Code: ECON-403

Title: Applied Economics

Credit Hours: 03

Prerequisite: Advanced Microeconomics, Advanced Macroeconomics, Mathematical Economics-I and Econometrics-II

Objectives:

This course is designed for senior students having gone through theory of Macroeconomics, Microeconomics, Statistics, Mathematics and Econometrics. The important areas will be emphasized in this course are reading articles, data analysis/ estimation and writing ability. The students will also be taught how to build economic model and estimate them. The software programs such as EVIEWS, SPSS and STATA are recommended for this course. This course is enormously demanding and students will have to make efforts and hard work. Consistency and seriousness will be of paramount important for performing well in this course.

Course Contents

Introduction

Introduction to Applied Areas, Selection of topic, Defining the problem statement, writing literature, Building Economic model. Selection of variables for economic model.

Estimation of Production Function

Use of Computer, SPSS, E-Views to Estimate Production Functions. Cob-Douglas Production Function, Constant Elasticity Production Function etc.

Computer Applications: Demand, Supply and Equilibrium

Estimation of Demand and Supply using E-Views/SPSS. Aggregate Demand, Aggregate Supply and Equilibrium.

Model Building and Estimation

Building Simple Econometric Models and Estimation. Single Equation Models, Multiple / Simultaneous Equation Model. Interpretation of Computer

Project Appraisal and Computer Application

Use of Computer Programming (Softwares), E-Views etc. for Cost-Benefit Analysis, Estimation of Present Values, Estimation of Economic and Social Benefits. Project Appraisal Using E-Views etc. Estimation of Cost Functions and Decision Making.

Econometric Analysis and Computer Applications

Regression Functions. Estimation with Qualitative Variables Confidence Interval and Hypothesis Testing. Estimation and Improving Model Estimates: Autocorrelation, Estimation of simultaneous Equations. Estimation of VAR and ARIMA Models.

Results and Discussions

Types of results, interpretation and discussion of results, how to conclude results, policy suggestions, referencing.

Recommended Books:

- E-Views Manual (Learning help available with package (Software)). Gimi, Carter and Annette, Marquis, with Karl Browning, Mastering Microsoft
- Office XP Premium, Selection B.P.B., Publishers, New Delhi, 2001.
- D. F. Robertson, Computer Applications and Programming, USA: Har Brace Jovanovich Inc., Latest edition.
- SPSS-Manual.
- Micro-fit