

Economics 50343

Econometrics

Dr. John T. Harvey (Fall 2009)

PURPOSE: The course is designed to familiarize the student with statistical techniques used by economists to estimate “real world” phenomena and test hypotheses. By the end of the semester the student will be able to both conduct and interpret basic regression analyses, including conducting t tests, estimating equations, and detecting and solving for multicollinearity, heteroskedasticity, and serial correlation.

REQUIREMENTS: Each student will have three in-class opportunities to demonstrate their understanding of the course material, plus homework. The relative weights are as follows:

Homeworks	60% (4 @ 15% each)
First exam	20%
Final exam	+ <u>20%</u>
	100 %

Grades will be assigned as follows:

100 to 89.5 points	A (Exceptional)
89.4 to 79.5 points	B (Superior)
79.4 to 69.5 points	C (Medium)
69.4 to 59.5 points	D (Inferior)
59.4 or less	F (Failure)

FINAL EXAM: The final is scheduled for Tuesday, December 15, at 8:00am.

CLASSROOM ETIQUETTE: Among my responsibilities is ensuring that students find the classroom environment one in which it is easy to concentrate on the material I am presenting. Fortunately, in my experience, the VAST majority of students already know exactly how to conduct themselves in a college classroom. However, if you find that someone’s behavior is distracting you, please feel free to inform me and I’ll take care of the situation. In the meantime, I’ll do my best to keep disturbances (talking, in particular) to a minimum. Everybody pays the same tuition and you have every right to be able to focus on the lecture.

ABSENCE POLICY: The TCU Faculty/Staff Handbook requires that faculty be aware of the attendance of students and, if necessary, report frequent absences. In this class “frequent” will be defined as three or more.

REMINDER: Economics majors must earn a C or better in order to count economics courses toward their economics degree (though as a “D” it can be an elective).

ACADEMIC HONESTY: I do my utmost to see to it that those who are studying hard in my course get full credit for their work and that they are not cheated by classmates. I do this primarily by removing temptation and closely monitoring all exams. However, in the event that my vigilance is not sufficient and a case of academic dishonesty does come to my attention, I give my word to the honest members of the class that the offending party will be prosecuted to the full extent allowed by University policy.

Students are not the only ones who should be held to a moral standard in the process of determining course grades. It is equally vital to the integrity of the course that the instructor maintain the highest level of honesty. I promise everyone that, first, no student will have a grade changed simply because they made inquiries regarding my evaluation. Nor will someone in our class receive a higher grade on the basis of "need" (to keep a scholarship, to stay in school, to receive Economics credit, to not be killed by parents, etc.). If those are to be criteria for the determination of grades, then they should appear in the syllabus as assignments. Furthermore, the exams will be graded blindly (i.e., no names) and, at the end of the semester, the one and only place I will look to calculate students' grades will be their cumulative performance on the tests. The standard I will apply in determining letter grades absolutely will be the one listed above, and I promise that it will be the same for everyone. Finally, I feel very strongly that it is each student's right to understand how their grade was determined, and I am always happy to fully explain any questions you may have.

TEXT: A. H. Studenmund, **Using Econometrics: A Practical Guide**, 5th Edition.

BLUE BOOKS FOR EXAMS: I would appreciate it if you would purchase Blue Books for each of the exams. In fact, anyone giving me **both** by October 15 will have 0.5 pts added to their final grade.

INSTRUCTOR INFORMATION:

Office: Somewhere in the Economics Building
Phone: 257-7230 or 257-6235 (office—the latter is the direct line); 924-9016 (home: please do not call here past 8:00pm or during **The Simpsons**). Ooooh, I have a cell phone now! The number there is 817-223-4497.
E-mail: j.harvey@tcu.edu or j.harvey@charter.net. I have a spam filter, so if it's the first time you have e-mailed me then you may be directed to a web page to clear your message (or I can do it myself when I check my mail).

B.A. Economics and Political Science, U. of Tennessee 1983.

M.A. Economics, U. of Tennessee 1986.

Ph.D. Economics (international, macroeconomics, history of economics), U. of Tennessee 1987.

CALCULATORS AND TRANSLATORS: You will never need a calculator for my exams. Those students for whom English is not their native language may bring a dictionary, but not an electronic one. Please let me see the dictionary before class.

PICTURE DAY: By golly gosh, you are paying a lot of money to come to TCU (well, someone is)—you deserve to have your professors know your name! So, on the second or third day of class I'll be taking all your pictures (to which you'll add your names later) so that I can study, study, study. By exam one I should know everyone's name AND which face it goes with!

PROCEDURES FOR STUDENTS WITH DISABILITIES:

Texas Christian University complies with the Americans With Disabilities Act and with Section 504 of the Rehabilitation Act of 1973 regarding students with disabilities. No otherwise qualified individual shall be denied access to or participation in the services, programs and activities of TCU solely on the basis of a disability. The University shall provide reasonable accommodations for each eligible student who (a) has a physical or mental impairment that substantially limits a major life activity, (b) has a record or history of such an impairment, or (c) is regarded as having such an impairment.

Each eligible student is responsible for presenting relevant, verifiable, professional documentation and/or assessment reports to the Coordinator for Students with Disabilities. Information concerning a student's disability is treated in a confidential manner in accordance with University policies as well as applicable federal and state laws. Documentation presented to the Coordinator shall be reviewed by appropriate University professional(s) to verify the existence of a disability. Further documentation may be required from the student to substantiate the claim of a disability or to assist the University in determining appropriate accommodations.

Eligible students seeking accommodations should contact the Coordinator as soon as possible in the academic term for which they are seeking accommodations. The Coordinator shall prepare letters to appropriate faculty members concerning specific, reasonable academic adjustments for the students. The student is responsible for delivering accommodations letters, conferring with faculty members, and returning validation of the receipt of information to the Coordinator. The Coordinator shall consult with the student and with University faculty and staff to ensure delivery of appropriate support services and shall serve as liaison between the student and the faculty member as needed.

Students who wish to appeal a decision regarding appropriate accommodations shall do so in writing to the Affirmative Action Officer, who shall decide the appeal. The Affirmative Action Officer's decision may be appealed within 7 calendar days in writing to the Provost, whose decision may be appealed in writing within 7 calendar days directed to the Chancellor. At any step during such an appeal, the person deciding the appeal may confidentially consult with appropriate professionals/advisors within or outside the University.

The Coordinator for Students with Disabilities may be contacted at the Center for Academic Services, Texas Christian University, TCU Box 297710, Fort Worth, Texas 76129, (817) 257-7486.

WEEK	TOPIC
#1 End Aug 27	Overview of Regression Analysis Ordinary Least Squares
#2 End Sep 3	Ordinary Least Squares (cont.) Eviews
#3 End Sep 10	Learning to Use Regression Analysis The Classical Model
#4 End Sep 17	Hypothesis Testing Homework 1 Due
#5 End Sep 24	Specification: Choosing Independent Variables
#6 End Oct 1	Specification: Choosing Functional Form Homework 2 Due
#7 End Oct 8	Multicollinearity
#8 End Oct 20	Serial Correlation EXAM ONE!!!
#9 End Oct 27	Serial Correlation
#10 Nov 3	Heteroskedasticity Homework 3 Due
#11	Regression User's Handbook

End Nov 10

Time Series

#12

End Nov 17

Dummy Dependent Variables

#13

Homework 4 Due

End Nov 24

Forecasting

#14

End Dec 3

Open

#14.5

End Dec 8

FINAL EXAM!!!

Final

Dec 15