Asymptotic properties of k-class estimators under structural change

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Abstract

In the study of economic variables, it is observed that the economic relationships are of stochastic type. Thus it is necessary to estimate the model under structural change. The single equation estimators which are derived for the model with structural change are asymptotically efficient. We have first considered the single structural equation model in matrix form and estimated the model for k-class estimator and investigated its properties under structural change when two endogenous variables are present in the equation of choice.

Keywords

Structural change, k-class estimator, Endogenous variables, Ordinary least squares estimator.