DEPARTMENT OF ECONOMICS
DELHI SCHOOL OF ECONOMICS
UNIVERSITY OF DELHI

Minutes of Meeting

Subject: B.A. (Hons.) Economics Fourth Semester (2014-15)
Restructured FYUP syllabus to Three Year Undergraduate Programme

Course: 08 - Introductory Econometrics

Date of Meeting: 09 December 2014

Venue: Department of Economics, Delhi School of Economics
University of Delhi, Delhi – 110 007

Chair: Prof. Pami Dua

Attended by:

1. Napur Kataria Kamala Nehru College
2. Rakesh Kumar Maharaja Agrasen College
3. Vandana Tulsyan Dyal Singh College
4. Madhvi Moni Kr. Hansraj College
5. Udayan Rathore Lady Shri Ram College for women (LSR)
6. Sunil Kumar Satyawati College (day)
7. Saachi Bhutani Rajdhani College
8. Poonam Kalra St.Stephen’s College
9. Ajad Singh Motilal Nehru College
10. Dr.Priya Bhalla Motilal Nehru College(E)
11. Sonia Goel Ramjas College
12. Shikha Singh Daulat Ram College
13. Awadhesh Kumar Deshbandhu College
14. Harish Dhawan Aryabhatta College
15. Ankit Singh Dyal Singh (E)College
16. Divya Gupta Sri Guru Gobind Singh College of Commerce
17. Jibin Jose Miranda House
18. Kittu Kapoor Mata Sundari College for women
19. Archana Jain DCAC
20. Benston John St.Stephens College
21. Shailesh Kumar Bharati College
22. Neha Goel Shyam Lal College
23. Swarup Santra Satyawati College(Day)
24. Pawan Kumar Ramjas College
A meeting of teachers of this course was held with a view to achieve the following aims:

- To finalise the topic-wise reading list
- To discuss the pattern of internal assessment and semester-end exam.

The reading list finalized in 2013 was re-examined. The end semester exam pattern was decided to be as per the one finalized in 2013. The internal assessment would be conducted according to the norms applicable to the FYUP batch. The details are as provided below.

**Internal Assessment and Final Exam**

Marks allocation in the final exam question paper would be as follows:

Maximum Marks: 75

It was felt that no specific section-wise weightage should be given and it should be left open to the paper setter as a particular question may cut across two or more topics.

It was almost unanimously felt that in the final exam 7 questions should be asked out of which, a student should be asked to attempt 5 questions of 15 marks each.

Since the coverage of the topic ‘Review of Statistics' has been extensively done in the Statistics-I and Statistics-II courses in the second and third semesters respectively, it was decided to de-emphasize this particular topic in this course in terms of the number of lectures spent in teaching as well as in terms of evaluating a student in the final exam. This should also be brought to the notice of the paper setter.

The internal assessment would be a total of 25 marks which would comprise of 10 marks Class test and 15 marks project and presentation. Since the project work for this course necessarily involves the use of computers and software, colleges are requested to make the necessary arrangements so that computer access is available for each project group. A spreadsheet software (eg. Open Office) and a statistical software (eg. Grettel) would be sufficient and the these can be obtained free online.
# TOPIC-WISE READING LIST

<table>
<thead>
<tr>
<th>Topic No.</th>
<th>Topic Description</th>
<th>Readings from Core Texts</th>
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<tbody>
<tr>
<td>1.</td>
<td>Nature and scope of Econometrics</td>
<td>Gujarati: Ch 1</td>
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| 2.        | Review of Statistics  
Descriptive statistics: (a) the univariate case, (b) the bivariate case  
Random Variables and Probability distributions  
Estimation of parameters, Testing of hypotheses | Kmenta: Ch 5 (pp. 136-150)  
Dougherty: Review Chapter, sections R.1-R.13, Appendix R.1 |
| 3.        | Classical Linear Regression Model: Two Variable Case  
Descriptive Aspects  
Properties of Least Squares estimates; tests of hypotheses and confidence intervals; Gauss - Markov Theorem  
Forecasting | Gujarati: Ch 2, Ch 3  
Dougherty: Ch2 (excluding 2.4) |
| 4.        | Classical Multiple Linear Regression Model.  
Descriptive Aspects: Least Squares Estimation, $R^2$ and Adjusted $R^2$, Partial Correlations  
The Classical Model: Gauss - Markov Theorem; Standard Error of Estimate Standard errors of regression coefficients  
Tests of Hypotheses: Single Parameters; Sets of Parameters  
iv) Forecasting; v) Functional Forms of Regression Models; vi) Dummy Variables | Gujarati: Ch 4  
Ch 5, Ch 6 (excluding 6.7)  
Dougherty: Ch3 (excluding 3.4), Ch 5 |
| 5.        | Violations of Classical Assumptions and Remedies  
Multicollinearity  
Heteroscedasticity  
Auto-correlation | Gujarati: Ch 8  
Ch 9 (Excluding 9.5) Ch 10 (Excluding 10.6, Appendix 10A)  
Dougherty: Ch 3 (only sec 3.4)  
Ch 7: Goldfeld-Quandt test (p. 285-286), Ch12 (only pp 434-440). |
| 6.        | Specification Analysis  
Omission of a relevant variable  
Inclusion of irrelevant variable  
Tests of Specification Errors | Gujarati: Ch 7: Sections 7.1-7.4, 7.7 till p. 234  
Dougherty: Ch 6 (only till pp 263) |

**Note:** All appendices to the specified chapters are included, unless otherwise specified.
**Reading List**


**Background Reading List for students and Teachers :**

All the readings for the two courses on Statistical Methods for Economics in the second and third semesters of BA (Hons.) Economics

Appendices of Gujarati, *Essentials of Econometrics*.

Note that these readings are meant for teachers and students to review the basic concepts only. Although these are optional, teachers and students are encouraged to read these.

**Background Reading List for teachers only**


Note that the readings recommended for teachers should be used for better understanding of the intuition behind concepts but no specific question should be based upon them in the examination.