

Portland State University  
Department of Economics  
Fall 2009

**EC469: INTRODUCTION TO ECONOMETRICS**

“The things we have to learn before we do them, we learn by doing them.”  
(Aristotle)

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**Class Meetings: CLY 201**  
TH: 10:00 - 11:50 am  
**Office Hours\***  
W: 11:30 am – 1:00 pm  
\*By Appointment

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### Syllabus

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<b>Objectives</b>	The objectives of this course are for the student to: <ul style="list-style-type: none"><li>◆ Gain an understanding of the process of econometrics;</li><li>◆ Gain an appreciation of the application of statistical and econometric methods to economic problems;</li><li>◆ Gain a working knowledge of elementary statistics and regression analysis;</li><li>◆ Gain an understanding of the use of computers in the estimation econometric models.</li></ul>
<b>Text Software</b>	A. H. Studenmund, "Using Econometrics: A Practical Guide and Eviews", 5 <sup>th</sup> edition (ISBN: 0-321-36926-2).
<b>Prerequisites</b>	EC 201, EC202; MTH 251, STAT 243, STAT 244
<b>Assignments and Exams</b>	Graded components and their relative weights are as follows: <ul style="list-style-type: none"><li>◆ <i>Four homework assignments, each worth 15%, will count toward 60% of your course grade. Assignments will be handed out a week in advance of the due date (see "Tentative Schedule" section). <u>Homework assignments must be typed out (where applicable, equations can be neatly written in. Points will be deducted for any illegible portion of a homework assignment. Failure to show work will also result in point deduction – remember to always show your work!).</u></i></li><li>◆ <i>The midterm exam is worth 20% of your course grade.</i></li><li>◆ <i>The final exam is worth 20% of your course grade.</i></li></ul>

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- Lab Sessions**
- ◆ Class will meet in a computer lab (NH 450) three times throughout the term as outlined in the tentative schedule below.
  - ◆ Your text book comes bundled with the econometrics software *Eviews*. Please bring your Eviews CD to lab sessions. **Remember to always take your Eviews CD with you before you leave any campus lab.**

**Class Meetings in NH 450 Computer Lab – Summary for Fall 2009**

<b>Date</b>	<b>Week Day</b>	<b>Time</b>	<b>Topic</b>
Oct. 13, 2009	<i>Tuesday</i>	<i>10:00 am – 11:50 am</i>	<i>Introduction to Eviews</i>
Nov. 10, 2009	<i>Tuesday</i>	<i>10:00 am – 11:50 am</i>	<i>Multivariate Regressions - OLS</i>
Nov. 24, 2009	<i>Tuesday</i>	<i>10:00 am – 11:50 am</i>	<i>Prediction and Multicollinearity</i>

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- Policies**
- ◆ Exams cannot be rescheduled. Please DO NOT enroll in this course unless you can take the exams at their scheduled times (see “Tentative Schedule” section). The only exceptions to this rule are: (i) documented medical emergencies; and (ii) absence due to active military, police, and/or jury duty (need letter from the appropriate official).
  - ◆ If you arrive more than 20 minutes after the time an exam is scheduled to begin, you will not be allowed to take that exam.
  - ◆ Concerns and questions related to graded components in this class need to be resolved within a week from the date the assignment (or exam) in question has been graded and returned.
  - ◆ Improving your grade through “extra work” is not an option in this class! In addition, an Incomplete (letter grade “I”) or a Withdrawal (letter grade “W”) is not to be viewed as a substitute for an “F”.
  - ◆ Students with documented learning disabilities or special needs, must contact me at least a week in advance of scheduled exams if use of the Testing Center’s facilities is required. It is the student’s responsibility to arrange for accommodations through the Testing Center and provide me with the appropriate documentation in the beginning of the semester.
  - ◆ Familiarize yourself with PSU academic honesty policies. Minimum penalty for academic dishonesty in this class will be letter grade “F” for the assignment or exam in question.
  - ◆ Turn off your cellular phone, beeper, pager, or any other communication device/PDA that may disturb, disrupt, or in any way impede the learning process during class meetings.
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## Tentative Schedule

<b>Week One</b> 09/28/09 - 10/02/09	<ul style="list-style-type: none"> <li>◆ Regression Analysis – Overview and Use (Chapters 1 and 3)</li> <li>◆ <i>Recommended reading: Statistical Principles (Chapter 16)</i></li> </ul>
<b>Week Two</b> 10/05/09 - 10/09/09	<ul style="list-style-type: none"> <li>◆ Regression Analysis – Overview and Use (Chapters 1, 3, and 16)</li> <li>◆ <b><u>Homework No. 1 DUE in class Thursday, October 8, 2009.</u></b></li> </ul>
<b>Week Three</b> 10/12/09 - 10/16/09	<ul style="list-style-type: none"> <li>◆ Ordinary Least Squares (Chapters 2 and 16)</li> <li>◆ <u>Introduction to E-views: Tuesday, October 13, 2009, NH 450</u></li> </ul>
<b>Week Four</b> 10/19/09 - 10/23/09	<ul style="list-style-type: none"> <li>◆ The Classical Model (Chapters 4 and 16)</li> <li>◆ <b><u>Homework No. 2 DUE in class – Thursday, October 22, 2009</u></b></li> </ul>
<b>Week Five</b> 10/26/09 - 10/30/09	<ul style="list-style-type: none"> <li>◆ The Classical Model (Chapters 4 and 16)</li> <li>◆ <b>MIDTERM EXAM – Thursday, October 29, 2009</b></li> </ul>
<b>Week Six</b> 11/02/09 - 11/06/09	<ul style="list-style-type: none"> <li>◆ Hypothesis Testing (Chapter 5)</li> </ul>
<b>Week Seven</b> 11/09/09 - 11/13/09	<ul style="list-style-type: none"> <li>◆ Specification: Choosing the Independent Variables (Chapter 6)</li> <li>◆ <u>Multivariate Regression Analysis - OLS: Tuesday, November 10, 2009, NH450</u></li> </ul>
<b>Week Eight</b> 11/16/09 - 11/20/09	<ul style="list-style-type: none"> <li>◆ Multicollinearity (Chapter 8)</li> <li>◆ <b><u>Homework No. 3 DUE in class - Thursday, November 19, 2009</u></b></li> </ul>
<b>Week Nine</b> 11/23/09 - 11/27/09	<ul style="list-style-type: none"> <li>◆ Serial Correlation (Chapter 9)</li> <li>◆ <u>Prediction and Multicollinearity: Tuesday, November 24, 2009, NH450</u></li> <li>◆ <b>No class on November 26, 2009 – Happy Thanksgiving!</b></li> </ul>
<b>Week Ten</b> 11/30/09 - 12/04/09	<ul style="list-style-type: none"> <li>◆ Heteroscedasticity (Chapter 10)</li> <li>◆ <b><u>Homework No. 4 DUE in class – Thursday, December 3, 2009</u></b></li> </ul>
<b>Finals Week</b> 12/07/09 - 12/11/09	<ul style="list-style-type: none"> <li>◆ <b>FINAL – Tuesday, December 8, 2009 (10:15 am - 12:05 pm).</b> <i>Note: The final will NOT be comprehensive. It will include all material covered since the midterm exam.</i></li> </ul>