

Economics 570, Section 003
Introduction to Econometrics
Course Syllabus for Fall 2015

Section 002:

Course Time: Tuesdays and Thursdays, 11h00am-12h15pm

Course Room: GA 309

Section 003:

Course Time: Tuesdays and Thursdays, 9h30am-10h45am

Course Room: GA 009

Instructor

Valentin Verdier

Office: Gardner 208B

Office Hour: Tuesday 4h30-5h30pm and by appointment

Course Website: Sakai

E-mail: vverdier@email.unc.edu

Textbook

Introductory Econometrics, 4th or 5th edition, Jeffrey Wooldridge, Thomson SouthWestern 2009

Course Objectives

Econometrics is the name of the quantitative methods used to answer questions originated from economic theory using economic data that document the behavior of economic agents or the history of objects of interest to economists (GDP, stock prices,...). Econometrics has generated a huge amount of research over the last decades, hence it is not possible to overview the entire field in a semester. However, one of the goals of this course is to equip students with enough knowledge so that they can answer in a simple but informative way empirical questions they will face in academic or professional settings.

The other objective of this course is to lay the foundations for further training in econometrics, either at your future job or in more advanced courses.

Thus this course will try to balance theory and applications. Both of these are complementary and **require a lot of practice**. This is a technical course,

and the key to success is to read the textbook to fully grasp the material and to practice as much as possible using the problem sets and the exercises at the end of the chapters.

Course Requirements

There will be five or six problem sets. There will also be a midterm exam, a final exam and a short test after the mathematics and statistics review is over. All exams will be in-class and closed book.

Dates for the exams will be announced during lecture as they will depend on how much time is spent on the Math and Stats review. The test on the Math and Stats review will occur as soon as the review is over. The midterm will occur as soon as Part 1 of the syllabus is over.

The grades will be weighted as following:

15% Problem sets

10% Test on review

37.5% Midterm

37.5% Final

The final grade will be determined by the following table:

Final Grade	From	To
4.0	95.00%	100%
3.7	90.00%	94.99%
3.3	84.92%	89.99%
3.0	81.67%	84.91%
2.7	78.42%	81.66%
2.3	74.08%	78.41%
2.0	70.83%	74.07%
1.7	67.58%	70.82%
1.3	63.25%	67.57%
1.0	60.00%	63.24%
0.0	0.00%	59.99%

Prerequisites

Econ 101 and 400

Academic Integrity

This course will be consistent with university policies, see

<https://studentconduct.unc.edu>.

Additional notes

Please feel free to contact me with any question or concern you might have.

Students who require accommodation for a disability should contact me as soon as possible to set up arrangements.

Course outline and Reading List

Introduction

Chapter 1

Mathematics and Statistics review

Appendices A, B and C

Part 1: Econometrics with cross-sectional data

Simple regression

Chapter 2

Multiple regression: Estimation

Chapter 3

Multiple regression: Inference

Chapter 4

Part 2: Econometrics with panel data

Pooling cross sections across time

13.1, 13.2

Simple solutions to unobserved heterogeneity

13.3, 13.4, 13.5

Measuring positive externalities from Lojack

Paper will be posted on Sakai

Part 3: Additional topics on multiple regression

6.1, 6.2, 6.4, 7.1, 7.2, 7.3, 7.4, 7.6

Part 4: Asymptotic Theory and Inference

Weak laws of large numbers and central limit theorems

Inference without normality in regression analysis

5.1, 5.2

Inference with heteroscedasticity

8.1, 8.2

Inference without random sampling

1. Panel Data

2. Time Series (if time permits)