

**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 these can be obtained free online.

TOPIC-WISE READING LIST

Topic No.	Topic Description	Readings from Core Texts
1.	Nature and scope of Econometrics	Gujarati: Ch 1
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

D. N. Gujarati and **D.C. Porter**, *Essentials of Econometrics*, 4th Edition, McGraw Hill International Edition.

Jan Kmenta , *Elements of Econometrics*, Indian Reprint, Khosla Publishing House, 2008, few pages for 'Review of Statistics'.

Christopher Dougherty, *Introduction to Econometrics*, 4th edition, OUP, Indian edition.

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

Christopher Dougherty, *Introduction to Econometrics*, 4th edition, OUP, Indian edition. This book provides very good intuitive explanation for all the topics covered in the syllabus.

Damodar Gujarati, *Econometrics by Example*, Palgrave Macmillan, 2011.

Maddala, G.S and Kajal Lahiri, *Introduction to Econometrics*, 4th edition, Wiley publication, 2009. This book is particularly useful for the discussion on the LM and Durbin's h tests for testing for autocorrelation.

Jan Kmenta , *Elements of Econometrics*, Indian Reprint, Khosla Publishing House, 2008.

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.