

Econ 121
Applied Econometrics
Winter 2004
Eilev S. Jansen
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Lectures/Class Meeting:

Tuesday/Thursday, 8.00am - 9:20am, Room 216, Student Center

First week of term:

Introductory lecture Tuesday 6 January 8.00am - 9:20am, Room 216, Student Center.

Introduction to the software package PCGive in the Computer Lab Econ 100, Economics Building. Due to space shortage, class is divided in two groups

Group 1 Thursday 8 January 8.00 am – 10.00 am

Group 2 Friday 9 January 5.00 pm – 7 pm.

Teaching Assistants:

Kevin Shephard (ksheppar@weber.ucsd.edu); web page:

<http://www.kevinsheppard.com>

Office Hours:

Prof. Jansen (Room 221): Tuesday 2.00 pm – 4.00 pm; or by appointment

Kevin Shephard (Room 117): Wednesday 8.00-10.00 am

Textbook:

"An introduction to Applied Econometrics: A Time Series Approach" by Kerry Patterson, Palgrave.

Grading:

The course grade will use the following weights:

	Without project	With project
Home assignments (2)	10 %	7% (10%)
Midterm	40 %	28% (40%)
Final exam	50 %	35 % (50%)
Optional project *)	-	30 % (0%)

*) only counting if including the grade of the project *improves* the student's course grade.

Econ 121 Project:

Tba

Examination:

Examinations will be closed book*) for midterm and open books (and notes) for final.

Mid-Term Examination: Thursday, 12 February 2004 in class.

Final Examination: tba (3 hours)

NOTE: NO ALTERNATIVE TIME WILL BE POSSIBLE

*) You can bring ONE piece of paper (letter-sized, no larger than 8.5in by 11in) of note. It must be hand-written; photo reducing and pasting is not permitted.

Course Objectives:

The application of econometric methods to economic time series: Emphasis will be on what constitutes a well-specified dynamic model and how to use econometric software in order to obtain such models.

Course Content:

A. Basic concepts.

B. Inference, Hypothesis testing and Evaluation.

C. Stationary and non-stationary economic time series. Unit root testing.

D. Cointegration (single equation analysis). Error-Correction Models.

E. Case studies: conditional models for money demand and consumption

Miscellaneous:

Lecture notes for A-D will be put on this website (after each block is finished)

First two weeks' assignment is to do the tutorial for PCGive.

First ordinary home assignment is due end of week 4, the second is due end of week 7

And the project will have a deadline end of week 10.

Reading list/Downloadable paper:

Most of the references are available from Reserves at the Geisel Library, many of them will be scanned and downloadable on electronic form at <http://reserve.ucsd.edu/> (search for Jansen or Econ121). The complete reading list and the link to Reserves are found on the front page,

Some references are put on the main course page. So far, these have been posted there.

Background papers for first lecture (6 January):

Jansen(2002a): Statistical issues

Johansen(2002): Discussion

Jansen(2002b): Reply

Background paper for money demand in UK:

Ericsson(1998)

Background paper for private consumption Norway:

Eitrheim et al. (2002):

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