegration? 3+2

(Turn Over)

- (b) Define error correction model (ECM) in the context of time series analysis. Briefly discuss its main properties. 2+3
- (c) Discuss the different methods of measuring growth rate. 5
- (d) Specify an ARCH(1) and GARCH(1,1) model. Explain the difference between the two. 2+3
2. Answer *any one* question from the following : 1×10
- (a) Briefly discuss the methodologies that are normally adopted in explaining different types of fluctuations observed in macro time series. 10
- (b) How do you estimate the slope vector, β for a K-variable CLRM using maximum likelihood estimation method? What happens to this estimator in the presence of linear restriction? 10

Group—B

3. Answer *any two* questions from the following : 2×5
- (a) Explain the problems of LPM ? 5
 - (b) What is Probit model ? What is the relation between Logit and Probit estimates ? 5
 - (c) Explain the test-criteria to select the appropriate panel data regression model. 5
 - (d) Briefly explain the advantages of panel data. 5
4. Answer *any one* question from the following : 1×10
- (a) What is Logit model ? What are the properties of it ? How is the goodness of fit measured in this model ? 10
 - (b) Estimate the parameters in Random Effect Model (REM). 10
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