

2014

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 two questions : 2×2

- (a) What are the basic objectives of applied econometrics ?
- (b) How would you measure labour input in the empirical estimation of production function ?

(Turn Over)

- (c) Bring out the conceptual difference between Technological Progress and TFP.
- (d) When does Trans-log production function reduce to Cobb-Douglas production function ?

2. Answer any *one* question : 6×1

- (a) Write a short note on the estimation of the investment function.
- (b) Explain the problems that arises in the estimation of Cobb-Douglas production function. How would you solve them ?

3. Answer any *one* question : 10×1

- (a) Discuss the major problems that arise in the estimation of short-run consumption function. How would you overcome them ? Mention in this respect, the salient point that should be kept in mind, on the measurement of variables.
- (b) State the basic variables that are normally included in Family Budget Studies. Discuss the mathematical forms of these studies ? How would you verify the *Engel's* law from such studies ?

Group—B

4. Answer any *two* questions : 2×2
- (a) Explain the weak — income transfer axiom.
 - (b) Estimate the maximum and minimum values of Gini—coefficient.
 - (c) What is meant by macro-econometric model?
 - (d) Verify whether Relative mean deviation satisfies the IHP.
5. Answer any *one* question : 6×1
- (a) How would you estimate the money demand function when money supply is treated as exogeneously given.
 - (b) Present a detailed description of the recent developments in Macro Econometric model construction.
6. Answer any *one* of the following question : 10×1
- (a) Make a detailed analysis of the various problems that are faced by econometricians in the empirical estimation of cost function. How would you solve them ?

10

(b) Write short notes on Klien-Gold-berger and MPS
Macro-econometric models.

5+5
