Econ 120C, Spring 2007

Instructor: Yixiao Sun, OH 3:30-5:00pm, Thursdays

Department of Economics, UCSD

[**Goals**] [**Web Page**] [**Textbooks**] [**Software**] [**Problem Sets**] [**Examinations**] [**Grading**] [**Office Hours**]

Goals

Econ 120C is a sequel to Econ 120A and Econ 120B. The objective of the course is to provide you with knowledge of econometrics in theory and applications. By the end of the course, you should be skilled users of basic econometric methods. These methods are also widely used in business, finance, and other fields. You should be able to interpret empirical studies in ways that are interesting, enlightening, and useful. You should also be aware of potential problems with regression analysis and know how to make corrections if these problems are present.

Throughout, we will focus on both understanding and doing. The understanding will come from lectures, class discussions, and problem solving. The doing will come from extensive statistical software use. This course requires a quarter-long commitment. Econometrics is best learned by doing, and I will require you to do a fair amount of hands-on work. Successful completion of prior courses in statistics/econometrics, preferably Econ 120A and Econ 120B, is required. The mathematical prerequisites for Economics 120C are: Mathematics 10ABC or 20ABC, or their equivalence.

Web Page

The course materials will be posted on webct.ucsd.edu.

- You should be able to log into the course web site using your regular UCSD ID and password. Once you have registered for the class, you should gain access to the course website within 48 hours. Instructions can be found at the Instructional WWW Development Center; please contact them at iwdc@ucsd.edu if you have difficulties logging in or getting access to the course website.
- Please access the course web site regularly in order to keep abreast of changes.
- Throughout the quarter, I will make announcements through the mail function in WebCT. Please set up a forwarding address if you prefer to get

the announcement in your regular email account.
- You can make anonymous comments via the course webpage. I will also conduct some survey on teaching effectiveness via the WebCT system.

If you have any question regarding the grading policy, exam format or any other issues, read the course web page first. Chances are that you can find the answer there. If you can't, email me or the TA's.

Textbooks

Required:

The required text for this class is *Introduction to Econometrics,* James Stock and Mark Watson (Second Edition, Addison Wesley 2006).

Alternative Econometrics Text (for your reference):

Introductory Econometrics, Jeffrey M. Wooldridge (Southwestern: 2002). This is another widely used textbook. This book is more difficult than the one by Stock and Watson, and is recommended for students who are not afraid of challenges.

Software

We will use STATA to implement the econometric methods covered. Students have access to STATA in the following computer labs: Econ 100, ERC 116/117 and CLICS-263. I plan to host lab hours in either ERC 116 or ERC 117. The computers and facilities in ERC 116 and 117 are better than those in Econ 100. STATA is essential for problem sets. Exam questions may involve STATA outputs. Individual copies of *Small* STATA can be purchased at http://www.stata.com/order/schoollist.html for about $45.

Problem Sets

There will be four assignments, each of which will carry a weight of 5% towards the final grade. The assignments will involve both theoretical and empirical work. Group study and free discussion are encouraged. But you should submit your own answers. If you have any question on the problem sets, please ask me or TA's during our office hours. Our office hours are for you. I prefer to talk to you in person. I feel that Email is not a very efficient way to ask econometric questions. However, if you have a time conflict, feel free to drop us a line.

Problem set answers are to be turned in on time. You can hand in the homework AFTER class. Please do not come and hand it in to me whilst I am lecturing. Do not email assignments. Late solution will generally not be accepted! The lowest home work score will be dropped. The average of the rest three scores will be counted toward your final grade.

TA's or I will bring your problem sets to class. If you could not pick up your problem set in class, you can pick it up in our offices.

Examinations

There will be a mid-term exam, carrying a weight of 30%. The mid-term is planned on May 3. The <u>cumulative</u> final exam on June 11will have a 50% weight. All exams will be closed book, but you can bring ONE page (one-sided, no larger than 8.5in by 11in) of note. It must be hand-written; photo reducing and pasting is not permitted. The one-page policy also applies to the final exam. Bring a calculator (just a simple one will do, no need for scientific or business calculator). No need to bring a blue book.

There will be no make-up exams. An exception is medical absence, in which case a doctor's certificate is required. Please hand in the doctor's certificate in class or stop by my office.

I will host a review session before each exam. Time and place will be announced in class.

Grading

All grading problems must be rectified within a week from the time an exam or assignment is returned.

- Re-grading of exams may not be allowed if they were written in pencil. If you write in pencil, however, you can pick up the exam from my office, check the grading immediately, and take care of complaints before leaving the office. Please address all re-grading requests to me.
- According to a university policy, no re-grading is allowed for final exams.

The course grade will be assigned as follows. First, if the mean score of an exam (the mid-term and the final) is below 75 points, points will be added to all scores to bring the mean score to 75 points. Second, a weighted average of numerical scores will be obtained. Suppose your scores on the PS are 90, 90, 90 and 75. Your midterms and final exam scores are 80 and 85 (after possible adjustment), respectively. Then the weighted average is $90*5\%+90*5\%+90*5\%+90*5\%+80*30\%+85*50\% = 84.5$. The weights on the problem sets, midterm and final exams cannot be changed. Finally, letter grades will be assigned using the following scale:

>=90 A+	[75,80) B+	[60, 65) C+	[45 50) D
[85,90) A	[70,75) B	[55, 60) C	< 45 F
[80,85) A-	[65,70) B-	[50, 55) C-	

Note that the scale is exact. So if your score is 84.5, you will get an A-.   Grade very close to the borderline might be pushed up if the student is an active participant in class.

I will not assign letter grades on the midterm. However, you can refer to the above table to see where you stand.

The grading policy is a little bit complicated but I think it is very fair. The policy encourages students' collaboration in group studies.

Your attendance at each class (listening) and your genuine effort on the homework and exams (doing) represent the most important factors affecting your success in this class.

Office Hours

My office hours are from 3:30-5:00pm on Thursdays. If you want to stop by my office (Econ 219) at other times, please email me and make an appointment in advance. I check my email frequently.

Disabilities will be accommodated. Please refer to OSD policy on what we do to help.

http://www-senate.ucsd.edu/manual/appendices/app3.htm .

If you have any questions please feel welcome to come chat in office hours. Again, office hours are for you. You can come and ask econometric questions. You are encouraged to just stop by and introduce yourself.

[Goals] [Web Page] [Textbooks] [Software] [Problem Sets] [Examinations] [Grading] [Office Hours]