

**Economics 120C – Econometrics  
Fall 2012**

Tu Th 2:00 – 3:20 pm, Warren Lecture Hall 2001

**Instructor**

Maria Teresa Cândido  
Office: 110A Economics  
Office Phone #: 534-2518  
Office Hours: Tu Th 9:15 am – 10:30 am  
Email: [mcandido@ucsd.edu](mailto:mcandido@ucsd.edu)

**Teaching Assistants**

Ayal Chen-Zion [achenzio@ucsd.edu](mailto:achenzio@ucsd.edu)  
Office Hours: Wed 9:00 -10:30 am (Economics 112)

Sieuward Gaastra [sgaastra@ucsd.edu](mailto:sgaastra@ucsd.edu)  
Office Hours: Wed 10:30 am – 12:00 pm (Economics 125)

Aniela Pietrasz [apietras@ucsd.edu](mailto:apietras@ucsd.edu)  
Office Hours: Thu 4:00 – 5:30 pm (Economics 123)

Guangming Xu [guxu@ucsd.edu](mailto:guxu@ucsd.edu)  
Office Hours: Tue 5:00 – 6:30 pm (Sequoiah Hall 225)

Wei You [wyou@ucsd.edu](mailto:wyou@ucsd.edu)  
Office Hours: Mon 9:30 – 11:00 am (Economics 119)

**Discussion Sections**

Wednesday 8:00 – 8:50 pm, Center Hall 101  
Wednesday 9:00 – 9:50 pm, Center Hall 101

**Econ 120C - Econometrics C**

**Course Description**

The objective of Econ 120C is to provide you 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, 2<sup>nd</sup> edition (2007), Pearson/Addison-Wesley. Chapters to be covered: 8, 10, 11, 12, and part of 14 and 15.

Required Software: The software for this course is STATA ([www.stata.com](http://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 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 \$65 from <http://www.stata.com/order/new/edu/gradplans/gp-direct.html>. Small STATA is not adequate due to its inability to handle large datasets.

Optional Texts on Using STATA: “Statistics with STATA (updated for Version 10)” by Lawrence Hamilton (2009), Cengage. Websites for help on using STATA will be provided on our web page on TED.

**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 3<sup>rd</sup>.

## 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 **Tuesday, November 6<sup>th</sup>**, at lecture time. The final exam will take place on **Thursday, December 13<sup>th</sup>** from 3:00 pm to 6:00 pm 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>.

## Tentative Schedule (exams dates will not change)

Days	Topic	Textbook Chapter
Oct 2 <sup>nd</sup> – Oct 4 <sup>th</sup>	Nonlinear Regression Functions	8
Oct 9 <sup>th</sup> – Oct 11 <sup>th</sup>	Nonlinear Regression Functions Discrete Choice Models	8 11
Oct 16 <sup>th</sup> – Oct 18 <sup>th</sup>	Discrete Choice Models	11
Oct 23 <sup>rd</sup> – Oct 25 <sup>th</sup>	Discrete Choice Models Instrumental Variables Regression	11 12
Oct 30 <sup>th</sup> – Nov 1 <sup>st</sup>	Instrumental Variables Regression	12
<b>Tue Nov 6<sup>th</sup></b> Nov 8 <sup>th</sup>	<b>Midterm Examination</b> Instrumental Variables Regression	<b>8, 11, and part of 12</b> 12
Nov 13 <sup>th</sup> – Nov 15 <sup>th</sup>	Regression with Panel Data	10
Nov 20 <sup>th</sup>	Regression with Panel Data	10
Nov 27 <sup>th</sup> – Nov 29 <sup>th</sup>	Time Series Regression	14
Dec 4 <sup>th</sup> – Dec 6 <sup>th</sup>	Time Series Regression	14-15
<b>Thu Dec 13<sup>th</sup></b> <b>3:00 – 6:00 pm</b>	<b>Final Examination</b>	<b>All material covered during quarter</b>