

Economics 120C – Econometrics
Fall 2014
MWF 9:00 – 9:50 am, Center Hall 105

Instructor

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Office Hours: Mondays 12:30 pm – 2:00 pm; Fridays 12:30 pm – 1:30 pm
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Teaching Assistants

Kilian Heilmann kheilmann@ucsd.edu
Office Hours: Thursdays 1:30 – 3:00 pm (Economics 116)

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Office Hours: Thursdays 10:30 am – 12:00 pm (Economics 120)

Juwon Seo jus006@ucsd.edu
Office Hours: Wednesdays 4:30 – 6:00 pm (Economics 127)

Discussion Sections

Mondays 6:00 – 6:50 pm, Cognitive Science Building 001
Mondays 7:00 – 7:50 pm, Cognitive Science Building 001

Econ 120C - Econometrics C

Course Description

The objective of Econ 120C is to provide students with knowledge of econometrics in theory and applications. By the end of the course, students should be skilled users of basic econometric methods. Students should be able to interpret empirical studies in ways that are interesting, enlightening, and useful. They should also be aware of potential problems with regression analysis and know how to make corrections if these problems are present.

Course Materials

Required Textbook: “Introduction to Econometrics” by James H. Stock and Mark W. Watson, 2nd edition (UCSD Custom), Pearson/Addison-Wesley. Chapters to be covered: 10, 11, 12, 13, and part of 14 and 15.

Required Software: The software for this course is STATA (www.stata.com). Students are NOT required to buy the software. Students can use STATA in the computer lab in Economics Building #100, and in other computer labs on campus, such as ERC 117. Do not use other software packages to complete course homework assignments. Students can also access STATA via the Virtual Lab. See <http://acms.ucsd.edu/students/VirtualLabsMain.html> for more information. Individual copies of Intercooled STATA (i.e., STATA /IC) can be leased for six months for \$69 from <http://www.stata.com/order/new/edu/gradplans/student-pricing/>. Small STATA is not adequate due to its inability to handle large datasets.

Optional Text on Using STATA: “Statistics with STATA (updated for Version 10)” by Lawrence Hamilton (2009), Cengage. There are several free websites for help on using STATA and those will be provided on our TED page.

Course Web Page

A course webpage is available at <http://ted.ucsd.edu>.

It will include information relevant to the course, such as announcements, homework assignments, practice problem sets, solutions, syllabus, schedule and more. You should check this page regularly.

Lectures and Discussion Sections

It is important to come to every lecture. If you should miss a class, it is your responsibility to get the notes and any information provided in class. There are two weekly discussion sections for this course. You may attend either section as suits your schedule. The discussion sections are not mandatory. However, you are **strongly**

recommended to attend them since the TAs will go over practice problems, the kind of problems you may encounter on exams. You will also be able to ask the TA any question about the material covered in the lectures during these discussion sections. The first discussion section will take place Oct 13th only.

Homework

There will be three homework assignments in this course. You will be required to use STATA to complete them. They will be graded on effort, not on the correctness of answers. If you honestly attempt all the questions in the homework, you will get 100%. Complete all your homework assignments ON YOUR OWN. Remember, homework is assigned to assist you in learning the software and at the same time it is a good check of your understanding of the statistical and econometrical concepts taught in class.

Grading

15% Homework Assignments
35% Midterm Exam
50% Final Exam

The midterm examination is scheduled to **Thursday, November 13th, from 6:30 to 7:50 pm**. It is scheduled to take place in Solis Hall 107, but check closer to the midterm as we may have an overflow room. The final exam will take place on **Wednesday, December 17th** from 8:00 am to 11:00 am and will be cumulative. The dates for the exams are not negotiable. There are no make up exams. If you miss a midterm for a justifiable and verifiable medical/legal reason, your midterm grade will be your grade on the final. Otherwise you will receive a zero, no exceptions!! The overall course grade, computed using the weights specified above, will be curved. In general, the class average corresponds to the lowest B-.

Academic Integrity

Academic dishonesty will be treated in this course as a serious violation of university rules. As stated in the UCSD Policy on Integrity of Scholarship: *“Integrity of scholarship is essential for an academic community. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.”* You can find information on the university’s policy on academic integrity at this website: <http://www.ucsd.edu/current-students/academics/academic-integrity/index.html>.

Honors sections (120AH, 120BH, 120CH):

Students who are earning mostly As in the econometric sequence are encouraged to take the honors sections. This year we will be offering 120AH in the fall, 120BH in the winter and 120CH in the spring. These small, one-unit classes give you an opportunity to learn the 120 material in more depth with a faculty member. Honors sections typically include lectures on additional 120 material and/or involve reading and discussing academic research papers and/or doing an empirical project and writing a short paper. You will get the opportunity to work on skills that are difficult to offer in large classes such as writing and presenting your work. Since honors sections are capped at 20 students, the instructor will get to know you and be able to write an informed letter of recommendation.

Tentative Schedule (exams dates will not change)

Days	Topic	Textbook Chapter
Oct 6 th - Oct 17 th	Discrete Choice Models	11
Oct 20 th – Oct 31 st	Instrumental Variables Regression	12
Nov 3 rd – Nov 12 th	Regression with Panel Data	10
Thursday Nov 13th 6:30 - 7:50pm	Midterm Examination	11, 12 and part of 10
Nov 14 th – Nov 26 th	Experiments and Quasi-Experiments	13
Dec 1 st – Dec 12 th	Time Series Regression	14-15
Wednesday Dec 17th 8:00 am – 11:00 am	Final Examination	All material covered during quarter