

Assignment II
(ECON F342: Applied Econometrics)

Total Marks: 50

Weightage in Total: 10%

Date of Submission: April 1, 2024

General Instructions:

- This is a **group assignment**.
 - Each group has to select one panel or pooled cross-sectional dataset. Please make sure that it has a sufficient number of variables and observations.
 - **For data & research question**
 - You can work on pooled cross-section by pooling cross-sectional data from sources like NFHS, NSS etc and one research problem related to data. This can be policy evaluation or any other question that you find interesting.
 - OR**
 - You can work on panel data and one research problem related to data. For example, you can try to estimate the “Gravity Model” that you have learned during your “International economics” course. Try to select any particular sector/ industry and try to study the bilateral trade of India with a particular country or a group of countries or a trade bloc. You can explore other research questions as well.
 - After selecting the data & the research problem, the group leader will update the given Google spreadsheet **by entering their selection and also mail me the same**. Each group must work on unique research problem. The link for spreadsheet is:
https://docs.google.com/spreadsheets/d/10_uBHw0xBYIZN-c1EbXE0Sqwx2GxwYMU9iljFzfvXM/edit?usp=sharing
 - The group leader is supposed to give the details of their selected data and research problem by **March 24, 2024**.
 - Use **STATA** for this assignment
 - As part of your final submission, upload a single PDF document on CMS, answering the relevant questions. The PDF should be titled "AII-Group Leader", where the group leader is the name of the group leader.
 - Also, please send the data file, do-file & log-file of your analysis.
 - Please note that your individual evaluation will also depend on your performance in the viva/presentation. The dates will be conveyed later.
 - In case of any problem with the data or with the research question, please reach out to me.
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1. As part of this assignment, you must select one pooled cross-sectional/ Panel dataset and one research problem. The research problem can be anything you find interesting based on your reading of literature, newspapers, or coursework. The final report should have the following sections:
 - a. Introduction: Give a brief background of your study and the research question. [5M]
 - b. Literature Review: Discuss some literature related to your research problem. [5M]
 - i. Review at least 5 research articles related to your research problem.
 - ii. You can use Google scholar to select the relevant literature.
 - c. Data & Methodology: In this section, discuss your data, variables used, and the econometric model you will use. [10M]
 - i. Start with describing your dataset and the methodology.
 - ii. Discuss the model that you are using. Also give justification for the selection of the dependent & independent variables.
 - d. Results & Discussion: In this section, discuss your results. [25M]
 - i. Start with summary statistics of the selected variables in your model.
 - ii. Estimate and interpret the model. Discuss the findings from your estimated model.
 - iii. Finally, check for all the required assumptions and take remedial measures if any of the required assumptions are not satisfied.
 - e. Conclusion: Conclude your research by highlighting the main points from your analysis. [3M]
 - f. References: List all the references used in the report. [2M]