

# Econometrics

*Economics 304*

*Fall 2011*

Professor Thomas Drennen

Office: Stern 314

**Office Hours:**

Wednesday 12:00 – 2:00

Thursday 1:30 – 3:00

(Or by Appointment)

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**Course Summary:** Econometrics is an applied statistics course. You will learn the basics of regression analysis (developing equations to explain data sets); how to interpret econometric studies; and how to use SAS to analyze your own data sets.

**Textbooks:**

A. H. Studenmund, *Using Econometrics: A Practical Guide*, Sixth Edition, 2006.

The bookstore has used and new copies of the text. You can also rent a digital version of the book at:

[http://www.coursesmart.com/9780131367760?\\_professorview=false&\\_instructor=968195](http://www.coursesmart.com/9780131367760?_professorview=false&_instructor=968195)

**Tests:** There will be two tests in this course, **Thursday, October 6 and Thursday, November 10**. No make tests will be given. Material for this test will come from class lectures, assigned readings (whether or not covered in class), labs, and assignments.

**Homework:** Homework will be assigned on a regular basis. Homework assignments will be announced in class and/or posted on Blackboard. Students will be selected at random to go over some of the problems each Thursday in class. Homework will be graded on a  $\sqrt{}$ ,  $\sqrt{-}$ ,  $\sqrt{+}$  system. **Late HW will not be accepted.** The main purpose of the homework is to prepare you for the tests.

**Labs Assignments:** In addition to the regular homework, there will be several lab assignments. The purpose of the lab assignments is to give you practice using Excel and SAS, as well as interpreting results. Your lab assignments should look professional. For maximum credit, your write-up must show an understanding of the overall assignment. **Late labs will be penalized 10% per week.**

**Final Project:** The final project is an integral part of the course. The purpose of the project is to collect and analyze data for a topic of your choice. Each student must select an interesting topic, complete a literature review, collect data, submit two progress reports, and write a final paper. The final project is due by the end of the scheduled final exam time (Wednesday, December 14th, 4:30 pm).

The first progress report is due in class, **Tuesday, October 18**. Prior to writing this report, you are to pick the topic for your final project and conduct a literature review using skills acquired during the library orientation. The report should be 3-5 pages in length and include the following: 1) your interest in the topic; 2) a brief review of three journal articles related to your topic, one of which **MUST** include regression analysis (must include at least one equation from the literature with your interpretation of the significance); and 3) a discussion of how each of these articles relates to your topic and overall project. **Late reports will be penalized 10% for each week overdue.**

The second progress report is due in class, **Tuesday, Nov 22 (before you leave for Thanksgiving)**. By this date, you need to have collected a data set for your final project and run some exploratory regressions and other descriptive statistics using SAS. Your report should include: 1) a discussion about your theory and the expected relationships; 2) an overview of your data set, including the sources, and a summary of your key variables using the techniques learned in Econ 202 (please use graphs and tables to describe your variables!); 3) a discussion of the correlation between your key variables; and 4) the results of your best regression equation, including at least one estimated equation with interpretation, appropriate hypothesis tests, and R-squared values. **Late reports will be penalized 10% for each week overdue.**

**Teaching Fellows:** Students are urged to take advantage of the **teaching fellow** program. The teaching fellows will be in Stern 301 nightly, Sunday – Thursday, from 7 to 10 pm. They are there to help students with key principles from class. Not all of them will have taken this course (or taken it from me), so is unreasonable to expect they will be able to help you with everything, but they are a great resource. You may also use these hours to access the laptops.

**Grading:**

First test	20%
Second test	20%
Homework/Class Participation/Discussion	10%
Labs	10%
Progress Reports	15%
Final Project	25%