Economics 570
Introduction to Econometrics
Course Syllabus for Spring 2017

Course Time: Tuesdays and Thursdays, 12h30pm-1h45pm
Course Room: Graham Memorial - Room 0035

Instructor
Valentin Verdier
Office: Gardner 208B
Office Hour: Thursday 9h50am-10h50am and by appointment
Course Website: Sakai
E-mail: vverdier@email.unc.edu

Textbook
Introductory Econometrics, 4th or 5th edition, Jeffrey Wooldridge, Thomson SouthWestern 2009 or 2012

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 cover the entire field (or even a significant portion of it) 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. Finally there will also be a term paper due during the last week of classes.

The grades will be weighted as following:
10% Problem sets
10% Term paper
10% Test on review
35% Midterm
35% Final

The final grade will be determined by the following table:

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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 Lojjack
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)