

Syllabus

Course Number: 440.606.52
Class hours: Thursday 6:00pm-8:45pm
Instructor: John Schindler
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Purpose: The purpose of this course is to teach the basic skills needed to estimate simple economic models. We will spend a considerable amount of time addressing how to deal with the most common complications that arise in empirical work. Topics covered include multiple regression analysis, nonlinear models, model selection, problems with model validity, panel data, dummy variables, limited dependent variable models, instrumental variables, basic time series models including autoregressions, vector autoregressions, problems with unit roots, other basic time series problems, and asymptotic theory.

Grading: Your grade will be determined by your performance on 4 homework assignments, 4 quizzes, one mid-term examination, and a final exam. The homeworks and quizzes combined will count for 40% of your grade, the midterm will count for 30%, and the final exam (which is cumulative) will count for 30%. (More details on homeworks, quizzes, and exams below.)

Textbook: Introduction to Econometrics, James Stock and Mark Watson.

Computing Requirements:

The homework assignments will require you to do computer work. It should be possible to do these homework assignments with a number of software packages, and any software output will be accepted. I highly recommend EVIEWS, because it is the one that I will use in class, and it is my understanding that it supposed to be available in the computer lab this semester. A student version of EVIEWS is available for \$50 (includes S&H) at: <http://www.eviews.com/general/prices.html>. I will explain how to use EVIEWS in class. (Note that I am proficient in Eviews and can help with problems you encounter in using Eviews. I may not be able to help with other programs that you use.)

Course/Reading/Assignment Schedule

Some dates may change, but we will keep close to this outline. Also, while econometric theory is only scheduled to be discussed at the end of the semester, I will sprinkle it in throughout the semester as I feel appropriate. The class on April 12 will review the theory I have covered and will fill in any remaining holes. There are occasional outside readings that I will distribute as needed.

<u>Class</u>	<u>Material Covered</u>
Jan 25	Chs. 2-3 Review of Probability and Statistics
Feb 1	Chs. 4 Review of the Basic Regression Model Homework #1 assigned
Feb 8	Ch. 5 Multiple Regression Model Homework #1 due, Homework #2 assigned
Feb 15	Chs. 6-7 Nonlinear Regression and Study Assessment Quiz #1
Feb 22	Ch. 8 Panel Data Homework #2 due
Mar 1	Ch. 9 Binary Variables Quiz #2
Mar 8	Ch. 10 Instrumental Variables Regression
Mar 15	Midterm Examination
Mar 22	Chs. 12-14 Time Series Homework #3 assigned
Mar 29	Chs. 12-14 Time Series Homework #3 due, Homework #4 assigned
Apr 5	Chs. 12-14 Time Series Quiz #3
Apr 12	Chs. 15-16 Econometric Theory Homework #4 due
Apr 19	Remaining Topics, Applications, Review, and Evaluations Quiz #4
Apr 26	Final Examination

Please note that I will be traveling to South America during the semester, and I will likely have to miss one class, possibly two. If that happens we will either schedule a makeup class or make the midterm a take-home exam. We will discuss these options in class when my schedule firms up.

Homeworks: Homeworks will require you to apply what you have learned in class through computer exercises and questions about the concepts you have learned. You will be graded on the completion of the exercises and the accuracy of your responses. You will be provided with answer keys for each homework assignment. Late submissions will not be accepted for any reason. There are a total of four homeworks.

Quizzes: Quizzes will be short, timed exams given at the beginning of class. Material covered on quizzes will be taken from things covered in class and from reading assignments. You will be provided with answer keys for each quiz. Missed quizzes cannot be made up. There are a total of four quizzes.

IMPORTANT: Taken together, homeworks and quizzes will count for 40% of your final grade. No late homework assignments will be accepted and no makeup quizzes will be given, but I will drop the two lowest of the eight homework and quiz grades from the computation of your homework and quiz average. This approach allows me to accommodate students' unpredictably busy schedules.

Exams: Both the midterm and the final exam will be in class, closed book exams. The midterm is worth 30% of your final grade and the final is worth 30%. You will have two hours for each exam. The final exam is cumulative, although more emphasis will be placed on material that was not covered on the midterm. (As mentioned above, the midterm may become a take-home exam if we are unable to schedule a makeup class on a date that most of the class can agree upon.)

University Ethics Statement:

The strength of the university depends on academic and personal integrity. In this course, you must be honest and truthful. Ethical violations include cheating on exams, plagiarism, reuse of assignments, improper use of the Internet and electronic devices, unauthorized collaboration, alteration of graded assignments, forgery and falsification, lying, facilitating academic dishonesty, and unfair competition. Report any violations you witness to the instructor.